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Ratings

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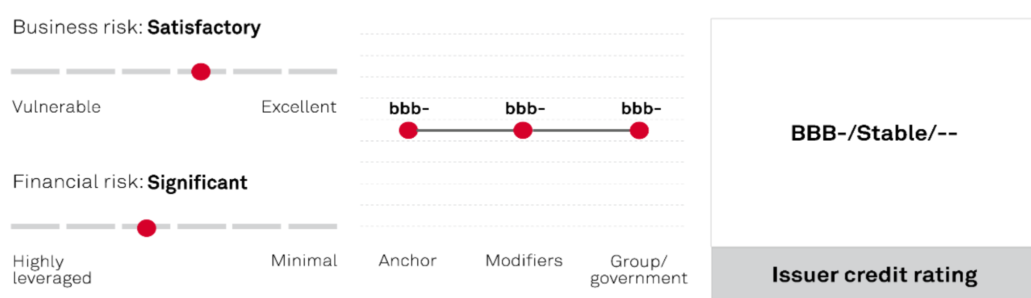
Bharti Airtel Ltd.

July 17, 2024

Ratings Score Snapshot



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Credit Highlights

Overview

Key strengths	Key risks
Second-largest mobile operator by revenue share in India.	Currency-induced weakness in African operations.
Good geographical diversity of business through its African operations.	High competition, although increasingly rational, in India's mobile market.
Strong access to capital markets, demonstrated by multiple successful capital-raising activities.	

Bharti Airtel Ltd.'s domestic earnings are set for the next phase of repair. The company has, along with the other two top Indian telecom companies (telcos), hiked its tariffs in July 2024. Bharti Airtel's mobile plan prices are up 10%-21%. We expect most of the impact of the tariff hike to materialize within the next two quarters as existing plans play out their remaining validity periods.

In our view, the telcos will likely lose some subscribers after the tariff hike because the higher costs will push some consumers carrying multiple SIMs to trim their plans. But trading down to lower-priced plans will be minimal once consumers get used to the higher prices, as data consumption habits are sticky. We project the tariff hikes alone will add at least 5% to Bharti

Airtel's EBITDA in fiscal 2025 (year ending March 31, 2025) and at least 10% in fiscal 2026, as compared with our previous projections.

Currency-induced weakness in Bharti Airtel's African operations will weigh on earnings from that region. Reported EBITDA from Africa could contract by about 20% in fiscal 2025 in Indian rupee (INR) terms. Africa contributed to a quarter of Bharti Airtel's reported EBITDA in fiscal 2024. The Nigerian naira--Nigeria being the telco's largest contributor in Africa--is now about 30% of what it was against the rupee 18 months ago.

We expect deleveraging to continue. With a nationwide 5G network rollout complete, we project Bharti Airtel's annual cash capital expenditure (capex) will be 4%-7% lower through fiscal 2026, compared with INR382 billion in fiscal 2024.

The strengthening EBITDA and easing capex will boost Bharti Airtel's credit metrics in fiscal 2025. We project the company's ratio of funds from operations (FFO) to debt will be 28%-32% during the year, compared with our estimate of 26% for fiscal 2024.

Outlook

The stable outlook for the next 24 months reflects our view that Bharti Airtel will actively manage its leverage such that its FFO-to-debt ratio will stay well above 20% on a sustained basis. We also expect the company to maintain its competitive position.

Downside scenario

We may lower the rating if Bharti Airtel's leverage rises to the point where we don't expect the FFO-to-debt ratio to stay above 20% sustainably. This may happen due to: the company undertaking debt-funded investments and capex beyond our expectations; its profitability falling below our current forecasts; or the company incurring unforeseen material regulatory costs.

A negative rating action on our sovereign credit rating on India could also result in a downgrade of Bharti Airtel.

Upside scenario

We view the prospects of an upgrade as less likely. An upgrade would likely be contingent on a similar action on the sovereign rating of India.

We may revise upward our assessment of Bharti Airtel's stand-alone credit profile if regulatory uncertainty in India substantially diminishes, or if we expect the company to significantly deleverage such that its ratio of FFO to debt remains above 30%.

Our Base-Case Scenario

Assumptions
• India's real GDP to grow 6.8% in fiscal 2024 and 6.9% in fiscal 2025. Real GDP growth in Nigeria, Bharti Airtel's largest contributor country in Africa, to be 3.0% in 2024 and 3.3% in 2025.

