



**38TH ANNUAL REPORT
2022-23**

BHARTI TELECOM LIMITED

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BOARD OF DIRECTORS

Mr. Sunil Bharti Mittal, Chairman
Mr. Arvind Kohli
Ms. Chua Sock Koong
Mr. Devendra Khanna, Managing Director
Mr. Ravi Kumar Kaushal
Mr. Rajan Bharti Mittal
Mr. Tao Yih Arthur Lang

CHIEF FINANCIAL OFFICER

Mr. Puneet Tandon

COMPANY SECRETARY

Mr. Rohit Krishan Puri

STATUTORY AUDITORS

JC Bhalla & Company,
Chartered Accountants

INTERNAL ASSURANCE PARTNER

TR Chadha & Co. LLP,
Chartered Accountants

SECRETARIAL AUDITORS

Chandrasekaran Associates,
Company Secretaries

DEBENTURE TRUSTEE

Axis Trustee Services Limited
The Ruby, 2nd Floor,
SW, 29, Senapati Bapat Marg, Dadar (W),
Mumbai- 400028
Telephone No. 022 6226 0050/54
Fax No. 022 43253000
E-mail: debenturetrustee@axistrustee.com

REGISTERED OFFICE

Airtel Centre, Plot No. 16,
Udyog Vihar, Phase – IV,
Gurugram, Haryana – 122001,
India

CORPORATE OFFICE

Bharti Crescent, 1, Nelson Mandela Road,
Vasant Kunj, Phase – II,
New Delhi – 110070, India

CORPORATE IDENTIFICATION NUMBER

U32039HR1985PLC032091

WEBSITE

www.bhartitelecom.in

BOARD'S REPORT

Dear Members

Your Directors have pleasure in presenting the Thirty-Eighth (38th) Board's Report on the Company's business and operations of Bharti Telecom Limited/Company together with audited financial statements for the financial year ended March 31, 2023.

Financial performance, results of operations and Company overview

Standalone

(Rs. in millions)

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Gross income	6,097	1,105
Profit/(loss) before finance expenses, depreciation and tax	6,065	1,080
Profit/(loss) before tax	(1,832)	(533)
Less: Tax expenses	1,213	86
Profit/(loss) after tax	(3,045)	(619)

Consolidated

(Rs. in millions)

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Gross income	1,400,905	1,171,204
Profit/(loss) before finance expenses, depreciation and tax	722,160	581,049
Profit/(loss) before tax	157,769	124,297
Less: Tax expenses	43,946	41,865
Profit/(loss) after tax (before consolidation)	(3,045)	(619)
Profit/(loss) discontinued operation	0	0
Profit/(loss) after tax (after consolidation)	113,823	82,432

The Company continues to hold its investment in Bharti Airtel Limited in FY 2022-23 as well. As on the date of this report, the aggregate holding of the Company in Bharti Airtel Limited stood at 2,299,875,172 (38.54%) equity shares comprising of 2,156,470,865 fully paid-up equity shares and 14,34,04,307 partly paid-up equity shares of Bharti Airtel Limited.

Change in the nature of business

There was no change in nature of the business of the Company during the financial year ended on March 31, 2023.

Secretarial Standards

Pursuant to the provisions of Section 118 of the Act, the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

Dividend

The Board of directors did not recommend any dividend for the financial year 2022-23.

Share capital

Authorized Share Capital:

As on March 31, 2023, the authorised share capital stood at Rs. 50,000,000,000 (Rupees Five Hundred Crore) divided into 5,000,000,000 (Rupees Fifty Crore) equity shares of Rs. 10 (Rupees Ten Only) each.

There was no change in the Authorised Share Capital of the Company during the year.

Issued, Subscribed, and Paid-up Share Capital:

During the financial year 2022-23, there was no change in issued, subscribed and paid-up share capital of the Company.

As on the closure of the financial year 2022-23, the issued, subscribed and paid-up share capital of the Company stood at Rs. 25,823,163,360 divided into 2,582,316,336 equity shares of Rs. 10 each.

Deposits

The Company has neither invited nor accepted any deposits from public within the meaning of Section 73 of the Act read with Companies (Acceptance of Deposits) Rules, 2014 during the period under review and, as such, no amount of principal or interest was outstanding as on the balance sheet closure date.

Capital Adequacy

The Company is registered with the RBI¹ as a CIC-ND-SI vide Certificate No. N-14.03465 dated January 15, 2019. The Company primarily functions as an investment holding company with more than 90% of its total assets consisting of investment in shares of Bharti Airtel Limited.

As a CIC-ND-SI, the Company is required to:

¹ **RBI Disclaimer:** (a) Reserve Bank of India does not accept any responsibility or guarantee about the present position as to the financial soundness of the company or for the correctness of any of the statements or representations made or opinions expressed by the company and for discharge of liability by the company; (b) Neither is there any provision in law to keep, nor does the company keep any part of the deposits with the Reserve Bank and by issuing the Certificate of Registration to the company, the Reserve Bank neither accepts any responsibility nor guarantee for the payment of the public funds to any person/ body corporate.

- a. maintain minimum Adjusted Net Worth of 30% of its aggregate risk weighted assets on balance sheet and risk adjusted value of off-balance sheet items as on the date of the last audited balance sheet as at the end of the financial year; and
- b. restrict the outside liabilities up to 2.5 times of its Adjusted Net Worth as on the date of the last audited balance sheet as at the end of the financial year.

The Company is in compliance with the above-mentioned requirements as at March 31, 2023.

Transfer to Reserve

Under section 45-IC(1) of Reserve Bank of India Act, 1934, non-banking financial companies (NBFCs) are required to transfer a sum not less than 20% of its net profits to reserve fund. During the year, the Company has not transferred any amount to Statutory Reserve from the Retained Earnings.

Debentures

During the financial year 2022-23, the Company raised Rs. 13,350 Mn through issuance of listed, unsecured, redeemable non-convertible debentures at face value of Rs. 1 Mn each on private placement basis as per the following details:

- 15,000, Series IX debentures at a coupon rate of 8.70% per annum (maturity November 21, 2024).
- 25,000, Series X debentures at a coupon rate of 8.80% per annum (maturity November 21, 2025).
- 30,000, Series XI debentures at a coupon rate linked to 6 Months KMCLR (maturity November 21, 2025).
- 13,000, Series XII debentures at a coupon rate of 8.60% per annum (maturity December 05, 2024).
- 32,000, Series XIII debentures at a coupon rate of 8.70% per annum (maturity December 05, 2025).
- 10,500, Series XIV debentures at a coupon rate of 8.60% per annum (maturity December 12, 2025). and
- 8,000, Series XV debentures at a coupon rate linked to 6 Months KMCLR (maturity December 12, 2025).

Further, the following debentures were redeemed during the financial year 2022-23:

- 4,600 unsecured, listed, rated, redeemable, non-convertible Series VI debentures having a face value of Rs. 1 Mn per debenture at a coupon rate of 5.10% per annum aggregating to Rs. 4,600 Million.

The details of outstanding debentures as on the date of this Report are as under:

- 4,600 unsecured, listed, rated, redeemable, non-convertible Series VII debentures having a face value of Rs. 1 Mn per debenture at a coupon rate of 5.85% per annum aggregating to Rs. 4,600 Million.

- 4,600 unsecured, listed, rated, redeemable, non-convertible Series VIII debentures having a face value of Rs. 1 Mn per debenture at a coupon rate of 6.42% per annum aggregating to Rs. 4,600 Million.
- 15,000 unsecured, listed, rated, redeemable, non-convertible Series IX debentures having a face value of Rs. 1 Mn per debenture at a coupon rate of 8.70% per annum aggregating to Rs.15,000 Million.
- 25,000 unsecured, listed, rated, redeemable, non-convertible Series X debentures having a face value of Rs. 1 Mn per debenture at a coupon rate of 8.80% per annum aggregating to Rs. 25,500 Million
- 30,000 unsecured, listed, rated, redeemable, non-convertible Series XI debentures having a face value of Rs. 1 Mn per debenture at a floating rate linked to K- MCLR 6M as published by Kotak Mahindra Bank Limited per annum aggregating to Rs.30,000 Million.
- 13,000 unsecured, listed, rated, redeemable, non-convertible Series XII debentures having a face value of Rs. 1 Mn per debenture at a coupon rate of 8.60% per annum aggregating to Rs. 13,000 Million.
- 32,000 unsecured, listed, rated, redeemable, non-convertible Series XIII debentures having a face value of Rs. 1 Mn per debenture at a coupon rate of 8.70% per annum aggregating to Rs. 32,000 Million.
- 10,500 unsecured, listed, rated, redeemable, non-convertible Series XIV debentures having a face value of Rs. 1 Mn per debenture at a coupon rate of 8.60% per annum aggregating to Rs. 10,500 Million.
- 8,000 unsecured, listed, rated, redeemable, non-convertible Series XV debentures having a face value of Rs. 1 Mn per debenture at floating rate linked to K- MCLR 6M as published by Kotak Mahindra Bank Limited per annum aggregating to Rs. 8,000 Million.

The aforesaid debentures are listed on National Stock Exchange of India Limited.

The details of Debenture Trustee are given hereunder:

Axis Trustee Services Limited

The Ruby, 2nd Floor, SW,

29 Senapati Bapat Marg, Dadar West, Mumbai - 400 028, India

Telephone No. 022 62300451

Fax No. 022 43253000

E-mail: debenturetrustee@axistrustee.in; compliance@axistrustee.in

Directors and Key Managerial Personnel**I. Appointments/ Retirement by rotation:**

Pursuant to the provisions of the Act, Chua Sock Koong (DIN: 00047851) will retire by rotation at the ensuing AGM and, being eligible, has offered herself for re-appointment. The Board, on the recommendation of the Nomination and Remuneration Committee, recommends her re-appointment as Director liable to retire by rotation at the ensuing AGM.

During the financial year, based on the recommendation of Nomination and Remuneration Committee, the Board at its meeting held on March 23, 2023, appointed

Arvind Kohli (DIN: 00001920) as a Non-Executive & Independent Director for a term of five (5) years w.e.f. March 23, 2023 to March 22, 2028. The said appointment of Arvind Kohli as an Independent Director was approved by the Members on June 21, 2023, in accordance with the provisions of the Act and the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”).

Ravi Kumar Kaushal (DIN: 02814471) will be completing his present term as Independent Director of the Company on January 25, 2024. On the recommendation of Nomination and Remuneration Committee and subject to the approval of the shareholders, the Board has approved his re-appointment as Independent Director for a further term of five consecutive years w.e.f. January 26, 2024 upto January 25, 2029.

Brief resume, nature of expertise, disclosure of relationship between directors inter-se, details of directorships and committee membership held in other companies of the Directors proposed to be appointed/re-appointed along with their shareholding in the Company, as stipulated under Secretarial Standard 2 and Listing Regulations is appended as an Annexure to the Notice of the ensuing AGM.

II. Resignation:

During the year under review, the following directors have resigned from the office:

- a) Ravinder Arora retired from the Board w.e.f. July 31, 2022, upon completion of his second term as Independent Director of the Company.

The Board places on record its sincere and deep appreciation for his invaluable guidance and contribution during his tenure.

- b) Due to the sudden demise of Rajiv Kumar Chaudhri on December 15, 2022, his position as Non-Executive & Independent Director was concluded. The Board expresses its heartfelt condolences on his sad demise.

In the opinion of the Board, all the directors, including the directors appointed/ re-appointed during the year, possess the requisite qualifications, experience, expertise, proficiency and hold high standards of integrity.

Key Managerial Personnel

As on the end of the financial year, the Company has the following Key Managerial Personnel:

- a) Mr. Devendra Khanna, Managing Director
- b) Mr. Rohit Krishan Puri, Company Secretary
- c) Mr. Sanjay Dua, Chief Financial Officer.

Sanjay Dua, had resigned from post of Chief Financial Officer of the Company w.e.f. closing of business hours of May 16, 2023, and Puneet Tandon was appointed as Chief Financial Officer of the Company w.e.f. May 17, 2023.

Declaration by Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) and 17 of the Listing Regulations.

In terms of Regulation 25(8) of the Listing Regulations, they have also confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties as an Independent Director without any external influence.

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act and the Code of Conduct for Directors and senior management personnel formulated by the Company.

In compliance with the provision of Rule 6(1) and (2) of the Companies (appointment and Qualification of Directors), Rules, 2014, all the Independent Directors (IDs) of the Company have registered their names with the data bank of IDs maintained by the Indian Institute of Corporate Affairs (IICA).

Statement regarding opinion of the Board on the appointment of Independent Director

In the opinion of the Board, all the independent directors possess requisite qualifications, experience, expertise, proficiency and hold high standards of integrity. In compliance with the provision of Rule 6(1) and (2) of the Companies (appointment and Qualification of Directors), Rules, 2014, all the Independent Directors (IDs) of the Company have registered their names with the data bank of IDs maintained by the Indian Institute of Corporate Affairs (IICA).

Material changes and commitments affecting the financial position between the end of financial year and date of this report

There were no material changes and commitments affecting the financial positions of the Company which have occurred between the end of the financial year of the Company and the date of the Board's Report.

Ratings

During the financial year 2022-23, the rating agency, CRISIL has maintained rating of "AA+ Stable" for the Debentures issued by the Company. The instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligation. Such instruments carry very low credit risk. Further, CRISIL and ICRA have maintained a rating of "A1+" for the Commercial Papers issued by the Company.

Board evaluation and Familiarization Programme

In compliance with the provisions of the Act, the Nomination and Remuneration Committee had approved the process, format, attributes and criteria for the performance evaluation of the Board, Board Committees and Individual Directors including the Chairman and the Managing Director. The process provides that the performance evaluation shall be carried out on an annual basis. During the financial year, the Board had completed the evaluation process, which included evaluation of the Board as a whole, the Board Committees and individual Directors including the Chairman and the Managing Director.

All directors participated in the evaluation process. The result of evaluation was discussed in the respective committee meetings. Recommendations arising from the evaluation process were considered by the Board to optimize its effectiveness.

A note on the familiarisation programme adopted by the Company for orientation and training of the Directors is provided in the report on Corporate Governance, which forms part of this Annual Report.

Board Meetings

The Board of Directors met nine times during the financial year 2022-23, i.e., on: May 17, 2022, May 30, 2022, August 8, 2022, August 23, 2022, September 21, 2022, October 31, 2022, November 10, 2022, November 30, 2022 and February 7, 2023.

The requisite details regarding composition of the Board, number of board meetings held and attended by each director are provided in the Corporate Governance Report, which forms part of this annual report.

Board Committees

In compliance with the statutory requirements, the Company has the following mandatory Committees viz.:

a) Audit Committee

In compliance with the requirements of Section 177 of the Act, the Listing Regulations and applicable master circulars and regulations issued by Reserve Bank of India ("RBI"), the Company has a committee of the Board known as the Audit Committee. All recommendations made by the Committee were accepted by the Board.

During the financial year 2022-23, the Committee met six times, i.e., on May 17, 2022, May 30, 2022, August 8, 2022, August 23, 2022, October 31, 2022 and February 7, 2023. The composition and the attendance of the members at the meeting are provided in the Corporate Governance Report, which forms part of this annual report.

b) Nomination and Remuneration Committee

In compliance with the requirements of Section 178 of the Act, the Listing Regulations and applicable master circulars and regulations issued by the RBI, the Company has committee of the Board known as the Nomination and Remuneration Committee.

