

Bharti Airtel Limited

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Statement of Audited Standalone Financial Results for the quarter and six months ended September 30, 2017

(Rs. Million except per share data)

Particulars	Quarter ended			Six months ended		Year ended
	September 30, 2017	June 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016	March 31, 2017
	Audited	Audited	Audited	Audited	Audited	Audited
Income						
Revenue	139,801	145,065	164,326	284,866	327,723	622,763
Other income	719	516	475	1,235	976	1,843
	140,520	145,581	164,801	286,101	328,699	624,606
Expenses						
Network operating expenses	35,191	36,802	35,789	71,993	70,947	145,360
Access charges	21,985	21,001	22,881	42,986	43,124	80,505
License fee / spectrum charges (revenue share)	14,632	15,408	18,320	30,040	37,218	69,416
Employee benefits	4,242	4,426	4,601	8,668	8,815	17,385
Sales and marketing expenses	6,578	7,850	7,951	14,428	16,156	32,320
Other expenses	9,194	10,490	8,985	19,684	19,541	38,524
	91,822	95,977	98,527	187,799	195,801	383,510
Profit from operating activities before depreciation, amortisation and exceptional items	48,698	49,604	66,274	98,302	132,898	241,096
Depreciation and amortisation	30,690	31,789	29,389	62,479	59,266	122,034
Finance costs	15,843	15,507	12,761	30,528	24,548	52,546
Finance income	(4,379)	(2,053)	(9,068)	(5,610)	(7,896)	(23,421)
Non-operating expenses	351	98	1,327	449	1,352	2,324
Profit before exceptional items and tax	6,193	4,263	31,865	10,456	55,628	87,613
Exceptional items	835	40	1,180	875	4,100	172,708
Profit / (loss) before tax	5,358	4,223	30,685	9,581	51,528	(85,095)
Tax expense / (credit)						
Current tax	489	1,727	7,343	2,216	12,005	(45)
Deferred tax	(76)	(310)	(670)	(386)	1,235	14,206
Profit / (loss) for the period / year	4,945	2,806	24,012	7,751	38,288	(99,256)
Other comprehensive income						
Items not to be reclassified to profit or loss:						
- Re-measurement gains / (losses) on defined benefit plans	30	(53)	(70)	(23)	(115)	(36)
- Tax (charge) / credit	(10)	18	21	8	36	11
Other comprehensive income / (loss) for the period / year	20	(35)	(49)	(15)	(79)	(25)
Total comprehensive income / (loss) for the period / year	4,965	2,771	23,963	7,736	38,209	(99,281)
Paid-up equity share capital (Face value : Rs. 5/- each)	19,987	19,987	19,987	19,987	19,987	19,987
Other equity	995,869	994,917	1,130,097	995,869	1,130,097	992,086
Earnings per share (Face value : Rs. 5/- each) (In Rupees)						
Basic and Diluted	1.24	0.70	6.01	1.94	9.58	(24.84)



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Audited Standalone Balance Sheet:

(Rs. Million)

Particulars	As of	
	September 30, 2017	March 31, 2017
	Audited	Audited
Assets		
Non-current assets		
Property, plant and equipment	393,177	381,176
Capital work-in-progress	69,097	11,818
Intangible assets	722,248	734,052
Intangible assets under development	74,751	84,184
Investment in subsidiaries, joint ventures and associates	497,753	459,538
Financial Assets		
- Investments	63	52
- Derivative instruments	161	213
- Loans and security deposits	9,902	10,389
- Others	335	556
Deferred tax assets	9,269	8,875
Other non-current assets	24,430	39,854
	1,801,186	1,730,707
Current assets		
Inventories	19	39
Financial Assets		
- Derivative instruments	335	634
- Trade receivables	30,703	32,118
- Cash and cash equivalents	564	1,087
- Bank deposits	90	-
- Loans	55,477	72,081
- Others	17,202	13,847
Current tax assets	14,712	15,297
Other current assets	66,472	32,952
Assets-held-for-sale	13,729	13,729
	199,303	181,784
Total assets	2,000,489	1,912,491
Equity and liabilities		
Equity		
Share capital	19,987	19,987
Other Equity	995,869	992,086
	1,015,856	1,012,073
Non-current liabilities		
Financial Liabilities		
- Borrowings	489,365	503,421
- Derivative instruments	224	186
- Others	21,148	21,881
Deferred revenue	17,766	18,321
Provisions	1,892	2,330
	530,395	546,139
Current liabilities		
Financial Liabilities		
- Borrowings	53,831	65,478
- Current maturities of long-term borrowings	64,021	33,451
- Derivative instruments	842	1,662
- Trade Payables	186,168	149,698
- Others	102,278	60,746
Deferred revenue	24,947	30,311
Provisions	1,400	1,291
Other current liabilities	20,751	11,642
	454,238	354,279
Total liabilities	984,633	900,418
Total equity and liabilities	2,000,489	1,912,491



Audited Standalone Segment-wise Revenue, Results, Assets and Liabilities for the quarter and six months ended September 30, 2017

(Rs Million)