- The performance of the telecommunications sector is moderately linked to GDP growth. We believe local competitive dynamics and the regulatory landscape play a bigger role in Bharti Airtel's performance in its respective markets.
- Bharti Airtel's adjusted revenue to rise 4%-6% in fiscal 2025 and by 10%-12% in fiscal 2026. We expect revenues from India to increase by 13%-16% annually in fiscals 2025 and 2026. While this will be mainly driven by the Indian mobile segment, we project earnings growth across all other segments in India. Overall topline growth, however, is weighed down by currency-driven declines in the African operations.
- Strong topline growth to lead an improvement in the company's adjusted EBITDA margin to 56%-59% through fiscal 2025. Within adjusted EBITDA, we have also considered a recovery in cash dividends from Bharti Airtel's tower joint venture (JV), Indus Towers Ltd., in fiscal 2025, after the JV was weighed down by high capex in fiscal 2024.
- Annual cash capex to be INR350 billion-INR370 billion through fiscal 2025.
- Annual dividend payout to be INR50 billion-INR60 billion.

Key metrics

Bharti Airtel Ltd.--Forecast summary

Period ending	Mar-31-2022	Mar-31-2023	Mar-31-2024	Mar-31-2025	Mar-31-2026
(Bil. INR)	2021a	2022a	2023e	2024f	2025f
Revenue	1,165	1,391	1,500	1,570	1,750
EBITDA	598	751	810	890	1,020
Funds from operations (FFO)	430	620	630	710	820
Debt	1,995	2,541	2,470	2,350	2,150
Adjusted ratios					
Debt/EBITDA (x)	3.3	3.4	3.1	2.5-2.8	< 2.5
FFO/debt (%)	21.6	24.4	26	28-32	> 30
Annual revenue growth (%)	15.8	19.4	7.8	4-6	10-12
EBITDA margin (%)	51.3	54.0	54.0	56-58	57-59

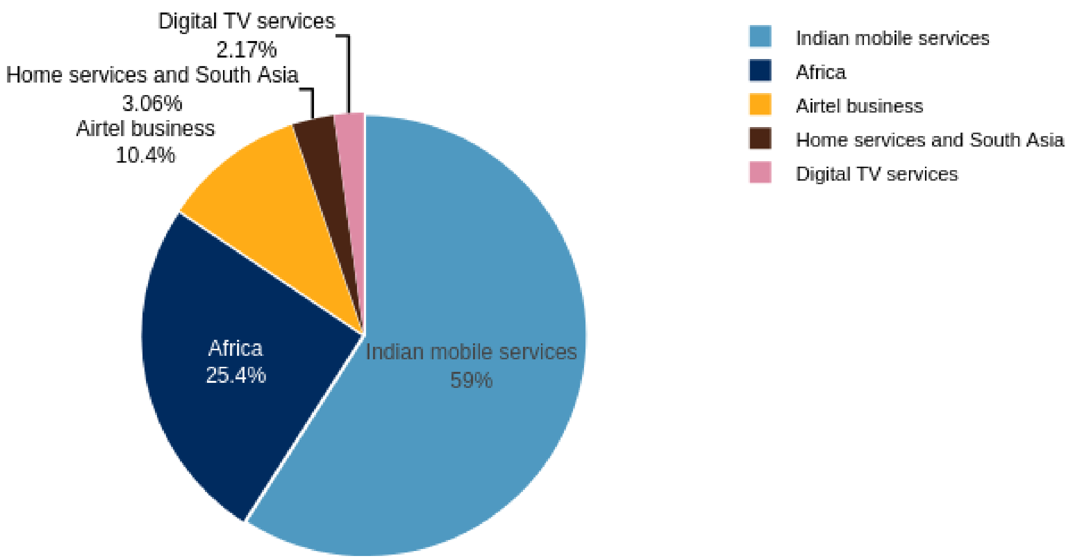
All figures are adjusted by S&P Global Ratings, unless stated as reported. Note: Fiscal 2024 figures remain an estimate because while they are based on the full-year actual results, the results lack some granular information that can only be found in the full financial statements. Projections in the forecast summary reflect the mid-point of our projection range. a--Actual. e--Estimate. f--Forecast. INR--Indian rupee.

Company Description

Bharti Airtel is the second-largest provider of telecom services in India. The company has a diversified presence in 15 countries across Asia and Africa. In addition, it has a JV in Bangladesh. Bharti Airtel completed the sale of its Sri Lanka operations--which accounted for less than 1% of the group's revenues in fiscal 2024--in June 2024. The promoter group, the India-based Mittal family, and Singapore Telecommunications Ltd. (Singtel), jointly own 53.49% of Bharti Airtel as of March 31, 2024.