During the financial year 2022-23, the Committee met two times i.e. on May 17, 2022 and February 07, 2023. The composition and the attendance of the members at the meeting are provided in the Corporate Governance Report, which forms part of this annual report.

c) Stakeholders' Relationship Committee

In compliance with the requirements of Section 178 of the Act, the Listing Regulations and applicable master circulars and regulations issued by the RBI, the Company has a committee of the Board known as the Stakeholders' Relationship Committee.

During the financial year 2022-23, the Committee met four times May 17, 2022, August 08, 2022, October 31, 2022, February 07, 2023. The composition and the attendance of the members at the meeting are provided in the Corporate Governance Report, which forms part of this annual report.

d) Asset Liability Committee

In compliance of Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 and other RBI regulations, the Company has a committee of the Board known as the Asset Liability Committee.

During the financial year 2022-23, the Committee met four times, i.e., on May 17, 2022, August 08, 2022, October 31, 2022, February 07, 2023. The composition and the attendance of the members at the meeting are provided in the Corporate Governance Report, which forms part of this annual report.

e) Group Risk Management Committee

In compliance with the Listing Regulations and Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016 and other RBI regulations, the Company has a committee of the Board known as the Group Risk Management Committee.

During the financial year 2022-23, the Committee met four times i.e. on May 17, 2022, August 08, 2022, October 31, 2022, and February 07, 2023. The composition and the attendance of the members at the meeting are provided in the Corporate Governance Report, which forms part of this annual report.

f) IT Strategy Committee

In pursuant to the Master Direction – Information Technology Framework for the NBFC Sector issued by RBI, the Company has a committee known as the IT Strategy Committee.

During the financial year 2022-23, the Committee met twice i.e., on April 29, 2022 and October 26, 2022. The composition and the attendance of the members at the meeting are provided in Corporate Governance Report, which forms part of this annual report.

g) Corporate Social Responsibility (CSR) Committee

In compliance with the requirements of Section 135 of the Act, the Company has committee of the Board known as the Corporate Social Responsibility Committee.

During the financial year 2022-23, the Committee met one time, i.e. on May 17, 2022. The composition and the attendance of the members at the meeting are provided in the Corporate Governance Report, which forms part of this report.

The Annual Report on Corporate Social Responsibility Activities for the financial year 2022-23 u/s 135 of the Act is annexed as **Annexure A** to this report. The CSR policy is available on the website of the Company at <http://www.bhartitelecom.in/policies.html>

h) Committee of Directors

The Company has a committee known as BTL Committee of Directors. During the financial year 2022-23, the Committee met Eight times, i.e., on September 07, 2022, September 21, 2022, November 10, 2022, November 21, 2022, November 30, 2022, December 05, 2022, December 06, 2022, December 12, 2022. The composition and the attendance of the members at the meeting are provided in the Corporate Governance Report.

Extract of Annual Return

As per the requirements of Section 92(3) read with Section 134(3)(a) of the Act and read with rule framed thereunder, the annual return for the FY 2022-23 is on the website of the Company at www.bhartitelecom.in

Particulars of loans, guarantees or investments

The Company, being an NBFC, is exempted from the provisions of Section 186 [except sub-section (1)] of the Act. Accordingly, details of particulars of loans, guarantees or investments as required to be provided as per Section 134(3)(g) of the Act are not provided.

However, loans, guarantees or investments made by the Company forms part of notes to the standalone financial statements.

Related Party Transactions

All arrangements / transactions entered by the Company with related parties during the financial year were in ordinary course of business and on at arm's length basis.

During the financial year, the Company has not entered into any arrangement / transaction with related parties which could be considered material, accordingly, the disclosure of Related Party Transactions in Form AOC-2 is not applicable on the Company.

The physical copies of annual financial statements of the subsidiary, associate and joint venture companies will also be made available to the investors of the Company and those of the respective companies upon request.

In compliance with the requirement of the Listing Regulations, names of related parties and details of transactions with them have been included in notes to the financial statements provided in this Annual Report. The updated Policy on the Related Party Transactions is available on the Company's website at https://www.bhartitelecom.in/docs/policies/BTL_RPT_Policy.pdf.

Subsidiary / Joint Venture / Associate Companies

As on March 31, 2023, the Company has subsidiary, associate and joint venture companies as set out in Note 29 of the standalone financial statements.

During the year under review, the following became subsidiaries of the Company: Airtel Congo Telesonic Holdings (UK) Limited, Airtel DRC Telesonic Holdings (UK) Limited, Airtel Gabon Telesonic Holdings (UK) Limited, Airtel Kenya Telesonic Holdings (UK) Limited, Airtel Madagascar Telesonic Holdings (UK) Limited, Airtel (M) Telesonic Holdings (UK) Limited (formerly known as Airtel Malawi Telesonic Holdings (UK) Limited), Airtel Niger Telesonic Holdings (UK) Limited, Airtel Nigeria Telesonic Holdings (UK) Limited, Airtel Rwanda Telesonic Holdings (UK) Limited, Airtel Seychelles Telesonic Holdings (UK) Limited, Airtel Tanzania Telesonic Holdings (UK) Limited, Airtel Uganda Telesonic Holdings (UK) Limited, Airtel Zambia Telesonic Holdings (UK) Limited, Airtel Tchad Telesonic Holdings (UK) Limited, Airtel (M) Telesonic Limited, Airtel Kenya Telesonic Limited, Airtel Nigeria Telesonic Limited, Airtel Rwanda Telesonic Limited, Airtel Telesonic Uganda Limited, Airtel Zambia Telesonic Limited, Airtel (Seychelles) Telesonic Limited, Airtel Mobile Commerce Tanzania B.V., Nxtra Africa Data Holdings Limited (formerly known as Airtel Africa Data Center Holdings Limited), Nxtra Nigeria Data Holdings (UK) Limited (formerly known as Airtel Nigeria Data Center Holdings (UK) Limited), Nxtra Kenya Data Holdings (UK) Limited (formerly known as Airtel Kenya Data Center Holdings (UK) Limited), Nxtra DRC Data Holdings (UK) Limited (formerly known as Airtel DRC Data Center Holdings (UK) Limited), Nxtra Gabon Data Holdings (UK) Limited (formerly known as Airtel Gabon Data Center Holdings (UK) Limited), Nxtra Congo Data Holdings (UK) Limited (formerly known as Airtel Congo Data Center Holdings (UK) Limited), Airtel Congo RDC Telesonic S.A.U. and Nxtra Africa Data (Nigeria) Limited.

During the year under review, Mawezi RDC S.A. became joint venture of the Company.

During the year, Telesonic Networks Limited and Nettle Infrastructure Investments Limited ceased to be the subsidiaries of the Company and Aban Green Power Private Limited ceased to be the associate company.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014, a statement containing salient features of financial statements of subsidiary companies is annexed to the Annual Report. The statement also provides the details of performance and financial position of each of the subsidiary companies and their contribution to the overall performance of the Company.

The audited financial statements of each of its subsidiary companies are available for inspection at the Company's registered office as well as the corporate office and are also available on the website of the Company at www.bhartitelecom.in.

Transfer to Investor Education and Protection Fund

No amount was required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) during the financial year under reporting.

Auditors and Auditor's Report

Statutory Auditor

M/s J.C. Bhalla & Co., Chartered Accountants (firm registration number 001111N) were appointed as Statutory Auditors of the Company on September 30, 2021, to hold office for a period of three years, from the conclusion of 36th AGM until the conclusion of the 39th AGM of the Company to be held in the year 2024 as per the provisions of the Act and 'Guidelines for Appointment of Statutory Central Auditors (SCAs)/ Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs)' issued by RBI vide Circular dated April 27, 2021 (RBI SA Guidelines).

M/s J.C. Bhalla & Co., Chartered Accountants have confirmed that they are not disqualified from continuing as Statutory Auditors of the Company and satisfy the independence criteria in terms of the applicable provisions of the Act and Code of Ethics issued by the Institute of Chartered Accountants of India and RBI SAs Guidelines.

The Board has duly examined the Statutory Auditors' Report to the accounts, which is self-explanatory. The clarifications, wherever necessary, have been included in the Notes forming part of the annual accounts. The Report does not contain any qualification, reservation, disclaimer or adverse remark.

Further, the auditors have not reported any fraud u/s 143(12) of the Act.

Secretarial Auditor

The Board had appointed Chandrasekaran Associates, Company Secretaries, to conduct its Secretarial Audit for the financial year ended March 31, 2023. The Secretarial Auditors have submitted their report, confirming compliance by the Company of all provisions of applicable corporate laws. The Report does not contain any qualification, reservation, disclaimer or adverse remark. The Management confirmed that the intimation for retirement of Ravinder Arora upon completion of his second tenure on July 30, 2022, was given by the Company to the National Stock Exchange vide its submission dated September 30, 2022. The Management also confirmed that after the sudden demise of Rajiv Chaudhri on December 15, 2022, the Company initiated the extensive search for his replacement. Arvind Kohli was appointed as an independent director on March 22, 2023. Consequently, he replaced Rajiv Chaudhri in the Audit Committee and Nomination and Remuneration Committee.

The Secretarial Audit Report is annexed as Annexure C to this report.

Internal Auditor and Internal Assurance Partner

The Board had appointed T.R. Chadha & Co, LLP, Chartered Accountants as the internal assurance partner for the financial year ended March 31, 2023.

The Board, in its meeting held on May 17, 2023 had appointed Shimul Jaitley as the Internal Auditor of the Company in place of Nikhil Malhotra, who has resigned from Bharti Group to pursue external opportunities.

Risk Management

The Company keeps evaluating the risks to which the Company is exposed to on a continuous basis, to ensure consistent, efficient and effective assessment of risks and its timely mitigation.

The Company has a process in place to identify key risks and prioritize relevant action plans to mitigate risks. To have more robust process, the Company had constituted a separate Group Risk Management Committee to focus on the risk management including determination of company's risk appetite, risk tolerance and regular risk assessments (risk identification, risk quantification and risk evaluation) etc.

The Company also has a duly approved Risk Management Policy. The objective of the Policy is to have a well-defined approach to risk. The policy lays down broad guidelines for timely identification, assessment, and prioritization of risks affecting the Company in the short and foreseeable future. The Policy suggests framing an appropriate response action for the key risks identified, so as to make sure that risks are adequately addressed or mitigated. The policy is available on the website of the Company at <http://www.bhartitelecom.in/policies.html>.

The Board has also appointed Aseem Soin as the Chief Risk Officer to head the risk management function of the Company.

Corporate Governance

The Company is committed to uphold high standards of Corporate Governance and adhere to the requirements set out by the Securities and Exchange Board of India.

A detailed report on Corporate Governance forms an integral part of this Report. A certificate from CL & Associates, Company Secretaries, affirming compliance of Code of Corporate Governance as specified under Regulation 17 to 27 during FY 2022-23 is annexed as **Annexure C**.

Management Discussion and Analysis Report

Management's Discussion and Analysis Report for the year under review detailing economic scenario and outlook, as stipulated under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and RBI CIC Directions is presented in a separate section and forms an integral part of this Report.

Nomination & Remuneration Policy

The Company, pursuant to the provisions of Section 178 of the Act and Listing Regulations has formulated and adopted a Nomination and Remuneration Policy, which includes criteria for determining qualifications, positive attributes and independence of a director and other matters as provided under section 178(3) of the Act, and is available on the website of the Company <http://www.bhartitelecom.in/policies.html>.

Vigil Mechanism

In compliance with the provisions of Section 177 of the Act, the Company has vigil mechanism in place for its directors and employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of code of conduct etc. The mechanism also provides for adequate safeguard against the victimisation of employees who avail the mechanism, and allow direct access to the Chairperson of Audit Committee in exceptional cases. The complaints or concerns, if any, received from any person are promptly redressed.

During the period, the Company has not received any complaint from any director / employee of the Company.

The vigil mechanism policy is available on the website of the Company at <http://www.bhartitelecom.in/policies.html>.

Internal Financial Controls

The Company has established a robust framework for internal financial controls. It has in place adequate controls, procedures and policies, ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

Your Board reviews the internal processes, systems and the internal financial controls and accordingly, the Directors' Responsibility Statement contains a confirmation as regards adequacy of the internal financial controls. Assurance on the effectiveness of Internal Financial Controls is obtained through management reviews, self-assessment, continuous monitoring by functional heads as well as testing of the internal financial control systems during the course of audits. We believe that these systems provide reasonable assurance that our internal financial controls are designed adequately and are operating as intended.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The Company does not carry on any manufacturing activity and accordingly the provisions to furnish information, as per Section 134 of the Act, read with the Rule 8 of Companies (Accounts) Rules, 2014, relating to Conservation of Energy and Technology Absorption are not required to be complied with.

During the year under review, there were nil Foreign Exchange Earnings and Outgo.

Particulars of Employees

Disclosure relating to remuneration of Directors u/s 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable.

Maintenance of Cost Records

The Company was not required to maintain cost records as specified by the Central Government under Sub-Section (1) of Section 148 of the Act.

Prevention of Sexual harassment

The Company is committed to provide a protective environment at workplace to all its women employees, if any, to ensure that every woman employee is treated with dignity and respect.

The Company has in place Prevention of Sexual Harassment at Workplace Policy in line with the requirements of The Sexual Harassment of Women at the Work Place (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder. An Internal Complaints Committee (ICC) is in place as per the requirements of the said Act to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year, there was no complaint regarding sexual harassment.

Corporate Insolvency Resolution Process Initiated Under the Insolvency and Bankruptcy Code, 2016 (IBC)

No application has been filed for the corporate insolvency resolution process, by a financial or operational creditor against or by the Company itself under Section 10 of the Insolvency and Bankruptcy Code, 2016 before the National Company Law Tribunal during the financial year under review.

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Act, the Directors to the best of their knowledge and belief confirm that:

1. In the preparation of the annual accounts for the year ended March 31, 2023, the applicable accounting standards read with requirements sets out in Schedule III to the Act, have been followed and there are no material departures from the same;
2. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year ended on that date;
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The Directors have prepared the annual accounts on a 'going concern basis'; and
5. The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

Acknowledgement

The Board express its gratitude for the co-operation and support received from various agencies / departments of the Government of India, Reserve Bank of India, State Governments, Company's Bankers and Financial Institutions.

On behalf of the Board

**Sd/-
Sunil Bharti Mittal
(Chairman)
DIN: 00042491**

Place: New Delhi

Date: May 30, 2023

The Annual Report on Corporate Social Responsibility (CSR) Activities

1. Brief outline on CSR Policy of the Company:

At Bharti Telecom, business success is not just about profits and shareholder returns. We believe in pursuing wider socio- economic and cultural objectives and have always endeavoured to not just live up to it, but to try and exceed the expectations of the communities in which we operate.

At Bharti Telecom, the CSR and welfare activities centers on the following areas:

- i. Promoting education including special education, employment enhancing vocation skills especially among children and livelihood enhancement projects;
- ii. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
- iii. Contributions or funds provided to technology incubators located within academic institutions, which are approved by the Central Government.

2. Composition of the CSR Committee as on March 31, 2023: -

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Rajan Bharti Mittal	Chairman	1	1
2.	Mr. Devendra Khanna	Managing Director	1	1
3.	Mr. Ravi Kumar Kaushal	Independent Director	1	1
4.	Mr. Tao Yih Arthur Lang	Member	1	1

3. Web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company: -

Composition of CSR committee: <http://www.bhartitelecom.in/corporateGovernance.html>

CSR Policy: <http://www.bhartitelecom.in/policies.html>

CSR Projects: Not Applicable

4. Executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): - Not Applicable

5.