Particulars	Quarter ended			Six months ended		Year ended
	September 30, 2017	June 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016	March 31, 2017
	Audited	Audited	Audited	Audited	Audited	Audited
1. Segment Revenue						
a) Mobile Services	115,916	121,433	136,923	237,349	276,468	526,745
b) Airtel Business	25,187	24,810	27,431	49,997	51,691	98,400
c) Homes Services	6,188	6,532	6,915	12,720	13,401	26,870
Total segment revenue	147,291	152,775	171,269	300,066	341,560	652,015
- Unallocated	-	-	-	-	-	-
Total	147,291	152,775	171,269	300,066	341,560	652,015
Less: Inter-segment eliminations	7,490	7,710	6,943	15,200	13,837	29,252
Total revenue	139,801	145,065	164,326	284,866	327,723	622,763
2. Segment Results						
Profit before net finance costs, non-operating expenses, exceptional items and tax						
a) Mobile Services	11,077	11,530	30,067	22,607	61,131	94,660
b) Airtel Business	6,179	5,444	5,460	11,623	9,926	19,469
c) Homes Services	1,039	1,286	1,436	2,325	3,125	6,331
Total segment results	18,295	18,260	36,963	36,555	74,182	120,460
- Unallocated	(287)	(445)	(76)	(732)	(550)	(1,418)
Total	18,008	17,815	36,885	35,823	73,632	119,062
Less:						
(i) Net finance costs	11,464	13,454	3,693	24,918	16,652	29,125
(ii) Non-operating expenses	351	98	1,327	449	1,352	2,324
(iii) Exceptional items	835	40	1,180	875	4,100	172,708
Profit / (loss) before tax	5,358	4,223	30,685	9,581	51,528	(85,095)
3. Segment Assets *						
a) Mobile Services	1,332,272	1,259,141	1,472,803	1,332,272	1,472,803	1,541,193
b) Airtel Business	85,985	87,105	195,508	85,985	195,508	233,317
c) Homes Services	45,442	43,000	234,028	45,442	234,028	296,014
Total segment assets	1,463,699	1,389,246	1,902,339	1,463,699	1,902,339	2,070,524
d) Unallocated / Inter-segment eliminations	536,790	562,022	55,857	536,790	55,857	(168,033)
Total assets	2,000,489	1,951,268	1,958,196	2,000,489	1,958,196	1,912,491
4. Segment Liabilities *						
a) Mobile Services	364,309	324,287	681,477	364,309	681,477	736,333
b) Airtel Business	31,377	36,381	123,832	31,377	123,832	151,419
c) Homes Services	17,112	16,369	173,570	17,112	173,570	231,935
Total segment liabilities	402,798	377,037	978,879	402,798	978,879	1,119,687
d) Unallocated / Inter-segment eliminations	581,835	559,327	(170,767)	581,835	(170,767)	(219,269)
Total liabilities	984,633	936,364	808,112	984,633	808,112	900,418

* Effective April 1, 2017, individual segments exclude inter-segment balances and allocated borrowings. This has no impact on total assets and liabilities.



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Notes to the Audited Standalone Financial Results

1. The said financial results for the quarter and six months ended September 30, 2017 have been reviewed by the Audit and Risk Management Committee and approved by the Board of Directors in their respective meetings held on October 31, 2017.
2. The above financial results are extracted from the Audited Interim Condensed Standalone Financial Statements of the Company, 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.
3. During the quarter ended September 30, 2017, the Company has completed the acquisition of 100% stake of Tikona Digital Networks Pvt Ltd ("TDNPL") as all necessary closing conditions have been fulfilled. Subsequent to the balance sheet date, an application under section 230 to section 232 of the Companies Act, 2013 has been filed before the Delhi bench of the National Company Law Tribunal for merger of TDNPL with the Company.
4. Subsequent to the balance sheet date, the Company has entered into an understanding to merge the consumer mobile businesses of Tata Teleservices Limited and Tata Teleservices Maharashtra Limited with the Company. The said transaction would be subject to requisite regulatory approvals.
5. Exceptional items during the quarter ended September 30, 2017 represent Rs. 835 Mn towards operating costs on network re-farming and up-gradation program. Tax credit on the above is Rs. 289 Mn.
6. On January 8, 2013, the Department of Telecommunications ('DoT') issued a demand on the Company for Rs. 51,353 Mn towards levy of one time spectrum charge. Based on a petition filed by the Company, the Hon'ble High Court of Bombay, through its order dated January 28, 2013, has directed DoT to respond and not to take any coercive action until the next date of hearing. The Company, based on independent legal opinions, till date has not given any effect to the above demand.
7. The Company, in its Annual General Meeting held on July 24, 2017, declared final dividend at the rate of Re.1/- per equity share (face value of Rs. 5/- each) aggregating to Rs. 3,997 Mn.
8. Previous period figures have been re-grouped / re-stated basis the Ind AS 101, 'First-time Adoption of Indian Accounting Standards' exemptions as considered in the Ind AS financial statements for the year ended March 31, 2017, wherever required.

For Bharti Airtel Limited



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

New Delhi
October 31, 2017

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'