Indian mobile segment still dominates Bharti Airtel's EBITDA

Bharti Airtel's fiscal 2024 reported EBITDA (before intersegment eliminations)



Sources: Company's filings, S&P Global Ratings.

Peer Comparison

We consider Reliance Industries Ltd. (RIL) as Bharti Airtel's peer. While RIL has non-telco segments such as energy and retail, its subsidiary Reliance Jio Infocomm Ltd. operates in the Indian telecom market--Reliance Jio and Bharti Airtel are the country's top two telcos. We also view Axiata Group Bhd. and Singtel as Bharti Airtel's peers because they operate in more than one country, just like Bharti Airtel.

Bharti Airtel's market share in the Indian mobile sector is slightly behind Reliance Jio's. It had 33.1% of wireless subscriber market share in India, as compared with Reliance Jio's 40.3%, as of March 31, 2024. Both companies have gained market share in the past year, benefitting from subscriber churn at third-placed telco Vodafone Idea Ltd.

In the telecommunications segment alone, Bharti Airtel is more geographically diversified as compared with RIL. But RIL's business diversity, with substantial contributions from energy and retail, means its overall earnings are more defensive against industry-specific risks.

Bharti Airtel is much larger in size than the pure-telco peers in terms of revenue and EBITDA. This is because of the large regions in which it operates. The company had a combined customer base of 562 million as of March 31, 2024. It is also the most geographically diversified, with operations in 15 countries. In contrast, Singtel operates in two main markets--Singapore and Australia--whereas Axiata operates in four main markets (excluding Malaysia).

The emerging markets in which Bharti Airtel and Axiata operate provide more earnings growth prospects, but also have more economic, regulatory and political risks.

Bharti Airtel is more leveraged than its peers. This predominantly reflects the company's high cost to acquire spectrum, as well as capital intensity of its 4G and 5G rollouts in the past. The higher leverage also reflects Bharti Airtel's higher regulatory risk; the company had made several provisions over the past few years relating to regulatory issues. We add such provisions to Bharti Airtel's adjusted debt. However, Bharti Airtel's leverage gap with the peer group is set to diminish. This derives support from the company's rising earnings and strong cash flow.

Bharti Airtel Ltd.--Peer Comparisons

	Bharti Airtel Ltd.	Reliance Industries Ltd.	Axiata Group Bhd.	Singapore Telecommunications Ltd.
Foreign currency issuer credit rating	BBB-/Stable/--	BBB+/Stable/--	BBB/Stable/--	A/Stable/A-1
Local currency issuer credit rating	BBB-/Stable/--	BBB+/Stable/--	BBB/Stable/--	A/Stable/A-1
Period	Annual	Annual	Annual	Annual
Period ending	2023-03-31	2023-03-31	2023-12-31	2023-03-31
Bil.	INR	INR	INR	INR
Revenue	1,391	8,913	399	899
EBITDA	751	1,423	184	314
Funds from operations (FFO)	620	1,055	130	271
Interest	170	280	41	27
Cash interest paid	94	305	42	25
Operating cash flow (OCF)	600	957	157	294
Capital expenditure	246	1,322	132	134
Free operating cash flow (FOCF)	354	(365)	25	161
Discretionary cash flow (DCF)	321	(416)	(12)	36
Cash and short-term investments	99	1,870	81	193
Gross available cash	99	1,870	81	193
Debt	2,541	2,857	614	478
Equity	1,011	8,289	512	1,553
EBITDA margin (%)	54.0	16.0	46.1	35.0
Return on capital (%)	11.7	10.5	5.3	8.0
EBITDA interest coverage (x)	4.4	5.1	4.5	11.7
FFO cash interest coverage (x)	7.6	4.5	4.1	11.8
Debt/EBITDA (x)	3.4	2.0	3.3	1.5
FFO/debt (%)	24.4	36.9	21.2	56.7
OCF/debt (%)	23.6	33.5	25.6	61.6
FOCF/debt (%)	14.0	(12.8)	4.1	33.6
DCF/debt (%)	12.6	(14.6)	(2.0)	7.5

Business Risk

Bharti Airtel's good market position as well as better business and geographical diversity than peers underpin its business profile. The company has maintained a firm foothold as the second-largest player in the Indian mobile market and has seen its segmental performance improving. We expect Bharti Airtel's non-wireless Indian business, mainly comprising enterprise, direct-to-home, and fiber-to-home services, to continue to account for about 15% of reported EBITDA over the next two years. These business segments have seen good traction, with increasing digitalization.