S. No.	Particulars	Amount (in INR)
a)	Average net profit of the Company as per sub-section (5) of Section 135	(2,655,855,618)
b)	Two percent of average net profit of the company as per section 135(5)	(53,117,112)
c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial year	Nil
d)	Amount required to be set off for the financial year, if any	Nil
e)	Total CSR obligation for the financial year [(b)+ (c)- (d)]	Nil

6.

S. No.	Particulars	Amount (in INR)
a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):	Nil
b)	Amount spent in Administrative Overheads:	Nil
c)	Amount spent on Impact Assessment, if applicable:	Nil
d)	Total amount spent for the Financial Year [(a)+(b)+(c)]:	Nil

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135(5).		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer.
N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Nil
(ii)	Total amount spent for the Financial Year	Nil
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:
Not Applicable

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs.)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in the succeeding Financial Year (in Rs.)	Deficiency, if any
					Amount (in Rs.)	Date of Transfer		
1	F.Y-1				Not applicable			
2	F.Y-2				Not applicable			
3	F.Y-3				Not applicable			

Owing to losses in immediate three (3) preceding financial years, the Company is not mandatorily required to spend any amount towards CSR activities in terms of Section 135 (5) of the Companies Act, 2013 for the FY 2022-23.

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

9. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per sub-section (5) of section 135:

Since the Company did not have profits (average net profits for the last three financial years) as computed in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014, it was not obligated to contribute towards CSR activities during FY 2022-23.

However, the Company is committed to build its CSR capabilities on a sustainable basis and undertake CSR activities as and when the opportunity arises.

Date: May 30, 2023

Place: New Delhi

**On Behalf of the Board
For Bharti Telecom Limited**

**Sd/-
Devendra Khanna
Managing Director
DIN: 01996768**

**Sd/-
Rajan Bharti Mittal
Chairman of CSR Committee
DIN: 00028016**

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

To,
The Members,
Bharti Telecom Limited
Airtel Centre, Plot No. 16,
Udyog Vihar, Phase - IV,
Gurgaon -122001
Haryana

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bharti Telecom Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 ("**period under review**") according to the provisions of:

- (i) The Companies Act, 2013 ("**the Act**") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018; **Not applicable during the period under review.**
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**"):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not applicable during the period under review.**



- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; The Company had implemented the Structured digital database ('SDD') in a manner specified under Regulation 3(5) of PIT Regulations during the review period. However, the Company has not submitted the SDD Compliance certificates for the first three quarters of review period.
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not applicable during the period under review.**
- d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not applicable during the period under review.**
- e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not applicable during the period under review.**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not applicable during the period under review.**

The Management has confirmed and certified that following are the Sectorial Law specifically applicable to the Company based on the Sectors/Businesses in which it operates:

- a) Chapter IIIB of Reserve Bank of India Act, 1934
- b) Core investment Companies (Reserve Bank) Directions, 2016.
- c) All the directions/ Regulations/instructions issued by the Reserve Bank of India to Non-Banking Financial Companies, particularly those applicable to the Core-Investment Companies, from time to time.

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.
- ii. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above.

The Management confirmed that the intimation for retirement of Ravinder Arora upon completion of his second tenure on July 30, 2022, was given by the Company to the National Stock Exchange vide its submission dated September 30, 2022.

The Management also confirmed that after the sudden demise of Rajiv Chaudhri on December 15, 2022, the Company initiated the extensive search for his replacement. Arvind Kohli was appointed as an independent director on March 22, 2023. Consequently, he replaced Rajiv Chaudhri in the Audit Committee and Nomination and Remuneration Committee.

We further report that,

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes, in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent atleast seven days in advance (except in cases where meetings were convened at a shorter notice for which necessary approvals obtained as per applicable provisions), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the period under review the following major specific events / actions took place having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- (i) The Company has made allotment of 133,500 Non-Convertible Debentures of Rs 1,000,000/- each to the selected group of investors on Private Placement basis aggregating to Rs 13,350 Crores.
- (ii) The Company has outstanding balance of unsecured commercial papers of INR 1,010 Crores at the end of period under review.
- (iii) The Members of the Company has granted its approval for increasing the overall borrowing limits of the Company upto INR 25,000 crores.

**For Chandrasekaran Associates
Company Secretaries**

FRN: P1988DE002500

Peer Review Certificate No.: 1428/2021



Dr. S. Chandrasekaran
Senior Partner

Membership No.: FCS 1644

Certificate of Practice No.: 715

UDIN: F001644E000285466

Date: May 16, 2023

Place: Delhi

Note:

- (i) This report is to be read with our letter of even date which is annexed as **Annexure-A** to this report and forms an integral part of this report.

Annexure-A to the Secretarial Audit Report

To,
The Members,
Bharti Telecom Limited
Airtel Centre, Plot No. 16,
Udyog Vihar, Phase - IV,
Gurgaon -122001
Haryana

Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on the random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Chandrasekaran Associates
Company Secretaries

FRN: P1988DE002500
Peer Review Certificate No.: 1428/2021



Dr. S. Chandrasekaran
Senior Partner
Membership No.: FCS 1644
Certificate of Practice No.: 715
Certificate of Practice No.: 715
UDIN: F001644E000285466

Date: May 16, 2023
Place: Delhi

CL & Associates, Company Secretaries

D-20/1, Third Floor, Chhatarpur Enclave, Phase - II, South Delhi, New Delhi-110074, India

Tel: +91 11-2630 2076; E-mail: support@corp-nexus.com

Certificate on compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members of
Bharti Telecom Limited
Airtel Centre, Plot No. 16,
Udyog Vihar, Phase - IV,
Gurgaon 122001, Haryana, India

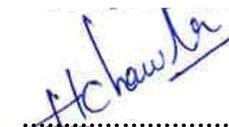
We have examined the compliance of conditions of Corporate Governance by Bharti Telecom Limited (“the Company”) for the year ended on March 31, 2023, as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

In our opinion and to the best of our information and according to the explanations given to us, and representations made by the management, we certify that the company, being a High Value Debt Listed Entity has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of Listing Regulations.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For CL & Associates
Company Secretaries


.....
Harish Chawla
Partner
Membership No. F9002
CP No. 15492
PR No. 1423/2021
UDIN: F009002E000313781
Date: May 16, 2023
Place: New Delhi



REPORT ON CORPORATE GOVERNANCE

The following Corporate Governance Report reflects the ethos of **Bharti Telecom Limited** (Bharti Telecom/ Telecom/ the Company) and its continuous commitment to ethical business practices across its operations. It lays down the best practices and procedures adopted by the Company in line with the requirements of Companies Act, 2013 ('the Act'), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'), as applicable, Reserve Bank of India ('RBI') circulars and Core Investment Companies (Reserve Bank) Directions, 2011 as amended from time to time.

A. CORPORATE GOVERNANCE PHILOSOPHY

Your Company believes that Corporate Governance is a means to achieve the Company's vision and objectives, in a legally compliant, transparent and ethical manner, while ensuring the best interests of all the stakeholders. The Corporate Governance Philosophy of the Company is drawn from its objective of creating and enhancing long term stakeholder value and flows from its core values – being alive, inclusive and respectful.

Corporate Governance is not confined to a set of processes and compliances at Bharti Telecom – it underlines the role that we see for ourselves for today, tomorrow and beyond. Corporate Governance at Bharti Telecom is implemented through clear 'tone at the top', robust board and committees' governance and strong management processes through internal controls, code of conduct, effective risk management framework, policies and procedures etc.

B. BOARD OF DIRECTORS

Board Composition

The Company's Board is well diverse with an optimum mix of Executive, Non-Executive and Independent Directors to maintain the independence of the Board and separate its functions of governance and management. The Board conforms to the provisions of the Act, the Listing Regulations, and other statutory provisions. As on March 31, 2023, the Board comprised of 7 members with a Non-Executive Chairperson, a Managing Director, besides 3 Non-Executive Non-Independent Directors and 2 Non-Executive Independent Directors.

The Board reviews its strength and composition from time to time to ensure that it remains aligned with the statutory as well as business requirements.

Changes in the Board during the FY 2022-23

(i) Appointment and re-appointment of Director(s)

During the year, Mr. Arvind Kohli was appointed as a non-executive Independent Director w.e.f. March 23, 2023.

In the opinion of the Board, all the directors, including the directors appointed/ re-appointed during the year, possess the requisite qualifications, experience, expertise, proficiency and hold high standards of integrity.

(ii) Retirements and resignations of Director(s)

During the year under review, the following directors have resigned/ retired from the office:

- a) Ravinder Arora retired from the Board w.e.f. July 31, 2022, upon completion of his second term as Independent Director of the Company.

The Board places on record its sincere and deep appreciation for his invaluable guidance and contribution during his tenure.

- b) Due to the sudden demise of Rajiv Kumar Chaudhri on December 15, 2022, his position as Non-Executive & Independent Director was concluded. The Board expresses its heartfelt condolences on his sad demise.

Board Diversity and Structure

The Company recognizes and embraces the importance of a diverse board in its success. The Company believes that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, industry experience, cultural and geographical background which will help us retain our competitive advantage. The Board has adopted a Policy which sets out the approach to diversity of the Board of Directors.

Company's Board represents a confluence of experience and expertise across diverse areas, ranging from finance, telecommunication, technology, general management, administrative services and consulting. The Board functions either as a full Board or through various committees constituted to oversee specific areas. Policy formulation, setting up of goals, evaluation of performance and control functions vest with the Board. The Board, along with its committees, provides leadership and guidance to the Company's management and directs, supervises and controls the performance of the Company.

Skill Matrix of the Board

The Board has identified the following skills/ expertise/ competencies fundamental for effective functioning of the Company which the Board of the Company possess:

Area	Particulars
Strategic Planning and Leadership Skills	<ul style="list-style-type: none"> ▪ Ability to think strategically and to identify and critically assess opportunities and threats and develop effective strategies in the context of objectives of the Company's relevant policies and priorities. ▪ Appreciation of long-term trends, understanding diverse business environment, regulatory framework, economic and political conditions, strategic choices and experience in guiding and leading management teams.
Financial and Risk Management	<ul style="list-style-type: none"> ▪ Wide-ranging financial skills, accounting and reporting, treasury operations, corporate finance and internal controls, including assessing quality of financial control. ▪ Identification of key risks to the Company and monitoring the effectiveness of the risk management framework and practices.
Governance	Experience in developing governance practices, serving the best interest of all stakeholders, maintaining board and management accountability, effective stakeholders' engagements, and commitment to highest standards of corporate ethics and values.
HR, Health, safety,	Know-how of working on talent management and

environment and sustainability	development, environment, health, safety, sustainability and corporate social responsibility activities directly or as a part of operational responsibility for long-term value creation.
Industry and sector experience or knowledge	Knowledge and experience in telecom sector to provide strategic guidance to the management.
Technology and digital expertise	Background in technology, resulting in knowledge of anticipating technological trends, generating disruptive innovation and extending or creating new business models.

While all the Board members broadly possess the identified skills, their domain of core expertise is given below:

Name of the Director	Strategic Planning and Leadership Skills	Financial and Risk Management	Governance	HR, Health, safety, environment and sustainability	Industry and sector experience or knowledge	Technology and digital expertise
Mr. Sunil Bharti Mittal	✓	✓	✓	✓	✓	✓
Mr. Devendra Khanna	✓	✓	✓	✓	✓	✓
Ms. Chua Sock Koong	✓	✓	✓	✓		✓
Mr. Rajan Bharti Mittal	✓	✓	✓	✓	✓	
Mr. Tao Yih Arthur Lang	✓	✓	✓		✓	✓
Mr. Arvind Kohli*	✓	✓	✓	✓	✓	
Mr. Ravi Kumar Kaushal	✓	✓	✓	✓	✓	
Mr. Rajiv Kumar Chaudhri**	✓	✓	✓	✓	✓	
Mr. Ravinder Arora***	✓	✓	✓	✓	✓	

*Appointed as a Non-executive Independent Director w.e.f. March 23, 2023.

**Ceased to be director of the Company w.e.f. close of business hours of December 15, 2022, due to his sudden demise.

***Ceased to be director of the Company w.e.f. close of business hours of July 31, 2022.

Board Membership Criteria and Selection Process

As per the Company's Policy on Nomination and Remuneration and Board Diversity, selection of a new Board member(s) is the responsibility of the Nomination and Remuneration Committee. The Nomination and Remuneration Committee has set forth a robust process for selection of new directors ensuring the best interests of the Company & its shareholders.

The Committee is responsible for identifying and evaluating a suitable candidate for appointment as director (executive, non-executive including independent) on the Board. While selecting a candidate, the Committee considers various criteria and leverages differences in factors w.r.t. background, knowledge, skills, abilities & thought (to exercise sound judgement), professional experience & functional expertise, educational, professional, cultural and geographical background, personal accomplishments, nationality, gender, race, ethnicity, age, experience and understanding of the telecommunication sector/ industry, marketing, technology, finance and

other disciplines relevant to the business.

The Committee also considers such other factors, relevant and applicable from time to time towards achieving a diverse Board. The Committee, based on evaluation of aforesaid criteria, makes recommendations to the Board. The Board, on recommendation of the Committee, recommends the appointment to the members of the Company, wherever applicable, for their approval.

Independent Directors

The Company has laid down the terms and conditions of the appointment of Independent Directors stipulating their roles, responsibilities and duties which are consistent with the provisions of the Listing Regulations, Section 149 and Schedule IV of the Act. The said terms and conditions set out the criteria of independence, age limits, recommended tenure, committee memberships, remuneration and other related terms of appointment. It emphasizes the importance of independence.

At the time of appointment and thereafter at the beginning of each financial year, the Independent Directors submit a self-declaration, confirming their independence and compliance with various eligibility criteria laid down by the Company, among other disclosures and the Company also ensures that the Directors meet the above eligibility criteria. All such declarations are placed before the Board for information.

In the opinion of the Board, the Independent Directors fulfil the conditions specified in the Act, rules made thereunder and Listing Regulations and are independent of the management.

Meetings of Independent Directors

The Independent Directors meet separately at least once in a year, prior to the commencement of Board meeting, without the presence of Non-Independent Directors or representatives of the management. They meet to discuss and form an independent opinion on the agenda items and various other Board-related matters, identify areas where they need clarity or information from the Management, annually review the performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company, taking into account the views of Executive Directors and Non- Executive Directors and assess the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors also meet with the Statutory as well as Internal Auditors from time to time, in the aforesaid meeting, to discuss internal audit effectiveness, control environment and invite their general feedback.

During the financial year 2022-23, the Independent Directors met once on February 07, 2023.

Familiarization Programme for Board Members

The Company has adopted a structured induction programme for orientation and training of Directors at the time of their joining to provide them with an opportunity to familiarize themselves with the Company, its management, its operations, and the industry in which the Company operates.

The induction programme includes one-to-one interactive sessions with the top management team, business and functional heads among others and includes site visits to understand the operations and technology. Apart from the induction program, the Company periodically presents update at the Board/Committee meetings to familiarize the Directors with Company's strategy,

business performance, operations, finance, risk management framework and other related matters.

At the time of appointment, an appointment letter setting out the role, functions, duties and responsibilities, details regarding remuneration, training and development, performance evaluation process etc. is also given to the Directors. The Board also has an active communication channel with executive management which allows free flow of communication among Directors in terms of raising query, seeking clarifications for enabling a good understanding of the Company and its various operations.

Business updates on relevant changes and regulatory updates are regularly circulated to the Directors to keep them abreast on significant developments in the Company.