The company's African operations also continue to be solid fundamentally. The expansion of Bharti Airtel's customer base in Africa, demand for data, greater adoption of digital wallets, and increasing voice revenues drive this assessment. The company's African operations also benefit from better access to technology, expertise, and more cost-effective procurement, compared with stand-alone peers. We anticipate the African operations--which are spread across 14 countries--will contribute close to 20% to the Bharti Airtel's reported EBITDA over the next two years. This is down from 25% in fiscal 2024 as earnings from that segment face currency-induced weakness.

Bharti Airtel's revenue market share in India will remain resilient on the back of continued network investments. The company and market leader Reliance Jio have gained market share in the past few years, benefitting from subscriber churn at Vodafone Idea. Bharti Airtel's spectrum portfolio, together with its rollout of 5G network nationwide, will support its market position.

In our view, Bharti Airtel's choice to deploy 5G on a non-stand-alone model will not disadvantage it for now. This is despite Reliance Jio deploying 5G on a stand-alone model. We view the stand-alone model as necessary to unlock the fully fledged capabilities of 5G and meaningful monetization opportunities that lie with 5G industrial use cases. However, these use cases remain some time away. Therefore, either deployment model would confer the same benefits now--the ability to offer faster mobile connections and fixed-wireless access.

The Indian telecommunications sector is set for the next phase of market repair. Bharti Airtel has raised its mobile plan prices by 10%-21% in July 2024. This tariff hike came after Reliance Jio raised tariffs by a similar extent and was followed by Vodafone Idea. The previous across-the-board tariff hike was in November 2021.

We believe that Bharti Airtel and Reliance Jio may now focus on improving returns, instead of markets share gains. All else equal, we estimate that an every INR10 increase in average revenue per user (ARPU) will translate into an annual EBITDA boost of INR25 billion-plus for Bharti Airtel.

We believe the telcos will immediately lose some subscribers after hiking tariffs because the higher cost will push some consumers to consolidate multiple SIMs. However, trading down to lower-priced plans will be minimal once consumers get used to the higher tariffs, as data consumption habits are sticky. Monthly data usage per customer, as disclosed by Bharti Airtel, was 22.6 gigabyte (GB) in the quarter ended March 31, 2024. This is up 11% from 20.3 GB a year ago, or 38% from three years ago.

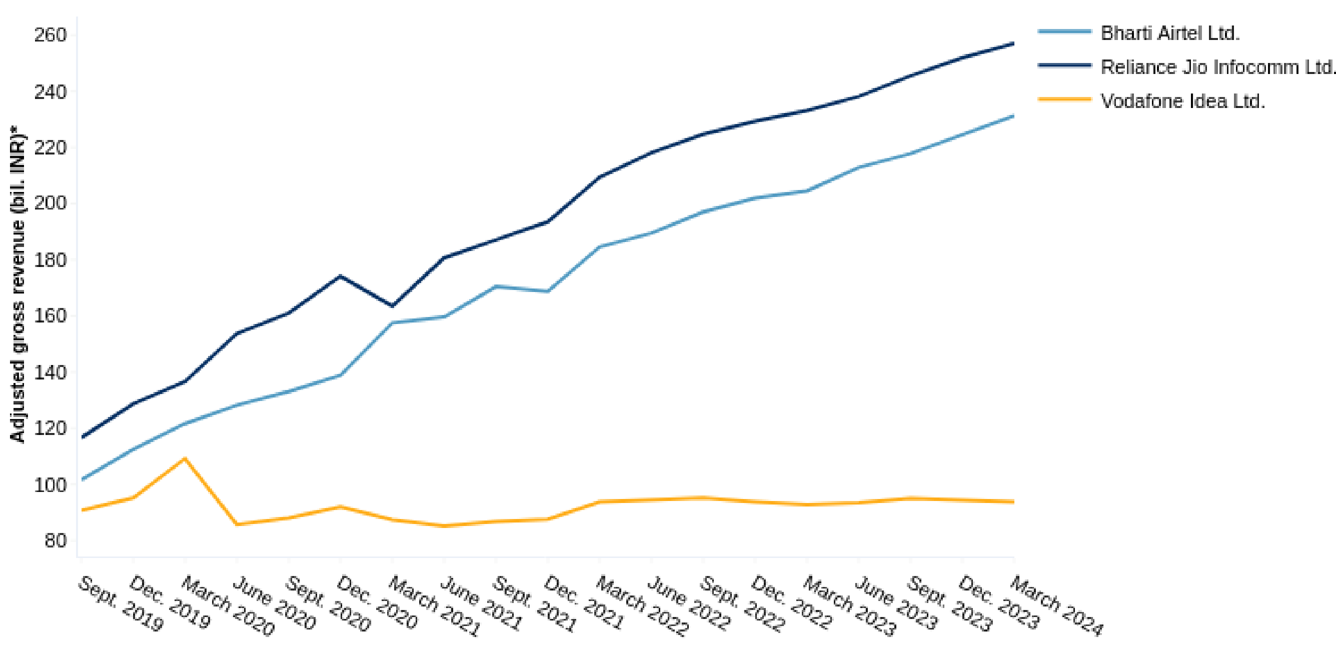
The company's earnings growth is likely to pick up in the second half of fiscal 2025. Bharti Airtel's reported EBITDA rose 10% to INR790 billion in fiscal 2024. While the growth rate is healthy, it has slowed from the average of 25% between fiscals 2021 and 2023. We expect most of the impact of the mobile tariff hikes in India to materialize over the next two quarters, as existing plans play out their remaining validity periods.

We expect Bharti Airtel's reported EBITDA to grow by 7%-10% in fiscal 2025, and 12%-15% in fiscal 2026. The slower growth in fiscal 2025 considers the currency depreciation in Africa and also that the full-year impact of tariff hikes will be realized only in fiscal 2026.

In our view, Bharti Airtel faces higher risks than peers. This is because the markets in which the company operates have greater regulatory and economic risks. For example, the Nigerian naira is now about 30% of what it was against the rupee 18 months ago. In India, a key regulatory shock for telcos was the 2019 ruling by the Supreme Court on the calculation of levies paid to the Department of Telecommunications of India (DoT). Unresolved amounts remain with regard to other regulatory matters, such as DoT's demand in relation to a one-time spectrum charge.

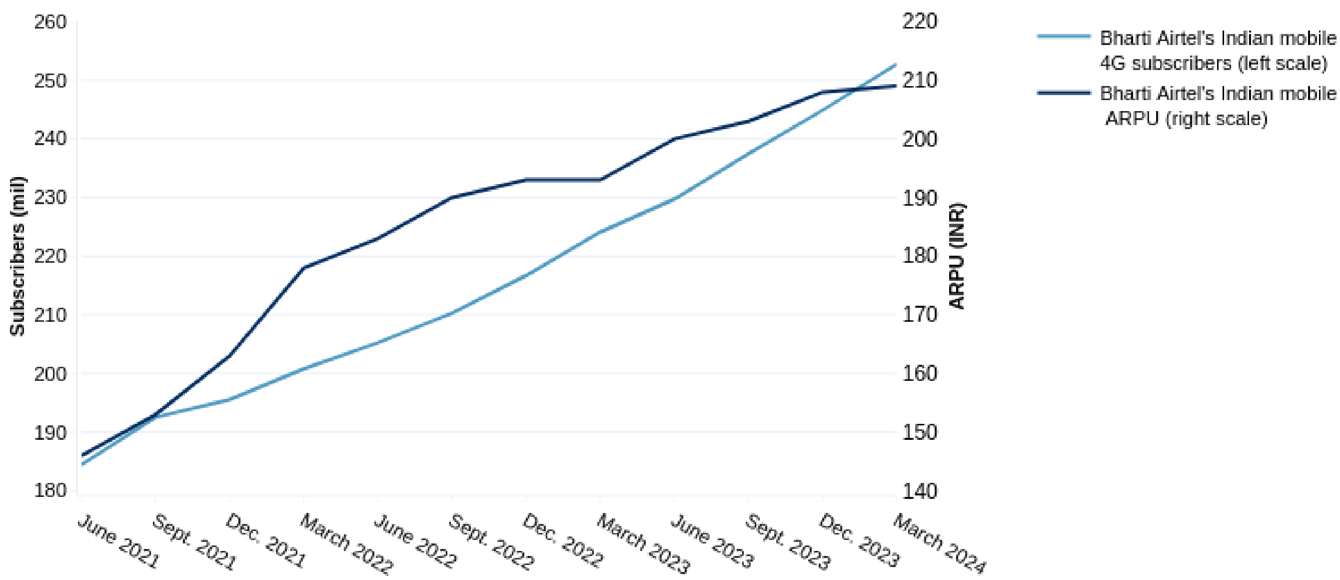
That said, the regulatory stance appears to have softened in the past three years. The government approved a relief package for the telecom sector in September 2021. Among the reforms in the package were reductions to levies to be paid to the government by telcos on their revenue, removal of spectrum sharing fee, and a four-year moratorium on payment of statutory dues by telcos. The government also abolished spectrum usage charges on airwaves bought in the August 2022 auction.