The details of such familiarization programs are disclosed on the website of the Company at <http://www.bhartitelecom.in/policies.html>

Performance Evaluation

In compliance with the provisions of the Act, the Nomination and Remuneration Committee had approved the process, format, attributes and criteria for the performance evaluation of the Board, Board Committees and Individual Directors including the Chairman and the Managing Director. The process provides that the performance evaluation shall be carried out on an annual basis. During the financial year under review, the Board had completed the evaluation process, which included evaluation of the Board as a whole, the Board Committees and individual Directors including the Chairman and the Managing Director.

All directors participated in the evaluation process. The result of evaluation was discussed in the respective committee meetings. Recommendations arising from the evaluation process were considered by the Board to optimize its effectiveness.

Number of Board Meetings

During the financial year 2022-23, the Board met nine (9) times i.e., on May 17, 2022, May 30, 2022, August 08, 2022, August 23, 2022, September 21, 2022, October 31, 2022, November 10, 2022, November 30, 2022 and February 07, 2023. The intervening period between the Board Meetings were within the maximum time gap prescribed under the Act and Regulation 17 of the Listing Regulations.

Requisite information, as per the requirements of Regulation 17 of the Listing Regulations is provided below:

Name of Director (DIN)	Category	Number of other Directorships ¹	Name of listed entity where person is director along with category of directorship ¹	Number of committee and memberships ²		No. of Meetings held during his/ her tenure and attended	Whether attended last AGM
				Chairman	Member		
Board Composition as on March 31, 2023							
Mr. Sunil Bharti Mittal (DIN: 00042491)	Director, Chairperson	14	Bharti Airtel Limited-Whole time Director	Nil	Nil	9 (9)	No
Mr. Devendra Khanna (DIN: 01996768)	Managing Director	18	N.A.	Nil	Nil	9 (9)	No
Ms. Chua Sock Koong (DIN: 00047851)	Non-Executive Director	1	Bharti Airtel Limited- Non-Executive Director	Nil	Nil	9 (9)	No
Mr. Rajan Bharti Mittal	Non-Executive	16	Marico Limited-	Nil	2	9 (9)	No

(DIN: 00028016)	Director		Director Global Health Limited- Director Indus Towers Limited- Non- Executive Director				
Mr. Tao Yih Arthur Lang (DIN: 07798156)	Non-Executive Director	1	Bharti Airtel Limited- Non- Executive Director	Nil	Nil	9 (9)	No
Mr. Ravinder Arora (DIN: 00050336) *	Independent Director	N.A.	N.A.		N.A.	2 (2)	No
Mr. Ravi Kumar Kaushal (DIN: 02814471)	Independent Director	7	Nil	7	Nil	9 (9)	No
Mr. Rajiv Kumar Chaudhri (DIN: 00042503)**	Independent Director	N.A.	N.A.		N.A.	4(8)	Yes
Mr. Arvind Kohli (DIN: 00001920)***	Independent Director	8	Nil	Nil	2	N.A.	N.A.

*Mr. Ravinder Arora retired from the Board w.e.f. July 31, 2022, upon completion of his second term as Independent Director of the Company.

** Mr. Rajiv Kumar Chaudhri Ceased to be Independent Director of the Company w.e.f. December 15, 2022, due to his sudden demise.

***Mr. Arvind Kohli was appointed as Independent Director w.e.f. March 23, 2023.

Notes:

1. The Directorships, held by Directors, as mentioned above, do not include the Directorships held in foreign companies / body corporates and Bharti Telecom Limited. Also, for the purpose of counting the total number of directorship in listed entities, those entities are considered whose equity shares are listed on a stock exchange.
2. Committees considered for the purpose are those prescribed under the Listing Regulations viz. Audit Committee and Stakeholders' Relationship Committee of Indian public limited companies other than Bharti Telecom Limited. Committee memberships details provided do not include chairmanship of committees as it has been provided separately.
3. Except Mr. Sunil Bharti Mittal and Mr. Rajan Bharti Mittal, who are brothers, none of the Directors are relatives of any other director.
4. As on March 31, 2023, none of the Directors of the Company holds shares in the Company.
5. None of the Directors on the Board of the Company has been debarred from accessing the capital market and/or restrained from holding position of Director in any listed company by virtue of any SEBI Order or any such authority.
6. None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.

Remuneration of Directors

The Board has approved a Policy on Nomination, Remuneration for Directors, KMPs and other Senior Management and includes the criteria of making payments to non-executive directors. The Company's remuneration policy is intended to set out criteria for remuneration of the directors, Key Managerial Personnel, Senior Management, and other employees of the Company in accordance with the goals of the Company.

The detailed Nomination, Remuneration and Board Diversity Policy is available on the website of the company at <https://www.bhartitelecom.in/policies.html>.

The Company affirms that the remuneration paid to the Board members is as per terms laid out in the policy on Nomination and Remuneration.

Details of the remuneration of Directors for the FY 2022-23

No remuneration was paid to any Directors during the Financial Year 2022-23 other than sitting fees paid to Independent Directors. The details of sitting fees paid to the Independent Directors is as under:

(Amount in ₹)

Name of Director	Sitting fees paid
Mr. Ravinder Arora*	50,000
Mr. Rajiv Kumar Chaudhri**	1,00,000
Mr. Ravi Kumar Kaushal	2,25,000
Mr. Arvind Kohli***	Nil
Total	3,75,000

*Mr. Ravinder Arora retired from the Board w.e.f. July 31, 2022, upon completion of his second term as Independent Director of the Company.

** Mr. Rajiv Kumar Chaudhri Ceased to be Independent Director of the Company w.e.f. December 15, 2022, due to his sudden demise.

***Mr. Arvind Kohli was appointed as Independent Director w.e.f. March 23, 2023.

C. Board Committees

In compliance with the statutory requirements, the Board has constituted various committees with specific terms of reference and scope. The objective is to focus effectively on the issues and ensure expedient resolution of the diverse matters. The Committees operate as the Board's empowered agents according to their charter / terms of reference.

In the Financial Year 2022-23, the Board has accepted all recommendations of its committees

The Constitution of the Board Committees are available on the Company's website <https://www.bhartitelecom.in/corporateGovernance.html>.

Audit Committee

In compliance with the requirements of Section 177 of the Act, the listing regulations and applicable master circulars and regulations issued by Reserve Bank of India ("RBI"), the Company has a committee of the Board known as the Audit Committee. All recommendations made by the Committee were accepted by the Board.

During the financial year 2022-23, the Committee met 6 times i.e. on May 17, 2022, May 30, 2022, August 8, 2022, August 23, 2022, October 31, 2022 and February 7, 2023. The composition and the attendance of the members at the meetings are given below:

Name	Category	No. of Meetings held during his tenure and attended	
		Attended	Held
Mr. Rajan Bharti Mittal	Chairperson	6	6
Mr. Tao Yih Arthur Lang	Member	6	6
Mr. Ravi Kumar Kaushal	Member	6	6
Mr. Rajiv Kumar Chaudhri*	Member	4	5
Mr. Ravinder Arora**	Member	2	2
Mr. Arvind Kohli***	Member	N.A.	N.A.

*Mr. Rajiv Kumar Chaudhri ceased to be member of the committee w.e.f. December 15, 2022 due to his sudden demise.

**Mr. Ravinder Arora ceased to be member of the committee w.e.f. close of business hours of July 31, 2022.

***Mr. Arvind Kohli was inducted as a member of the committee w.e.f. March 23, 2023.

Terms of reference of the Audit Committee , inter-alia, includes:

1. Recommend to the Board in respect of the appointment (including the filling of a casual vacancy), resignation or dismissal, remuneration and terms of appointment of the statutory auditor, internal auditors, cost auditors;
2. Review & monitor the statutory and internal auditor's independence, performance & effectiveness of audit process;
3. Reviewing, with the management, the quarterly/annually financial statements including auditors report thereon before submission to the board for approval;
4. Approval or any subsequent modification of transactions of the company with related parties;
5. Scrutiny of inter-corporate loan & investments;
6. Valuation of undertakings or assets of the company, wherever it is necessary;
7. Evaluation of internal financial controls and risk management systems;
8. Monitoring the end use of funds raised through public offers and related matters;
9. Appointment of a registered valuers.

Consolidated fees paid to statutory auditor

Total fees for all services paid by the Company to the statutory auditors for FY 2022-23 is as follows:

	(in ₹ Mn.)
Audit Fees	0.90
Fee for other services	0.55
Total Fees paid	1.55

*includes out-of-pocket expenses.

Total fees for all services paid by the Subsidiaries to the statutory auditors for FY 2022-23 is as follows:

	(in ₹ Mn.)
Audit Fees	85
Reimbursement of expenses	6
Fee for other services	22
Total Fees paid	113

Nomination and Remuneration Committee

In compliance with the requirements of Section 178 of the Act, the listing regulations and applicable master circulars and regulations issued by Reserve Bank of India ("RBI"), the Company has committee of the Board known as the Nomination and Remuneration Committee.

During the financial year 2022-23, the Committee met 2 times, i.e., on May 17, 2022 and February 7, 2023. The composition as at March 31, 2023 and the attendance of the members at the meeting are given below:

Name	Category	No. of Meetings held during his/ her tenure and attended	
		Attended	Held
Mr. Rajan Bharti	Chairperson	2	2

Mittal			
Ms. Chua Sock Koong	Member	2	2
Mr. Ravi Kumar Kaushal	Member	2	2
Mr. Rajiv Kumar Chaudhri*	Member	1	1
Mr. Ravinder Arora**	Member	1	1
Mr. Arvind Kohli***	Member	N.A.	N.A.

*Mr. Rajiv Kumar Chaudhri ceased to be member of the committee w.e.f. December 15, 2022 due to his sudden demise.

**Mr. Ravinder Arora ceased to be member of the committee w.e.f. close of business hours of July 31, 2022.

***Mr. Arvind Kohli was inducted as a member of the committee w.e.f. March 23, 2023.

Key Responsibilities of the Nomination and Remuneration Committee, inter-alia, includes:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-executive including Independent Directors), Key Managerial Personnel ('KMP') and Senior Management Personnel.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage for the Company.
- To determine remuneration of directors, KMPs and other Senior Management Personnel, keeping in view all relevant factors including industry trends and practices.
- To provide for rewards linked directly to their effort, performance, dedication and achievement of Company's targets.
- To lay down criteria for determining the Company's approach to ensure adequate diversity in its Board.

Stakeholders' Relationship Committee

In compliance with the requirements of Section 178 of the Act, the listing regulations and applicable master circulars and regulations issued by Reserve Bank of India ("RBI"), the Company has a committee of the Board known as the Stakeholders' Relationship Committee.

During the financial year 2022-23, the Committee met 2 times, i.e., on May 17, 2022 and February 7, 2023. The composition as at March 31, 2023 and the attendance of the members at the meeting are given below:

Name	Category	No. of Meetings held during his tenure and attended	
		Attended	Held
Mr. Rajan Bharti Mittal	Chairperson	2	2
Mr. Devendra Khanna	Member	2	2
Mr. Tao Yih Arthur Lang	Member	2	2

Compliance Officer

Mr. Rohit Krishan Puri acted as the Company Secretary & Compliance Officer of the Company for complying with the requirements of the Listing Regulations and applicable laws.

Key Responsibilities of the Stakeholders' Relationship Committee, inter-alia, includes:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new duplicate certificates, general meetings etc.;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Nature of Complaints and Redressal Status

Details of the investor complaints received during financial year 2022-23 are as follows:

Type of complaint	Received	Redressed	Pending as on March 31, 2023
Non-receipt of securities	Nil	Nil	Nil
Non-receipt of Annual Report	Nil	Nil	Nil
Non-receipt of dividend	Nil	Nil	Nil
Miscellaneous	Nil	Nil	Nil
Total	Nil	Nil	Nil

To redress investor grievances, the Company has a dedicated e-mail id, compliance.officer@bharti.in to which investors may send their grievances.

Group Risk Management Committee

In compliance with Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 and other RBI regulations, the Company has a committee of the Board known as the Group Risk Management Committee.

During the Financial Year 2022-23, the Committee met 4 times, i.e., on May 17, 2022, August 8, 2022, October 31, 2022 and February 7, 2023. The intervening period between the Group Risk Management Committee were within the maximum time gap prescribed under Regulation 21 of the Listing Regulations. The composition as at March 31, 2023 and the attendance of the members at the meeting are given below:

Name	Category	No. of Meetings held during his tenure and attended	
		Attended	Held
Mr. Rajan Bharti Mittal	Chairman	4	4
Mr. Devendra Khanna	Member	4	4
Mr. Tao Yih Arthur Lang	Member	4	4
Mr. Arvind Kohli*	Member	N.A.	N.A.

*Mr. Arvind Kohli was inducted as members of the committee w.e.f. March 23, 2023.

Terms and reference of the Risk Management Committee are as follows:

1. To formulate a detailed risk management policy which shall include:
 - a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - b. Measures for risk mitigation including systems and processes for internal control of identified risks.
 - c. Business continuity plan.
2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company and its subsidiaries;
3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems, group structure and corporate governance framework for risk management assessment across the group;
4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
5. To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
6. To consider and approve the appointment, removal and terms of remuneration of the Chief Risk Officer (if any).
7. To coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors; and
8. Such other role/functions as may be specifically referred to the Committee by the Board of Directors and / or other committees of Directors of the Company and specified in SEBI/RBI Regulations.

Corporate Social Responsibility (CSR) Committee

In compliance with the requirements of Section 135 of the Act, the Company has a committee of the Board known as the Corporate Social Responsibility Committee.

During the financial year 2022-23, the Committee met one time, i.e., on May 17, 2022. The composition and the attendance of the members at the meeting are given below:

Name	Category	No. of Meetings held during his tenure and attended	
		Attended	Held
Mr. Rajan Bharti Mittal	Chairperson	1	1
Mr. Devendra Khanna	Member	1	1
Mr. Ravi Kumar Kaushal	Member	1	1
Mr. Tao Yih Arthur Lang	Member	1	1

Terms of Reference of the Corporate Social Responsibility (CSR) Committee are as follows:

1. Devise a robust monitoring mechanism to ensure that the CSR projects / programs are undertaken effectively in accordance with the approval granted and are fully in compliance with applicable laws, rules and regulations. Monitoring of CSR activities could be done through:
 - a. Periodic third-party assessment of key projects
 - b. Impact assessment with key indicators in our areas of operations
 - c. Regular review by CSR committee
2. Ensure that appropriate disclosures are made to the shareholders in the company's annual reports.

Corporate Social Responsibility Report for the year ended March 31, 2023

The Report on Corporate Social Responsibility for the financial year 2022-23 u/s 135 of the Act is annexed as Annexure A to the Board's report.

Asset Liability Committee

In compliance with Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 and other RBI regulations, the Company has a committee of the Board known as the Asset Liability Committee.

During the financial year 2022-23, the Committee met 4 times, i.e., on May 17, 2022, August 8, 2022, October 31, 2022 and February 7, 2023. The composition as at March 31, 2023 and the attendance of the members at the meeting are given below:

Name	Category	No. of Meetings held during his tenure and attended	
		Attended	Held
Mr. Rajan Bharti Mittal	Chairperson	4	4
Mr. Devendra Khanna	Member	4	4
Mr. Tao Yih Arthur Lang	Member	4	4

IT Strategy Committee

In compliance with Master Direction – Information Technology Framework for the NBFC Sector issued by RBI, the Company has constituted a committee of the Board known as the IT Strategy Committee.

During the financial year 2022-23, the Committee met 2 times i.e., on April 29, 2022 & October 26, 2022. The composition and the attendance of the members at the meetings are given below:

Name	Category	No. of Meetings held during his tenure and attended	
		Attended	Held
Mr. Arvind Kohli *	Chairperson	0	0
Mr. Devendra Khanna	Member	2	2
Mr. Pardipt Kapoor (Chief Information Officer)	Member	2	2
Mr. Rajiv Kumar Chaudhri**	Chairman	2	1

*Mr. Arvind Kohli was inducted as a member of the committee w.e.f. March 23, 2023

** Mr. Rajiv Kumar Chaudhri ceased to be member of the committee w.e.f. December 15, 2022 due to his sudden demise.

Committee of Directors

The Company has a functional committee known as BTL Committee of Directors.

During the financial year 2022-23, the Committee met 8 times i.e. on September 7, 2022, September 21, 2022, November 10, 2022, November 21, 2022, November 30, 2022, December 05, 2022, December 06, 2022 and December 12, 2022. The composition and the attendance of the members at the meeting are given below:

Name	Category	No. of Meetings held during his tenure and attended	
		Attended	Held
Mr. Rajan Bharti Mittal	Chairperson	8	8
Mr. Devendra Khanna	Member	8	8
Mr. Tao Yih Arthur Lang	Member	8	8

D. GENERAL BODY MEETINGS

The details of last three Annual General Meetings (AGMs) are as follows:

Financial Year	Location/ Mode	Date	Time	Special Resolution passed
2021-22	Video Conferencing	September 30, 2022	03:00 P.M. (IST) to 03:30 P.M. (IST)	1.Re-Appointment of Mr. Rajiv Kumar Chaudhri as an Independent Director 2.Approval for the increase in borrowing powers of the Company
2020-21	Video Conferencing	September 30, 2021	03:30 P.M. (IST) to 04:00 P.M. (IST)	Appointment of Mr. Ravi Kumar Kaushal as an Independent Director
2019-20	Video Conferencing	September 30, 2020	03:30 P.M. (IST) to 04:00 P.M. (IST)	N.A.

Postal Ballot/ E-Voting

The Company did not pass any resolution through postal ballot during the financial year 2022-2023.

E. CODES, POLICIES AND FRAMEWORKS

Disclosure on Materially Significant Related Party Transactions that may have potential conflict with the interest of Company at large

The Board of Directors has formulated a Policy on dealing with Related Party Transactions pursuant to the provisions of the Act and the Listing Regulations. The Policy includes clear threshold limits and intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and related parties. The Policy is posted on the website of the Company at https://www.bhartitelecom.in/docs/policies/BTL_RPT_Policy.pdf.

Details of Non-compliance of any requirement of corporate governance

There were no instances of non-compliance of any requirement of corporate governance by the Company for which any penalties or strictures were imposed on the Company by the Stock Exchanges and SEBI or any statutory authority on any matter related to capital markets during the last three years.

Details of Compliances with the Non-mandatory Requirements of Regulation 27 of the Listing Regulations

The Company has adopted the non-mandatory requirements of Regulation 27 read with Part E of Schedule II of the Listing Regulations in following manner.

i. The Board

The Chairperson of the Company is a Non-Executive Director.

ii. Shareholders' Rights

The quarterly results of the Company are published in English newspaper (Mint-English Daily), having wide circulation in Delhi. Further, the quarterly results are also posted on the website of the Company and can be accessed on <http://www.bhartitelecom.in/investorRelation.html>. In view of the forgoing, the half yearly results of the Company are not sent to the Shareholders individually. The complete copy of the Annual Report is sent to the shareholders/debenture holders of the Company. Further, the Company also publish the other important notices/information in English newspaper (Mint-English Daily), having wide circulation in Delhi besides uploading the same on the website of the Company.

iii. Modified/Un-Modified Opinion(s) in Audit Report

The Company believes in maintaining its accounts in a transparent manner and aims at receiving unqualified report of auditors on the financial statements of the Company. Auditors have issued their reports on the Standalone Financial statements / results for financial year ended March 31, 2023 with un-modified opinion.

iv. Reporting of Internal Auditor

The Internal Auditor and Internal Assurance Partner of the Company reports directly to the Audit Committee of the Company.

Subsidiary Company

The annual financial statements of the subsidiaries for FY 2022-23 are available for download on the website of the Company at www.bhartitelecom.in.

Material Subsidiary

Details of material subsidiary including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:

S. No.	Subsidiaries whose total income/ net worth exceeds 10% of the Company's consolidated Income/ net worth	Date of Incorporation	Place of Incorporation	Name of Statutory Auditor	Date of appointment of statutory auditor
1.	Bharti Airtel Limited	July 07, 1995	India	Deloitte Haskins & Sells LLP	August 12, 2022
2.	Network i2i Limited	November 30, 2000	Mauritius	Deloitte	July 05, 2022
3.	Airtel Africa Mauritius Limited	June 28, 2018	Mauritius	Deloitte	July 05, 2022
4.	Airtel Africa Plc	July 12, 2018	United Kingdom	Deloitte LLP	June 28, 2022
5.	Bharti Airtel International (Netherlands) B.V.	March 19, 2010	Netherlands	Deloitte Haskins & Sells LLP	October 14, 2022*
6.	Bharti Airtel Africa B.V.	June 08, 2010	Netherlands	Deloitte Haskins & Sells LLP	October 14, 2022*
7.	Airtel Networks Limited	December 21, 2000	Nigeria	Deloitte & Touche	July 21, 2022

* Appointed vide consolidated engagement entered between the Company and Deloitte Haskins & Sells LLP.

Whistle Blower Policy/Vigil Mechanism

The Company has adopted the Whistle Blower Policy and has established the necessary mechanism in line with the Stock Exchanges, for employees to report concerns about unethical behavior. No person has been denied access to the Audit Committee. The Vigil Mechanism as per Regulation 22 of Listing Regulations ensures standards of professionalism, honesty, integrity and ethical behavior. The Whistle Blower Policy/Vigil Mechanism is uploaded on the Company's website at the web link of https://www.bhartitelecom.in/docs/policies/BTL_WHISTLEBLOWER_POLICY.pdf.

Code of Conduct

In compliance with the Listing Regulations and the Act, the Company has framed and adopted a Code of Conduct for all Directors and Senior Management Personnel. The code is available on the Company's website www.bhartitelecom.in. The Code is applicable to all Board members and Senior Management executives who directly report to the Managing Director. The Code is circulated to all Board members and Senior Management Personnel and its compliance is affirmed by them annually. Besides, the Company also procures a quarterly confirmation of material financial and commercial transactions entered into by Senior Management Personnel with the Company that may have a potential conflict of interest.

A declaration signed by the MD regarding affirmation of the compliance with the Code of Conduct

by Board Members and Senior Management for the Financial Year ended March 31, 2023, is annexed as **Annexure A** to this report.

Along with the Code of Conduct for the Board members and Senior Management, the Company has also laid down a Code of Conduct for its employees. As a process, an annual confirmation is also sought from all employees. All employees are expected to confirm compliance to the Code annually.

Regular training programmes are conducted across locations to explain and reiterate the importance of adherence to the Code.

MD and CFO Certification

The certificate required under Regulation 17(8) of the Listing Regulations, duly signed by the MD and CFO was placed before the Board. The same is annexed as **Annexure B** to this report.

Certificate from the Company Secretary in practice pursuant to Schedule V of the Listing Regulations

Pursuant to Schedule V Para C clause (10)(i) of the Listing Regulations, the Company has obtained certificate from CL & Associates, Practicing Company Secretary confirming that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority is annexed to this report as **Annexure C**.

Prevention of Sexual Harassment

Company's commitment towards creating a respectful workplace that is free from any form of harassment and discrimination is exemplified by its 'zero-tolerance' approach towards any act of sexual harassment. The Company has a comprehensive policy which is in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Committee (IC) has been constituted as per procedure prescribed in the law. All such investigations are conducted as per the tenets of the law and the Company's policy. The list of ICC members has been prominently displayed across all offices in publicly accessible areas. Further, awareness and training sessions with respect to the Prevention of Sexual harassment at workplace are conducted for all employees, including our associates. Following are the details of sexual harassment cases for financial year 2022-23:

1. Number of complaints filed during the financial year - Nil
2. Number of complaints disposed off during the financial year - Nil
3. Number of complaints pending as at the end of the financial year - Nil

Disclosure of Loans and advances in the nature of loans to firms/companies in which directors are interested

During the Financial Year ended March 31, 2023, there are no loans or advances provided by the Company and its subsidiaries to firms/companies in which directors were interested.

Compliance with the Mandatory Requirements as Specified in Regulations 17 to 27 of the Listing Regulations

The Board of Directors periodically review the compliance of all applicable laws. The Company has complied with all the mandatory requirements of the Code of Corporate Governance as stipulated under Regulations 17 to 27 of the Listing Regulations. w.r.t. high value debt listed entity. In this regard, a certificate has been received from M/s. CL & Associates, Company Secretaries, New Delhi, Practicing Company Secretary affirming compliance of Corporate Governance during FY 2022-23 and the same is attached to as **Annexure C** to the Board's Report.

Equity Shares in the Suspense Account

In terms of Regulation 34 of the Listing Regulations, the details in respect of shares lying in the demat account Bharti Telecom Limited- Unclaimed Suspense Account' as on March 31, 2023 are as under:

Particulars	Number of shareholders	Number of equity shares
Number of shareholders and aggregate number of shares as transferred to the Unclaimed Suspense Account outstanding as on April 1, 2022	N.A.	N.A.
Number of shareholders who approached the Company for transfer of shares and shares transferred from suspense account during the year	N.A.	N.A.
Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2023	N.A.	N.A.

F. MEANS OF COMMUNICATION

Quarterly Results	Following the highest standards of Corporate Governance, the Company has been announcing its audited financial results on half yearly basis. The results are published in prominent daily newspapers, viz. Mint (English daily) and are also uploaded on the Company's website at www.bhartitelecom.in
Newspapers wherein results normally published	The results are published in prominent daily newspapers, viz. Mint (English daily)
Website of the Company	www.bhartitelecom.in
Whether it also displays official news releases	Yes, wherever applicable.
The Presentations made to institutional investors or to the analysts	Complied with whenever applicable/ made.

G. GENERAL SHAREHOLDER INFORMATION

38th Annual General Meeting

Date : September 30, 2023

Day : Friday

Time : 02:00 P.M.

Venue : Through Video Conference

Financial Year

The Company has adopted the Financial Year of 12 months ending in March every year.

Dividend and Dividend Pay-out Date

No dividend is announced and recommended by the Board for FY 2022-23.

The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s)

The debt securities of the Company are listed on:

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor,
Plot No. C-1, G Block, Bandra Kurla Complex, Bandra East,
Mumbai- 400051.

The Company has paid the annual listing and custodian fees for the financial year 2023 – 2024 to the Stock Exchanges and Depositories

Stock Code: N.A.

Stock Market Data

The Company has not listed its equity shares on any stock exchange. Hence, this requirement is not applicable.

Performance in comparison to broad based indices

Since the equity shares of the Company are not listed on any exchange, no comparative data is available.

Suspension of Company's Securities

The Company's securities have never been suspended from trading.

Registrar and Share Transfer Agent (RTA)

The RTA activities of the Company are being handled by KFin Technologies Limited; its contact details are as follows:

Kfin Technologies Limited

Karvy Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda, Hyderabad – 500 032.

Tel. No. 040 67161500

Fax. No. 040 23001153

E-mail: einward.ris@kfintech.com

Website: www.kfintech.com

Toll Free No. of exclusive Call Centre: 1800-345-4001

Share Transfer System,

The Company's equity shares are not listed on any stock exchange. Hence, this requirement is not applicable.

Dematerialisation of Shares and Liquidity thereof

Approx 99.85% of equity share capital of the Company is held in dematerialised form. The shareholders can hold the Company's shares with any depository participant, registered with the depositories. Physical shareholders are encouraged to dematerialise their shareholding.

Distribution of Shareholding

By number of shares held as on March 31, 2023

S. No.	Category (by no. of shares)	No. of shareholders	% to holders	Amount of share Capital (in Rs.)	% of shares
1	1-5000	4	36.36%	50	0.0
2	5001-10000	-	-	-	-
3	10001-20000	-	-	-	-
4	20001-30000	-	-	-	-
5	30001-40000	-	-	-	-
6	40001-50000	-	-	-	-
7	50001-100000	-	-	-	-
8	100001 and above	7	63.64	25,823,163,310	100
	Total	11	100	25,823,163,360	100

By Category of holders as on March 31, 2023

S. No.	Category	Number of Shares	%
I.	Promoter & Promoter Group		
	(i) Indian	1,305,663,494	50.56
	(ii) Foreign	-	-
	Total - Promoter & Promoter Group	1,305,663,494	50.56
II.			
	(i) Mutual Funds	-	-
	(ii) Alternative Investment Fund	-	-
	(iii) Foreign Portfolio Investors	-	-
	(iv) Financial Institutions/Banks	-	-
	(v) Insurance Companies	-	-
	(vi) Qualified Institutional Buyer	-	-
	Total - Institutions	-	-

(i)	Individual shareholders holding nominal share capital up to Rs.2 lakhs	-	-
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs	-	-
(iii)	NBFCs Registered with RBI	-	-
(iv)	Trust	-	-
(v)	Non Resident Indians	-	-
(vi)	Clearing Members	-	-
(vii)	Non Resident Indian Non Repatriable (NRN)	-	-
(viii)	Bodies Corporate	1,276,652,842	49.44
(ix)	IEPF	-	-
Total - Non-Institutions		1,276,652,842	49.44
Total - Public Shareholding		1,276,652,842	49.44
Total		2,582,316,336	100.00

Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity

The Company does not have any outstanding GDRs / ADRs / Warrants or any Convertible instruments as on date.

Commodity price risk or foreign exchange risk and hedging activities

The nature of the business of the Company is such that it does not involve any material risk on account of foreign exchange and commodity prices. Therefore, the Company has not undertaken any hedging activities during the year.

Plant Locations

Being a financial services company, Bharti Telecom Limited has no plant locations.

Nature of Communication	Contact details
For Debenture holders holding debentures in physical or in demat form	KFin Technologies Limited (Formerly known as "Karvy Fintech Private Limited) Selenium Building, Tower B, Plot No- 31 & 32, Financial District, Nanakramguda, Seriligampally, Hyderabad, Rangareddi, 500032. Telangana, India Tel: +91 40 67162222, 79611000 Website: https://www.kfintech.com SEBI Registration Number: INR000000221#
Debenture Trustee details	Axis Trustee Services Limited The Ruby, 2 nd Floor, SW,

	29 Senapati Bapat Marg, Dadar West, Mumbai - 400 028, India Telephone No. 022 62300451 Fax No. 022 43253000 E-mail: debenturetrustee@axitrustee.in ; compliance@axitrustee.in
Compliance Matter	Mr. Rohit Krishan Puri, Compliance Officer Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase - II, New Delhi 110070, India Tel. No.: +91-11-4666 6100 Fax: +91-11-4666 6137 Email id: compliance.officer@bharti.in

Credit Rating

During the financial year 2022-23, the rating agency, CRISIL has maintained rating of "AA+(Stable)" for the Debentures issued by the Company. The instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligation. Such instruments carry very low credit risk. Further, CRISIL and ICRA have maintained a rating of "A1+" for the Commercial Papers issued by the Company.

DECLARATION

I hereby confirm that the Company has received from all members of the Board and Senior Management, for the financial year ended March 31, 2023, a confirmation that they are in compliance with the Company's Code of Conduct.