Revenue has been rising for the top two Indian telcos



*Inclusive of national long distance. INR--Indian rupee. Sources: Telecom Regulatory Authority of India, S&P Global Ratings.

Bharti Airtel's tariff hike will likely boost its slowing ARPU growth



ARPU--Average revenue per user. INR--Indian rupee. Source: Company's filings, S&P Global Ratings.

Financial Risk

Bharti Airtel's leverage should continue to improve. Rising earnings, along with easing capex, will allow the company to further solidify its credit metrics. We estimate its ratio of FFO to debt will rise to 28%-32% in fiscal 2025. This ratio has significantly improved from a low of 12.8% in fiscal 2020, when intense competition eroded Bharti Airtel's earnings and demands from regulatory matters weighed down its leverage.

Bharti Airtel's capex is likely to ease slightly in fiscals 2025-2026, after it peaked in fiscal 2024 to support a pan-India 5G network rollout. The telco has shifted all capacity investments to 5G from 4G, easing its wireless capex. Continued capex into fast-growing home and enterprise segments in India, as well as the African operations, will prevent a steeper decline in capital investment. We expect cash capex to be INR350 billion-INR370 billion annually over the projection period, against INR382 billion in fiscal 2024.

In our view, Bharti Airtel is unlikely to further pour significantly more resources to acquire more spectrum licenses for the next 18-24 months at least, until more returns can be reaped from 5G. The company had bought licenses worth INR431 billion in the August 2022 spectrum auction and spent a much-lower INR69 billion in the June 2024 auction.

We believe Bharti Airtel's management is committed to maintaining its financial profile. The company has maintained its stance on deleveraging, aiming to pare debt before increasing shareholder returns.

Bharti Airtel has tackled pressure on its leverage in the past. The company announced a rights issue of up to INR210 billion in September 2021. We believe this was to build financial capacity ahead of the 5G investments. Proceeds from the first 25% installment were received in fiscal 2022.

Bharti Airtel has other options to manage its leverage, which our base case currently does not assume. These include asset monetization, including listed assets such as Indus Towers, in which Bharti Airtel's stake has a market value of about INR500 billion.

Bharti Airtel has also shown an ability to attract fresh capital. This serves as another leverage-management tool. The company had investor support even during periods of weakness, such as during fiscal 2020 when Bharti Airtel raised equity to repair its balance sheet after making provisions for a lawsuit over adjusted gross revenue (AGR) dues to the telecom regulator. The company has since reiterated its ability to attract fresh equity, with Google LLC declaring an intention to invest up to US$1 billion in Bharti Airtel in 2022.

Debt maturities

Bharti Airtel Ltd.-- Debt Maturities*

	Amount (Bil. INR)
Fiscal 2025	209.5
Beyond fiscal 2025	1,309.6

* As of March 31, 2024. Fiscal year ending March 31.

Bharti Airtel Ltd.--Financial Summary

Period ending	Mar-31-2018	Mar-31-2019	Mar-31-2020	Mar-31-2021	Mar-31-2022	Mar-31-2023
Reporting period	2017a	2018a	2019a	2020a	2021a	2022a
Display currency (bil.)	INR	INR	INR	INR	INR	INR
Revenues	837	808	847	1,006	1,165	1,391
EBITDA	370	340	350	500	598	751
Funds from operations (FFO)	288	228	204	394	430	620
Interest expense	111	115	122	137	147	170
Cash interest paid	69	100	123	84	146	94
Operating cash flow (OCF)	313	194	84	447	430	600
Capital expenditure	243	260	189	248	262	246
Free operating cash flow (FOCF)	71	(65)	(105)	199	167	354
Discretionary cash flow (DCF)	38	(118)	(123)	174	155	321
Cash and short-term investments	120	109	250	106	61	99
Gross available cash	120	128	291	141	61	99
Debt	1,343	1,539	1,603	1,995	1,995	2,541
Common equity	783	849	986	759	866	1,011
Adjusted ratios						
EBITDA margin (%)	44.3	42.1	41.3	49.7	51.3	54.0
Return on capital (%)	6.6	3.3	3.0	6.5	9.9	11.7
EBITDA interest coverage (x)	3.3	3.0	2.9	3.6	4.1	4.4