For **Bharti Telecom Limited**

Sd/-

**Devendra Khanna
(Managing Director)**

Date: May 30, 2023

Place: New Delhi

CERTIFICATION

We, Devendra Khanna, Managing Directors and Puneet Tandon, Chief Financial Officer of Bharti Telecom Limited, to the best of our knowledge and belief hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2023 and that to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
 - (i) Significant changes in internal control over financial reporting during the year, if any;
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any; and
 - (iii) Instances of fraud, whether or not significant, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: May 30, 2023
Place: New Delhi

Sd/-
Devendra Khanna
Managing Director
DIN: 01996768

Sd/-
Puneet Tandon
Chief Financial Officer

CL & Associates, Company Secretaries

D-20/1, Third Floor, Chhatarpur Enclave, Phase - II, South Delhi, New Delhi-110074, India

Tel: +91 11-2630 2076; E-mail: support@corp-nexus.com

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members

Bharti Telecom Limited

Airtel Centre, Plot No. 16,

Udyog Vihar, Phase-IV,

Gurugram-122001, India

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Bharti Telecom Limited having CIN U32039HR1985PLC032091 and having registered office at Airtel Centre, Plot No. 16, Udyog Vihar, Phase-IV, Gurugram-122015, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the MCA portal i.e. www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below, as on Financial Year ended March 31, 2023, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sl. No.	Name of Director	DIN	Original date of appointment in Company
1.	Mr. Sunil Bharti Mittal	00042491	October 16, 1986
2.	Ms. Chua Sock Koong	00047851	February 27, 2003
3.	Mr. Devendra Khanna	01996768	January 29, 2008
4.	Mr. Rajan Bharti Mittal	00028016	March 16, 1989
5.	Mr. Ravi Kumar Kaushal	02814471	January 26, 2021
6.	Mr. Tao Yih Arthur Lang	07798156	May 10, 2017
7.	Mr. Arvind Kohli	00001920	March 23, 2023

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For CL & Associates
Company Secretaries


Harish Chawla

Partner

Membership No. F9002

CP No. 15492

PR No. 1423/2021

UDIN: F009002E000313823

Date: May 16, 2023

Place: New Delhi



MANAGEMENT DISCUSSION AND ANALYSIS

1. BACKGROUND

Bharti Telecom Limited ('Bharti Telecom' or 'Telecom' or 'the Company') is registered as a Non-Deposit taking Systemically Important Core Investment Company ('CIC') pursuant to the receipt of Certificate of Registration dated January 15, 2019 issued by the Reserve Bank of India ('RBI') under section 45-IA of the Reserve Bank of India Act, 1934.

The Company continues to hold significant investments in equity shares of Bharti Airtel Limited, subsidiary of the Company.

2. OUTLOOK

India's real GDP growth for FY 2022-23 grew at 7.2%, led by strong growth in Q1 and Q4 of the year, taking the growth for the full fiscal 2022-23 to 7.2% which is above the 7% projection made by the RBI and Government earlier. The growth has been driven by pick-up in private investments, capital spending by the Government and sharp growth in service exports. Rural economy, as evidenced by growth in agriculture, tractor sales and growth in credit to the agricultural sector, has been steady. All parts of the services sector, construction and real estate continue to do well. This is also borne out by increased cement and steel sales, an increase in both freight and passenger traffic and IIP numbers for construction and growth in banking credit to the services sector. However, the impact of inflationary trends, supply chain disruptions emanating from China, and the Russia-Ukraine conflict have been impacting commodity prices. In FY2023, the Indian economy faced multiple challenges. The country's retail inflation indicator, consumer price inflation (CPI) went above the RBI's tolerance range of 6% in January 2022. It remained above this range for almost ten months, right up to October 2022. Rising international crude prices coupled with inimical domestic weather conditions kept food prices high, fuelling retail inflation. The government cut excise and customs duties and restricted exports to cool off inflation. Like other central banks, the RBI raised the monetary policy rates and reduced excess systemic liquidity. Major areas of concern were elevated commodity prices, higher retail inflation, depreciation of the Indian rupee and a rising current account deficit (CAD).

However, despite these challenges, Macro-economic factors are stable, external sector is steady, NPAs are at an all-time low, corporate balance sheets have been deleveraged, consumption story is intact, service exports are booming, Government expenditure is focused on growth and India is steadily digitizing and transitioning to a greener pathway. With a pickup in the private investment cycle for manufacturing and infrastructure, India could look towards a multi-year growth cycle.

3. OVERVIEW OF FINANCIAL AND OPERATIONAL PERFORMANCE

Your Company follows Indian Accounting Standards ('IndAS') for preparing its financial statements, in compliance with the requirement of the Companies Act, 2013, as amended and regulations issued by the RBI and Securities and Exchange Board of India ('SEBI') from time to time.

Below is a brief quantitative overview of the financial and operational performance of your Company during the reporting period. This Report should be read in conjunction with the Company's financial statements and other information included elsewhere in this Annual Report.

A. STANDALONE FINANCIAL RESULTS

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Gross income	6,097	1,105
Profit/(loss) before finance expenses, depreciation and tax	6,065	1,080
Profit/(loss) before tax	(1,832)	(533)
Less: Tax expenses	1,213	86
Profit/(loss) after tax	(3,045)	(619)

B. CONSOLIDATED FINANCIAL RESULTS

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Gross income	1,400,905	1,171,204
Profit/(loss) before finance expenses, depreciation and tax	722,160	581,049
Profit/(loss) before tax	157,769	124,297
Less: Tax expenses	43,946	41,865
Profit/(loss) after tax (before consolidation)	(3,045)	(619)
Profit/(loss) discontinued operation	0	0
Profit/(loss) after tax (after consolidation)	113,823	82,432

C. FINANCIAL RATIOS

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
1 Operating margin(%) Net operating (loss) before tax / Income from operations	-29.52%	-45.95%
2 Net profit margin (%) (Loss) for the period / Income from operation	-49.94%	-56.02%
3 Debt service coverage ratio (%) (Loss) or Profit before Tax, finance cost and tax / Interest expenses (+) payment of lease liabilities (+) principal repayment of long-term debt	48.53%	7.66%
4 Interest service coverage ratio (%) (Loss) or Profit before tax, finance cost and tax / Interest expenses	76.80%	66.98%

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
1 Debt equity ratio Total Debt (long term borrowings +Short term borrowings (Including current maturities of long term borrowings) - Cash and Cash Equivalents & Term deposits with bank / Shareholders' Equity	1.96	0.23
2 Outstanding redeemable preference shares (quality and value)	Nil	Nil
3 Capital redemption reserve /debenture redemption reserve	Nil	Nil
4 Current ratio (no. of times) Total Current assets / Total Current Liabilities	0.02	0.05
5 Current liability ratio (no. of times) Total Current Liabilities / Total Liabilities	0.12	0.29
6 Total debt to total asset Total debt / Total asset	0.66	0.19

S. No.	Core Investment Company (CIC) compliance ratio	For the year ended	
		March 31, 2023	March 31, 2022
1	Capital Adequacy Ratio % (adjusted net worth/ risk weightage assets)	346.15%	709.57%
2	Leverage Ratio (times) (outside liabilities / adjusted net worth)	0.19	0.03

4. INDUSTRY STRUCTURE & DEVELOPMENTS

A. Industry Overview- FY 2022-23

Economic Growth

Historically, India has exhibited fortitude during periods of global slowdown and managed to maintain a relatively steady GDP growth rate. During the global financial crisis (GFC) of 2008-09, while many countries experienced recession, India managed to record a growth of 3.1 per cent. India's perseverance during this challenging period can be attributed to prudent fiscal and monetary management and buoyancy in domestic demand, especially private consumption. The atypical nature of COVID-19, however, resulted in a protracted revival of private consumption as a full-fledged normalisation of activity and restoration of consumer confidence took place only after the receding of the Omicron wave in early 2022. The government's commitment to upscale infrastructure development facilitated an impressive rebound of gross capital formation (GCF).

Following COVID-19, the Indian economy registered a 'V-shaped' recovery on the back of a series of recent reforms, and pertinent policy support from the Government of India (GoI) and the Reserve Bank.

In the years following the COVID-19 outbreak, India emerged as one of the fastest growing major economies in the world. With Provisional estimates for F.Y. 2022-23 placing real GDP growth at 7.2 per cent, GDP in level terms stood at 10.1 per cent above the pre-pandemic level of 2019-20. When compared with the group of advanced economies (AEs) and emerging and developing market economies (EMDEs), vis-à-vis their respective GDP levels of 2019, India staged the fastest turnaround in GDP, next only to China.

Indian capital markets, along with the banking system, performed strongly during the year, with the stock market outperforming most of the key foreign markets and the banking system moving away from NPA issues and achieving comfortable capitalisation.

NBFC Sector

India has a diversified financial sector undergoing rapid expansion, both in terms of strong growth of existing financial services firms and new entities entering the market. The sector comprises commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial entities. The banking regulator has allowed new entities such as payment banks to be created recently, thereby adding to the type of entities operating in the sector. However, financial sector in India is predominantly a banking sector with commercial banks accounting for more than 64% of the total assets held by the financial system.

NBFCs have become important constituents of the financial sector and have been recording higher credit growth than scheduled commercial banks (SCBs) over the past few years. NBFCs are leveraging their superior understanding of regional dynamics and customised products and services to expedite financial inclusion in India. Lower transaction costs, quick decision making, customer orientation and prompt service standards have typically differentiated NBFCs from banks. Considering the reach and expanse of NBFCs, they are well-suited to bridge the financing gap in a large country like India.

NBFCs have emerged as a crucial component of India's financial landscape, playing a significant role in the country's economic growth. In recent years, the NBFC sector has experienced rapid expansion, and its outlook for the future appears incredibly promising. With favorable regulatory reforms, technological advancements, and evolving consumer preferences, the stage is set for the NBFC industry to thrive in the coming years. ICRA has also revised upward the growth outlook for the current financial year for the retail loans of Non-Bank Financial Companies (NBFC-Retail) and Housing Finance Companies (HFC-Retail), which account for the bulk of the overall sector.

We believe that NBFCs with superior capital adequacy, better margins, frugal cost management, prudent risk management and those incorporating above four key cornerstones in their business models will continue to deliver sustainable growth in the foreseeable future.

5. RISK AND CONCERNS

The Company recognizes the importance of risk management on account of increased competition and market volatility in the financial services business. The Company regularly reviews all the Key risks prioritized for Management as a part of its enterprise risk management framework with Risk Management Committee' of Directors. The Company has a well-developed and robust credit appraisal process which is reviewed from time to time, as

required, to address any regulatory changes in the financial sector. The 'Asset Liability Committee' of Directors continued to closely monitor mismatches of assets liabilities and the 'Group Risk Management Committee' of Directors oversees the management of the integrated risks of the Company and the Group.

At group level, the Board of the respective Company and leadership team have worked to mitigate possible risks that bring along potential disruption in smooth business operations. This explains our creation of steady risk management that caters to strategic, legal, financial, operational and climatic risks. We have a reliable practice to identify crucial risks across the group and map out germane action plans for mitigation.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company and its subsidiaries have in place an adequate internal audit framework to monitor the efficacy of internal controls which provides an independent and reasonable assurance on the adequacy and effectiveness of the organisation's risk management, internal control and governance processes to the Audit Committee and the Board of Directors of the Company. The framework is commensurate with the nature of the business, size, scale and complexity of its operations.

The internal audit plan is developed based on the risk profile of business activities of the organisation. The audit plan covers process audits of different functions. The audits are carried out by independent external firm. The audit plan is approved by the Audit Committee, which regularly reviews compliance.

The RBI circular dated 3rd February 2021 for NBFCs and Urban Co-operative banks (UCB) has mandated for upgradation of internal audit practices to Risk Based Internal Audit (RBIA) framework which emphasizes on the independence, authority and flexibility of the internal audit function as well as the need to upgrade key methodologies in risk assessment and reporting, to continually enhance the risk and control governance environment.

The Company has a risk based audit plan, which is approved by the Audit Committee. The audit plan is carried out by the internal auditors and internal assurance partners and reviewed periodically to include areas that have assumed significant importance in line with the emerging industry trend and the growth of the Company. In addition, the Audit Committee also places reliance on internal feedback and other external events for inclusion into the audit plan.

Based on the report of internal audit function, process owners undertake corrective action(s) in their respective area(s) and thereby strengthen the controls. Significant audit observations and corrective action(s) thereon are presented to the Audit Committee. Also, the Audit Committee at frequent intervals has independent sessions with the statutory auditor, internal auditors and the management to discuss the adequacy and effectiveness of internal financial controls.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCE/ INDUSTRIAL RELATIONS FRONT RISK AND CONCERNS

There have been no material developments in Human Resource and Industrial Relations front during the F.Y. 2022-23. Given the nature of business your Company is engaged in; it does not require Human Resources at a large level.

7. ADHERENCE TO ACCOUNTING STANDARDS

The Company continues to adhere to standard accounting policies under the Indian Accounting Standards (Ind AS), applicable since 1st April, 2016. These policies are to be read along with the relevant applicable rules and accounting principles. Changes in policies, if any, are approved by the Audit Committee.

In order to ensure uniformity in the implementation of IRACP norms across all lending institutions, certain aspects of the extant regulatory guidelines were clarified and/or harmonised by RBI vide circular dated November 12, 2021. The circular elucidated the following: specification of due date/repayment date; operational aspect of classification of an account as special mention account (SMA) and non-performing asset (NPA); definition of 'out of order'; aligning 90 days delinquency norm for NPA classification in case of interest payments; upgradation of accounts classified as NPAs; and income recognition policy for loans with moratorium on payment of interest.

8. CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking' within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied. Important factors that could make a difference to the Company's operations include global economy, political stability, stock performance on stock markets, changes in government regulations, tax regimes, economic developments and other incidental factors. Except as required by law, the Company does not undertake to update any forward looking statements to reflect future events or circumstances. Investors are advised to exercise due care and caution while interpreting these statements.

J. C. BHALLA & CO.

CHARTERED ACCOUNTANTS

BRANCH OFFICE : B-5, SECTOR-6, NOIDA - 201 301 (U.P.)
TEL. : +91 - 120 - 4241000, FAX : +91-120-4241007
E-MAIL : taxaid@jcbhalla.com

INDEPENDENT AUDITOR'S REPORT

To the Members of Bharti Telecom Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Bharti Telecom Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, notes to the Standalone Financial Statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its loss, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements 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 the *Auditor's Responsibilities for the Audit of the Financial Statements* 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 Statements 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.



HEAD OFFICE : B-17, Maharani Bagh, New Delhi - 110065

Information other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation and presentation of its report (herein after called as "Board Report") which comprises various information required under section 134(3) of the Companies Act 2013 but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the Board Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the Board Report identified above and, in doing so, consider whether the Board Report is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement in this Board Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with Governance for the Standalone Financial Statements

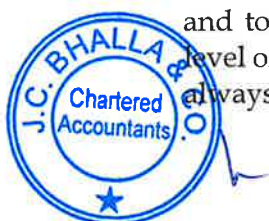
The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in Equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 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 Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Board of Directors is 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements 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 these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to the Standalone Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Company's ability 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 Standalone Financial Statements 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 Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order, 2020") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1, a statement on the matters specified in the paragraph 3 and 4 of the Order, 2020.



2. As required by Section 143(3) of the Act, we report that:
- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the balance sheet, the statement of profit and loss including other comprehensive income, statement of changes in equity and the cash flow statement dealt with in this report are in agreement with the books of account;
 - d. in our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e. on the basis of written representations received from the directors as on March 31, 2023 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of section 164(2) of the Act;
 - f. with respect to the adequacy of the internal financial controls with reference to the Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 2" to this report; and
 - g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company does not have any pending litigations which would impact its financial position in its Standalone Financial Statements;
 - ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv) (a) The management has represented to us that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity (ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented to us that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign



entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under clause g(iv)(a) and g(iv)(b) above contain any material mis-statement.
- v) The Company has neither declared nor paid any dividend during the year.
- vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023
3. With respect to the other matters to be included in the Auditor's report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid any managerial remuneration to its directors during the year and accordingly provisions of the Section 197 of the Act are not applicable to the Company.

For J.C. Bhalla & Co
Chartered Accountants
Firm Registration No. 001111N



(Akhil Bhalla)
Partner
Membership No. 505002
UDIN: 23505002BGTIND7336



Place: New Delhi
Date : May 30, 2023

Annexure 1 to the Independent Auditor's Report referred to in paragraph 1 under the heading "Report on other Legal and Regulatory requirements" of our report on the Standalone Financial Statements of Bharti Telecom Limited as of and for the year ended March 31, 2023.

Based on the audit procedure performed for the purpose of reporting a true and fair view on the Standalone Financial Statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

1. (a) The Company does not hold any Property, Plant and Equipment (including Right of Use assets) or Intangible Assets. Accordingly, clauses (i)(a) to (i)(d) of paragraph 3 of the Order, 2020 are not applicable to the Company.

(b) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, clause (i)(e) of paragraph 3 of the Order, 2020 is not applicable to the Company.
2. (a) Owing to the nature of business operation there is no inventory at any time during the year. Hence, clause (ii) of paragraph 3 of the Order, 2020 is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of five crores rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point during the year. Accordingly, clause (ii)(b) of paragraph 3 of the Order, 2020 is not applicable to the Company.
3. According to the information and explanations given to us, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, during the year. Accordingly, clause (iii) of paragraph 3 of the Order, 2020 is not applicable to the Company to that extent. The Company has made investment during the year, which in our opinion, is not prejudicial to the Company's interest.
4. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee, or security as specified under section 185 of the Act. Further, the Company's principal business is acquisition of securities in Group Companies, which is exempted from the provisions of Section 186 of the Act in respect of making investments. Accordingly, clause (iv) of paragraph 3 of the Order, 2020 is not applicable to the Company.
5. As per the information and explanations given to us, the Company has not accepted any deposits or which are deemed to be deposits from the public within the meaning of Section 73 to Section 76 or any other relevant provisions of the Act and the rules framed there under during the year. Accordingly, clause (v) of paragraph 3 of the Order, 2020 is not applicable to the Company.

According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, in respect of



services rendered by the Company. Accordingly, clause (vi) of paragraph 3 of the Order, 2020 is not applicable to the Company.

7. (a) According to the information and explanations given to us and on the basis of our verification of records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues to the extent applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of aforesaid dues were in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues referred to in clause 7(a) above which have not been deposited with the appropriate authorities on account of any dispute.
8. According to the information and explanations given to us, there are no transactions, which are not recorded in the books of account, have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, clause (viii) of paragraph 3 of the Order, 2020 is not applicable to the Company.
9. (a) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Accordingly, clause (ix)(a) of paragraph 3 of the Order, 2020 is not applicable to the Company.
- (b) According to the information and explanations given to us, the Company is not declared as wilful defaulter by any bank or financial institution or other lender.
- (c) On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to information and explanation given to us, the Company has applied the term loans for which they were obtained.
- (d) To the best of our knowledge and belief and according to information and explanations given to us, the management of company is of the view that the Company shall be able to generate sufficient funds from long term sources either through dividend income or other means to meet the capital requirements arising from the event of short term sources falling due for payment. On over all examination of the financial statements of the Company, no funds raised on short-term basis have been used during the year for long term purposes by the Company.
- (e) According to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, clause (ix)(e) of paragraph 3 of the Order, 2020 is not applicable to the Company.
- (f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures companies. Accordingly, clause (ix)(f) of paragraph 3 of the Order, 2020 is not applicable to the Company.



10. (a) On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to information and explanation given to us, the Company has not raised any money by way of initial public offer or further public offer (including debts instruments) during the year. Accordingly, clause (x)(a) of paragraph 3 of the Order, 2020 is not applicable to the Company.
- (b) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, clause (x)(b) of paragraph 3 of the Order, 2020 is not applicable to the Company.
11. (a) During the course of our examination of the books of accounts and records carried out in accordance with the generally accepted auditing practices and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause (xii) of paragraph 3 of the Order, 2020 is not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and sections 188 of the Act, where applicable, and the details of such transactions have been disclosed in the standalone financial statements, as required by the applicable accounting standards.
14. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with any of the directors or persons connected with him. Accordingly, clause (xv) of paragraph 3 of the Order, 2020 is not applicable to the Company.
16. (a) According to the information and explanations given to us the Company is required to be registered under section 45-IA of the Reserve Bank of India Act 1934 and it has obtained the registration.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has conducted the Non-Banking Financial activities with a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934.



- (c) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, is registered with the Reserve Bank of India and it continues to fulfil the criteria of a registered CIC.
- (d) According to the information and explanation given to us by the management, the Group does not have more than one CICs which are registered with the Reserve Bank of India.
17. In our opinion and according to the information and explanations given to us, the Company has incurred cash losses of Rs. 3,043 millions and Rs. 673 millions in the current financial year and in the immediately preceding financial year respectively.
18. According to the information and explanations given to us, the resignation of auditor during the year is on account of regulatory changes in appointment of auditors for NBFCs and the outgoing auditor has not raised any issues, objections or concerns.
19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that there does not exist any material uncertainty as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. In our opinion and according to the information and explanations given to us, the Company is not required to spend any amount on account of Corporate Social Responsibility. Accordingly, Clause (xx) of paragraph 3 of the Order 2020 is not applicable to the Company.

For J.C. Bhalla & Co
Chartered Accountants
Firm Registration No. 001111N



(Akhil Bhalla)
Partner
Membership No. 505002
UDIN: 23505002BGTIND7336



Place: New Delhi
Date : May 30, 2023

Annexure 2 to the Independent Auditor's Report referred to in paragraph 2(f) under the heading "Report on other Legal and Regulatory requirements" of our report on the Standalone Financial Statements of Bharti Telecom Limited as of and for the year ended March 31, 2023.

Report on the Internal Financial Controls with reference to the Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

Opinion

We have audited the internal financial controls with reference to the Standalone Financial Statements of Bharti Telecom Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the Standalone Financial Statements and such internal financial controls were operating effectively as at March 31, 2023, based on the internal financial control with reference to the Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("the Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to the Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Standalone Financial Statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Standalone Financial Statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and



evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to the Standalone Financial Statements

A Company's internal financial control with reference to the Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles.

A Company's internal financial control with reference to the Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to the Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to the Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For J.C. Bhalla & Co
Chartered Accountants
Firm Registration No. 001111N



(Akhil Bhalla)
Partner
Membership No. 505002
UDIN: 23505002BGTIND7336



Place: New Delhi
Date : May 30, 2023

BHARTI TELECOM LIMITED
Standalone Balance Sheet as at March 31, 2023
(All amounts are in millions of Indian Rupees, unless otherwise stated)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
Assets			
Financial assets			
Cash and cash equivalents	4	96	100
Investments	5	244,932	105,868
		245,028	105,968
Non-financial assets			
Current tax assets (net)	6	41	41
Other non-financial assets	7	3	2
		44	43
Total Assets		245,072	106,011
Liabilities and equity			
Liabilities			
Financial liabilities			
Payables - others			
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	8	8	23
Debt securities	9	147,239	14,131
Borrowings	10	14,961	5,972
Other financial liabilities	11	242	216
		162,450	20,342
Non-financial liabilities			
Deferred tax liabilities (net)	21	1	1
Other non-financial liabilities	12	21	23
		22	24
Equity			
Equity share capital	13	25,823	25,823
Other equity	SOCIE	56,777	59,822
		82,600	85,645
Total liabilities and equity		245,072	106,011

The accompanying notes 1 to 35 form an integral part of standalone financial statements.
As per our report of even date.

For J. C. Bhalla & Co.
Chartered Accountants
ICAI Firm Registration No: 001111N

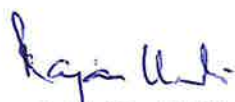


Akhil Bhalla
Partner
Membership No. 505002

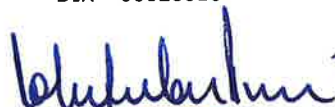
Place : New Delhi
Date : May 30, 2023



**For and on behalf of the Board of Directors of
Bharti Telecom Limited**



Rajan Bharti Mittal
Director
DIN - 00028016

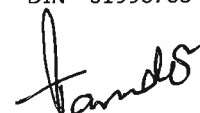


Rohit Krishan Puri
Company Secretary

Place : New Delhi
Date : May 30, 2023



Devendra Khanna
Managing Director
DIN - 01996768



Puneet Tandon
Chief Financial Officer




BHARTI TELECOM LIMITED
Standalone of profit and loss for the year ended March 31, 2023
(All amounts are in millions of Indian Rupees, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations			
Interest income	14	1	1,042
Dividend income	15	6,006	-
Profit on sale of investments (including fair value gain)	16	90	11
Other income *	17	-	52
		6,097	1,105
Expenses			
Finance costs	18	7,897	1,613
Employee benefits expense	19	-	13
Administrative & Other expenses	20	32	12
		7,929	1,638
(Loss) / Profit before tax		(1,832)	(533)
Tax expense			
Current tax	21	1,228	86
Previous year tax		(16)	-
Deferred tax expenses / (income)		1	0
		1,213	86
(Loss) / Profit for the year		(3,045)	(619)
Other comprehensive income		-	-
Other comprehensive income for the year		-	-
Total comprehensive (loss) / income for the year		(3,045)	(619)
Earnings/(loss) per equity share (in Rs.)			
(Basic and diluted) face value of Rs. 10 each	24	(1.18)	(0.24)

The accompanying notes 1 to 35 form an integral part of standalone financial statements.
As per our report of even date.

For J. C. Bhalla & Co.
Chartered Accountants
ICAI Firm Registration No: 001111N


Akhil Bhalla
Partner
Membership No. 505002


Place : New Delhi
Date : May 30, 2023

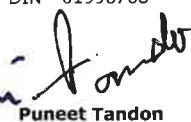


**For and on behalf of the Board of Directors of
Bharti Telecom Limited**


Rajan Bharti Mittal
Director
DIN - 00028016


Devendra Khanna
Managing Director
DIN - 01996768


Rohit Krishan Puri
Company Secretary


Puneet Tandon
Chief Financial Officer

Place : New Delhi
Date : May 30, 2023



* Other income for previous year includes reversal of impairment loss allowance on loans (Nil in FY 202-23, previous year Rs.52) as per RBI Master Direction DNBR. PD. 003/03.10.119/2016-17.

BHARTI TELECOM LIMITED
Standalone cash flow statement for the year ended March 31, 2023
(All amounts are in millions of Indian Rupees, unless otherwise stated)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
A. Cash flow from operating activities:		
(Loss)/ Profit before tax	(1,832)	(533)
Adjustments for:		
Profit on sale of mutual funds (including fair value gain)	(90)	(11)
Interest income	(1)	(1)
Impairment loss (Reversal) / allowance on loans	-	(52)
Operating (loss)/ income before working capital changes	(1,923)	(597)
Adjustments for changes in working capital:		
Increase in other non financial assets	(2)	(1)
Increase/ (Decrease) in payables others	(15)	18
(Decrease)/ Increase in other non financial liabilities	(3)	23
(Decrease)/ increase in debt securities and borrowings	142,097	6,377
Decrease in other financial liabilities	33	119
Increase in loans and other financial assets	-	13,100
Cash generated/(used in) from operations	140,187	19,039
Taxes paid (net)	(1,211)	(94)
Net cash used in operating activities	138,976	18,945
B. Cash flow from investing activities:		
Investment in mutual funds	(82,221)	(15,167)
Proceeds from sale of investment in mutual funds	82,129	15,160
Investment in subsidiary	(138,882)	(19,200)
Interest received	1	1
Net cash generated from investing activities	(138,973)	(19,206)
C. Cash flow from financing activities:		
Payment on account of capital reduction	(7)	-
Net cash used in financing activities	(7)	-
Net decrease in cash & cash equivalents (A+B+C)	(4)	(261)
Cash and cash equivalents at the beginning of the year	100	361
Cash and cash equivalents at the end of the year	96	100
Cash and cash equivalents comprise		
Balance with banks in current accounts	96	100
	96	100

The accompanying notes 1 to 35 form an integral part of standalone financial statements.
As per our report of even date.

For J. C. Bhalla & Co.
Chartered Accountants
ICAI Firm Registration No: 001111N

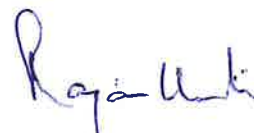


Akhil Bhalla
Partner
Membership No. 505002

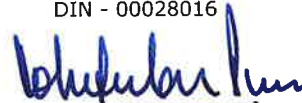
Place : New Delhi
Date : May 30, 2023



**For and on Behalf of the Board of Directors of
Bharti Telecom Limited**



Rajan Bharti Mittal
Director
DIN - 00028016

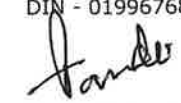


Rohit Krishan Puri
Company Secretary

Place : New Delhi
Date : May 30, 2023



Devendra Khanna
Managing Director
DIN - 01996768



Puneet Tandon
Chief Financial Officer



BHARTI TELECOM LIMITED

Standalone statement of changes in equity for the year ended March 31, 2023
(All amounts are in millions of Indian Rupees, unless otherwise stated)

Statement of change in equity**Equity share capital (A)**

Particulars	Number of shares	Amount
Balance at the beginning of the reporting year (April 01, 2021)	2,582,316,336	25,823
Shares issued during the year	-	-
Balance at the end of the reporting year (March 31, 2022)	2,582,316,336	25,823
Shares issued during the year	-	-
Balance at the end of the reporting year (March 31, 2023)	2,582,316,336	25,823

Other equity (B)

Particulars	Securities Premium	Retained Earnings	Statutory Reserve	Total
Balance at the beginning of the reporting year (April 01, 2021)	36,267	22,383	1,791	60,441
Profit/ (loss) for the year	-	(619)	-	(619)
Balance at the end of the reporting year (March 31, 2022)	36,267	21,764	1,791	59,822
Profit/ (loss) for the year	-	(3,045)	-	(3,045)
Balance at the end of the reporting year (March 31, 2023)	36,267	18,719	1,791	56,777

Notes:

- Share premium is the amount received over the face value of shares issued by the Company, this excess amount is credited to securities premium account.
- Retained earnings represents undistributed profits of the Company which can be distributed to its equity shareholders in accordance with the requirement of the Companies Act, 2013.
- Statutory Reserves is a reserve fund created from transfer of profits for previous year disclosed in profit & loss account as per section 45-IC of the RBI Act.

The accompanying notes 1 to 35 form an integral part of standalone financial statements.
As per our report of even date.

For J. C. Bhalla & Co.

Chartered Accountants
ICAI Firm Registration No: 001111N



Akhil Bhalla
Partner
Membership No. 505002

Place : New Delhi
Date : May 30, 2023

**For and on Behalf of the Board of Directors of Bharti Telecom Limited**


Rajan Bharti Mittal
Director
DIN - 00028016



Devendra Khanna
Managing Director
DIN - 01996768



Rohit Krishan Puri
Company Secretary



Puneet Tandon
Chief Financial Officer

Place : New Delhi
Date : May 30, 2023



BHARTI TELECOM LIMITED
Notes forming part of the Standalone Financial Statements
(All amounts are in millions of Indian Rupees, unless otherwise stated)

1. Corporate information

Bharti Telecom Limited - CIN: U32039HR1985PLC032091 ("the Company") having its Registered office at Plot No.16, Udyog Vihar, Phase-IV, Gurugram - 122015 is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. It is a part of Bharti Group with its primary activity being holding investment in Bharti Airtel Limited.