Bharti Airtel Ltd.--Financial Summary

FFO cash interest coverage (x)	5.2	3.3	2.7	5.7	3.9	7.6
Debt/EBITDA (x)	3.6	4.5	4.6	4.0	3.3	3.4
FFO/debt (%)	21.4	14.8	12.7	19.8	21.6	24.4
OCF/debt (%)	23.3	12.6	5.2	22.4	21.5	23.6
FOCF/debt (%)	5.3	(4.2)	(6.6)	10.0	8.4	14.0
DCF/debt (%)	2.8	(7.6)	(7.7)	8.7	7.8	12.6

Reconciliation Of Bharti Airtel Ltd. Reported Amounts With S&P Global Adjusted Amounts (Bil. INR)

	Debt	Shareholder Equity	Revenue	EBITDA	Operating income	Interest expense	S&PGR adjusted EBITDA	Operating cash flow	Dividends	Capital expenditure
Financial year	Mar-31-2023									
Company reported amounts	1,655	776	1,391	713	348	143	751	653	36	261
Cash taxes paid	-	-	-	-	-	-	(38)	-	-	-
Cash interest paid	-	-	-	-	-	-	(67)	-	-	-
Cash interest paid: other	-	-	-	-	-	-	(1)	-	-	-
Lease liabilities	605	-	-	-	-	-	-	-	-	-
Incremental lease liabilities	95	-	-	23	9	9	(9)	15	-	-
Intermediate hybrids (equity)	54	(54)	-	-	-	3	(3)	(3)	(3)	-
Postretirement benefit obligations/ deferred compensation	3	-	-	0	0	0	-	-	-	-
Accessible cash and liquid investments	(89)	-	-	-	-	-	-	-	-	-
Capitalized interest	-	-	-	-	-	15	(15)	(15)	-	(15)
Share-based compensation expense	-	-	-	1	-	-	-	-	-	-
Dividends from equity investments	-	-	-	14	-	-	-	-	-	-
Asset-retirement obligations	1	-	-	-	-	0	-	-	-	-
Nonoperating income (expense)	-	-	-	-	17	-	-	-	-	-
Reclassification of interest and dividend cash flows	-	-	-	-	-	-	-	(49)	-	-
Noncontrolling/ minority interest	-	289	-	-	-	-	-	-	-	-

Reconciliation Of Bharti Airtel Ltd. Reported Amounts With S&P Global Adjusted Amounts (Bil. INR)

	Debt	Shareholder Equity	Revenue	EBITDA	Operating income	Interest expense	S&PGR adjusted EBITDA	Operating cash flow	Dividends	Capital expenditure
Debt: Derivatives	3	-	-	-	-	-	-	-	-	-
Debt: Contingent considerations	4	-	-	-	-	-	-	-	-	-
Debt: other	210	-	-	-	-	-	-	-	-	-
D&A: other	-	-	-	-	1	-	-	-	-	-
Interest expense: other	-	-	-	-	-	1	-	-	-	-
OCF: other	-	-	-	-	-	-	-	(1)	-	-
Total adjustments	885	235	-	39	27	27	(132)	(53)	(3)	(15)
S&P Global Ratings adjusted	**Debt**	**Equity**	**Revenue**	**EBITDA**	**EBIT**	**Interest expense**	**Funds from Operations**	**Operating cash flow**	**Dividends**	**Capital expenditure**
	2,541	1,011	1,391	751	375	170	620	600	33	246

Liquidity

We assess Bharti Airtel's liquidity as adequate. We expect the company's liquidity sources to be enough to cover uses by at least 1.2x over the 12 months ending March 31, 2025. Net sources of liquidity should remain positive even if EBITDA declines by 15%.

Bharti Airtel has good access to banks and capital markets in India and abroad, as evident from its consistent capital-raising over the past three years. We also view positively management's ability and record of raising equity capital when the company faced large funding needs, such as alleviating the impact of the AGR lawsuit. Bharti Airtel's financial flexibility is also supported by its strategic relationship with, and significant ownership by, Singtel.

Principal liquidity sources

- Cash and cash equivalents of about INR70 billion as of March 31, 2024.
- Cash FFO that we project at INR610 billion-INR630 billion in the 12 months to March 31, 2025.

Principal liquidity uses

- Short-term debt maturities of about INR210 billion in the 12 months to March 31, 2025.
- Capex that we estimate at INR350 billion- INR370 billion in the 12 months to March 31, 2025. We believe Bharti Airtel can reduce capex in times of stress.
- Early repayment of INR79 billion in spectrum liabilities.
- Payment for purchase of 1% of Indus, which we estimate at INR8.5 billion.
- Cash dividends that we estimate to be INR50 billion-INR60 billion over the same period.

Covenant Analysis

Requirements

With the early repayment of Bharti Airtel's 2023 senior unsecured notes, the company is no longer subject to any financial covenants.

Environmental, Social, And Governance

ESG factors have no material influence on our credit rating analysis of Bharti Airtel. We are seeing an improvement in the Indian government's stance to support telecom operators after years of litigation and regulatory uncertainty. The reforms in September 2021 include moratoriums on regulatory dues and spectrum payments to reduce cash flow pressure on telecom operators, and enhanced predictability of spectrum auction schedule.

Issue Ratings--Subordination Risk Analysis

Capital structure

As of March 31, 2024, Bharti Airtel’s reported borrowings of INR2.2 trillion were unsecured. These include deferred payment liabilities of INR1 trillion, capitalized lease obligations of INR637 billion, senior unsecured notes issued by Bharti Airtel (US$1 billion due 2025, US$338 million of 1.5% convertible bonds due 2025, and US$750 million due 2031), and senior unsecured notes of US$550 million due 2024 issued by Bharti Airtel International (Netherlands) B.V. and guaranteed by Bharti Airtel.

Since then, the US$550 million notes have matured in May 2024. Additionally, the outstanding amount of the 1.5% convertible bond stands at about US$70 million following further conversions after March 31, 2024.

Analytical conclusions

Our issue ratings on the senior unsecured notes due 2025 and 2031 issued by Bharti Airtel are equalized with our 'BBB-' issuer credit rating on the company. That is because Bharti Airtel's assets and operations are substantially based in India. Therefore, we believe India is the relevant jurisdiction for our issuance analysis. In our view, this jurisdiction has a weak rule of law, a lack of creditor-friendly features, and a lack of consistency in the conformity of the distribution of proceeds to legal rankings of claims. Recovery prospects in the event of bankruptcy are uncertain in the country in the weak jurisdictional context.

However, we rate the perpetual securities 'BB' because we notch the rating down by one notch each for contractual subordination and unrestricted coupon deferability.

Rating Component Scores	
Foreign currency issuer credit rating	**BBB-/Stable/--**
Local currency issuer credit rating	**BBB-/Stable/--**
Business risk	**Satisfactory**
Country risk	Moderately High
Industry risk	Intermediate
Competitive position	Satisfactory
Financial risk	**Significant**
Cash flow/leverage	Significant
Anchor	**bbb-**
Diversification/portfolio effect	Neutral (no impact)
Capital structure	Neutral (no impact)
Financial policy	Neutral (no impact)
Liquidity	Adequate (no impact)
Management and governance	Neutral (no impact)
Comparable rating analysis	Neutral (no impact)
Stand-alone credit profile	**bbb-**

Related Criteria

- General Criteria: Group Rating Methodology, July 1, 2019
- General Criteria: Hybrid Capital: Methodology And Assumptions, July 1, 2019
- Criteria | Corporates | General: Corporate Methodology: Ratios And Adjustments, April 1, 2019
- Criteria | Corporates | General: Reflecting Subordination Risk In Corporate Issue Ratings, March 28, 2018
- General Criteria: Guarantee Criteria, Oct. 21, 2016
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- Criteria | Corporates | Industrials: Key Credit Factors For The Telecommunications And Cable Industry, June 23, 2014
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- General Criteria: Methodology: Industry Risk, Nov. 19, 2013
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Ratings Detail (as of July 17, 2024)*	
Bharti Airtel Ltd.	
Issuer Credit Rating	BBB-/Stable/--
Senior Unsecured	BBB-
Issuer Credit Ratings History	
09-Sep-2021	BBB-/Stable/--
06-Apr-2020	BBB-/Negative/--
31-Oct-2019	BBB-/Watch Neg/--

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings credit ratings on the global scale are comparable across countries. S&P Global Ratings credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.