The Company is registered with Reserve Bank of India as a Non-Deposit taking Systematically Important Core Investment Company ("CIC") vide registration certificate no. N-14.03465 dated January 15, 2019 (refer disclaimer below).

Its subsidiary (namely Bharti Airtel Limited Group) is a leading telecommunication service provider in India and also has strong presence in Africa and South Asia, and is engaged primarily in the business of rendering services in the telecommunication systems and services, tower infrastructure services and direct to home digital services.

RBI Disclaimer:

(a) Reserve Bank of India does not accept any responsibility or guarantee about the present position as to the financial soundness of the company or for the correctness of any of the statements or representations made or opinions expressed by the company and for discharge of liability by the company.

(b) Neither is there any provision in law to keep, nor does the company keep any part of the deposits with the Reserve Bank and by issuing the Certificate of Registration to the company, the Reserve Bank neither accepts any responsibility nor guarantee for the payment of the public funds to any person/ body corporate.

2. Significant accounting policies

2.1 Basis of preparation

These standalone financial statements ("financial statements") have been prepared to comply in all material respects with the Indian Accounting standards ("Ind AS") as specified under the section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standard) Rules, 2015 and other relevant provisions of Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016 issued by RBI.

The standalone financial statements are authorised for issue by the Company's Board of Directors on May 30, 2023.

The preparation of the said standalone financial statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgment in the process of applying the Company's accounting policies. The areas where estimates are significant to the standalone financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in Notes.

The standalone financial statements are based on the classification provisions contained in Ind AS 1, 'Presentation of Financial Statements' and Division III of Schedule III of the



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Companies Act 2013. Further, for the purpose of clarity, various items are aggregated in the statement of profit and loss and balance sheet. Nonetheless, these items are dis-aggregated separately in the notes to the standalone financial statements, where applicable or required.

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, by the Company, to all the periods presented in the said standalone financial statements.

The standalone financial statements are presented in Indian Rupees which is the functional and presentation currency of the Company.

All the amounts included in the standalone financial statements are reported in millions of Indian Rupees ('Rupees' or 'Rs.') and are rounded to the nearest millions, except per share data and unless stated otherwise. All amount less than Rs. 0.5 millions are reporting as 'Rs. 0' due to rounding-off.

2.2 Basis of measurement

The standalone financial statements have been prepared on the accrual and going concern basis, and the historical cost convention except where the Ind AS requires a different accounting treatment. The principal variations from the historical cost convention relate to financial instruments classified as fair value through profit or loss.

Fair value measurement

Fair value is the price at the measurement date, at which an asset can be sold or paid to transfer a liability, in an orderly transaction between market participants. The Company's accounting policies require, measurement of certain financial/nonfinancial assets and liabilities at fair values (either on a recurring or non-recurring basis). Also, the fair values of financial instruments measured at amortised cost are required to be disclosed in the said standalone financial statements.

The Company is required to classify the fair valuation method of the financial/non-financial assets and liabilities, either measured or disclosed at fair value in the standalone financial statements, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurement). Accordingly, the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The three levels of the fair-value-hierarchy are described below:

Level 1: Quoted (unadjusted) prices for identical assets or liabilities in active markets

Level 2: Significant inputs to the fair value measurement are directly or indirectly observable

Level 3: Significant inputs to the fair value measurement are unobservable.



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2.3 Summary of significant accounting policies

(a) Financial instruments

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

The financial instruments are recognised in the balance sheet when the Company becomes a party to the contractual provisions of the financial instrument.

The Company determines the classification of its financial instruments at initial recognition.

The Company recognises its investment in subsidiary at cost less any impairment losses. The said investments are tested for impairment whenever circumstances indicate that their carrying values may exceed the recoverable amount.

The Company classifies its other financial assets in the following categories: a) those to be measured subsequently at fair value through profit or loss, and b) those to be measured at amortised cost. The classification depends on the nature of instrument being recognised.

Financial assets are recognized initially at transaction costs that are attributable to the acquisition of the financial asset, in the case of financial assets not recorded at transaction cost, at fair value through Profit & loss account.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortized cost
- Financial assets measured at fair value through other comprehensive income (FVTOCI)
- Financial assets measured at fair value through Profit and Loss (FVTPL)

Financial assets at amortized cost

The category applies to the Company's cash and cash equivalents. A financial asset is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and



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•Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate method, depending upon the time of instrument. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective Interest Rate. The accretion of Effective Interest Rate is recorded as an income/expense in Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss.

Financial assets measured at FVTOCI

The Company does not have any financial assets within this category.

Financial assets measured at fair value through profit and loss (FVTPL)

FVTPL is a residual category for financial assets. This category applies majorly to the Company's investment in mutual funds. These investments are held for trading and they are measured at FVTPL.

Derecognition

At the time of de-recognition investment or a part of the investment, where ever the cost of acquisition is identifiable for the said part of the investment being sold/ transferred or disposed-off in any manner, the same is considered for arriving at the profit or loss on disposal of such investment. In case the cost identifiable to the part of investment being sold is not available, the cost, to be considered for arriving at the profit or loss on disposal, is arrived at on the basis of an appropriate method which is consistently applied (including for identifying cost while testing for impairment of investment). One of the ways of identifying specific costs is costs applicable to the part of the investments held in a specific Demat account.

Financial liabilities

Initial recognition and measurement

At initial recognition, all financial liabilities are classified as financial liabilities at fair value. The Company's financial liabilities majorly include borrowings and trade and other payables.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities have been valued at fair value.

Loans and borrowings

Loans and borrowings are initially recognised at fair value, net of transaction cost incurred. After initial recognition, interest bearing loans and borrowings are subsequently measured at



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amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in profit and loss when the liabilities are derecognized as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

The Effective Interest Rate Method (EIR) is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition

The financial liabilities are de-recognized from the balance sheet when the underlying obligations are extinguished, discharged, lapsed, cancelled, expires or legally released. The financial assets are de-recognized from the balance sheet when the rights to receive cash flows from the financial assets have expired, or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

(b) Taxation

The income tax expense comprises of current and deferred income tax. Income tax is recognized in the statement of profit and loss, except to the extent that it relates to items recognized in the other comprehensive income or directly in equity, in which case the related income tax is also recognized accordingly.

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Company operates and generates taxable income.

Any interest / penalties, related to accrued liabilities for potential tax assessments are not included in Income tax charge or (credit), but are rather recognized within finance costs.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes



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provisions where appropriate on the basis of amounts expected to be paid to the tax authorities

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax is not recognised when it arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the balance sheet, if and only when, (a) the Company currently has a legally enforceable right to set-off the current income tax assets and liabilities, and (b) when it relate to income tax levied by the same taxation authority and where there is an intention to settle the current income tax balances on net basis.

(c) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and any deposits with original maturities of three months or less (that are readily convertible to known amounts of cash and cash equivalents and subject to an insignificant risk of change in value).

For the purpose of the statement of cash flows, in addition to above items, any bank overdrafts/cash credits that are integral part of the Company's cash management, are also included as a component of cash and cash equivalent.

(d) Share capital

Ordinary shares are classified as Equity when the Company has an un-conditional right to avoid delivery of cash or another financial asset, that is; when the dividend and repayment of capital are at the sole and absolute discretion of the Company and there is no contractual obligation whatsoever to that effect.



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(e) Provisions

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

(f) Contingencies

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

(g) Borrowing costs

Borrowing cost consists of interest cost and other ancillary costs that the Company incurs in connection with the borrowing of funds. The borrowing cost directly attributable to the acquisition or construction of any asset that takes a substantial period of time to get ready for its intended use or sale is capitalized. All other borrowing costs are recognised in the statement of profit and loss within finance costs of the period in which they are incurred.

(h) Employee Benefits

The Company's employee benefits mainly include wages, salaries and bonuses and deferred compensation. The employee benefits are recognised in the year in which the associated services are rendered by the Company employee. Short term employee benefits are recognised in statement of profit and loss at undiscounted amounts during the period in which the related services are rendered.

(i) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits associated with the entity and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Interest income

The interest income is recognized using the Effective Interest Rate method.



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Dividend income

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

(j) Impairment of financial assets

The Company has established a policy to perform an assessment, at the end of each twelve month reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Company categorizes its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1: When loans are first recognised, the Company recognises an allowance based on twelve months expected credit losses. This also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2. If no credit loss is expected, credit loss equivalent to provision recognised as per CIC Master Direction circular is recognised.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the long term expected credit losses. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from

Stage 3.

Stage 3: Loans considered credit-impaired. A default on a financial asset is when the counterparty fails to make the contractual payments within 90 days of when they fall due. Accordingly, the financial assets shall be classified as Stage 3, if on the reporting date, it has been 90 days past due. Further if the customer has requested forbearance in repayment terms, such restructured, rescheduled or renegotiated accounts are also classified as Stage 3. Non-payment on another obligation of the same customer is also considered as Stage 3. The Company records an allowance for the long term expected credit losses.

(k) Earnings per share (EPS)

The Company presents the basic and diluted EPS data.

Basic EPS is calculated by dividing the net profit for the year attributable to equity shareholders of the company by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted EPS, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

3. Critical accounting estimates, assumptions and judgements

The estimates and judgments used in the preparation of the said standalone financial statements are continuously evaluated by the Company, and are based on historical experience and various other assumptions and factors (including expectations of future



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events), that the Company believes to be reasonable under the existing circumstances. The said estimates and judgments are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

Although the Company regularly assesses these estimates, actual results could differ materially from these estimates - even if the assumptions under-lying such estimates were reasonable when made, if these results differ from historical experience or other assumptions do not turn out to be substantially accurate. The changes in estimates are recognized in the standalone financial statements in the year in which they become known.

3.1 Significant accounting estimates

Taxes

Deferred tax assets are recognised for the unused tax losses and minimum alternate tax credits for which there is probability of utilisation against the future taxable profit. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, future tax planning strategies and recent business performances and developments.

Contingent liabilities and provisions

The Company is involved in legal, tax and regulatory matters, the outcome of which may not be favorable to the Company. Management in consultation with the legal, tax and other advisers assess the likelihood that a pending claim will succeed. The Company applies its judgment and recognises liabilities based on whether additional amounts will be payable and includes contingent liabilities where economic outflows are considered possible but not probable.

Employee Benefits

The time spent by employees of group companies is insignificant and indeterminate and there is no reasonable basis of estimation of cost. Hence there is no cross charge of time spent by employees of group companies for Bharti Telecom Limited.



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Notes forming part of standalone financial statements for the year ended March 31, 2023

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4 Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks	96	100
Total	96	100

5 Investments

Particulars	As at March 31, 2023			As at March 31, 2022		
	At cost	Designated at FVTPL	Total	At cost	Designated at FVTPL	Total
Mutual funds						
Aditya Birla Sun Life Liquid Fund - 585,857 units (March 31, 2022 - 277,373 units)	-	211	211	-	94	94
Aditya Birla Sun Life Money Manager Fund - 54,988 units (March 31, 2022 - 54,988 units)	-	17	17	-	17	17
Axis Liquid Fund - 69,344 units (March 31, 2022 - Nil units)	-	172	172	-	-	-
Tata Liquid Fund - Nil units (March 31, 2022 - 32,239 units)	-	-	-	-	107	107
	-	400	400	-	218	218
Subsidiary						
2,156,470,865 (March 31, 2022 : 1,966,236,438) equity shares of Rs 5 each fully paid-up in Bharti Airtel Limited @	225,332	-	225,332	86,450	-	86,450
143,404,307 (March 31, 2022 : 143,404,307) equity shares of face value of Rs 5 each (Rs.1.25 paid up) in Bharti Airtel Limited *	19,200	-	19,200	19,200	-	19,200
Total - Gross (A)	244,532	400	244,932	105,650	218	105,868
Investments outside India	-	-	-	-	-	-
Investments in India	244,532	400	244,932	105,650	218	105,868
Total - Gross (B)	244,532	400	244,932	105,650	218	105,868
Less: Allowance for impairment loss (C)	-	-	-	-	-	-
Total - Net (A)-(C)	244,532	400	244,932	105,650	218	105,868
Aggregate book value of investments	244,532	400	244,932	105,650	218	105,868
Aggregate market value of investments	1,667,783	400	1,668,183	1,541,191	218	1,541,409

@ The Company, during the year ended March 31, 2023 has additionally acquired 190,234,427 (Nos) of equity shares of Bharti Airtel Limited aggregating to Rs. 138,882 million.

* On October 5, 2021 the Company's subsidiary 'Bharti Airtel Limited' had launched rights issue of approximately 392 million partly paid up equity shares (face value Rs. 5 each) at a price of Rs. 535.00 per share aggregating up to Rs. 209,874 million. The right issue closed on October 21, 2021. The company was allotted 143,404,307 partly paid up shares.

6 Current tax assets (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Income tax assets (net)	41	41
	41	41

7 Other non-financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	2	0
Security deposits	1	1
Others	0	1
Total	3	2



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8 Payables - others

Particulars	As at March 31, 2023	As at March 31, 2022
- Micro enterprises and small enterprises	-	-
- Creditors other than micro enterprises and small enterprises	8	23
Total	8	23

Micro, small & medium enterprises development act, 2006 ('MSMED') disclosure

The dues to micro and small enterprises as required under MSMED Act 2006, based on the information available with the company is given below:

Particulars	As at March 31, 2023	As at March 31, 2022
Principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year	-	-
Amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier and beyond the appointed day during each accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding interest specified under MSMED Act, 2006.	-	-
Amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-	-

Payables - others aging schedules as at March 31, 2023

Particulars	Not Due	Outstanding for following periods from due date of payment			
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
- MSME	-	-	-	-	-
- Others	7	1	0	-	-
- Disputed dues - MSME	-	-	-	-	-
- Disputed dues - Others	-	-	-	-	-
Total	7	1	0	-	-

Payables - others aging schedules as at March 31, 2022

Particulars	Not Due	Outstanding for following periods from due date of payment			
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
- MSME	-	-	-	-	-
- Others	5	17	1	-	-
- Disputed dues - MSME	-	-	-	-	-
- Disputed dues - Others	-	-	-	-	-
Total	5	17	1	-	-



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9 Debt securities

Particulars	As at March 31, 2023			As at March 31, 2022		
	At amortised cost	Designated at FVTPL	Total	At amortised cost	Designated at FVTPL	Total
Non-convertible debentures- unsecured						
- 5.10% Series VI, 4,600 debentures of Rs. 1,000,000 each (maturity October 20, 2022)	-	-	-	4,698	-	4,698
- 5.85% Series VII, 4,600 debentures of Rs. 1,000,000 each (maturity October 20, 2023)	4,992	-	4,992	4,711	-	4,711
- 6.42% Series VIII, 4,600 debentures of Rs. 1,000,000 each (maturity October 18, 2024)	5,028	-	5,028	4,722	-	4,722
- 8.70% Series IX, 15,000 debentures of Rs. 1,000,000 each (maturity November 21, 2024)	15,448	-	15,448	-	-	-
- 8.80% Series X, 25,000 debentures of Rs. 1,000,000 each (maturity November 21, 2025)	25,756	-	25,756	-	-	-
- Floating Rate Series XI, 30,000 debentures of Rs.1,000,000 each (maturity November 21, 2025)	30,859	-	30,859	-	-	-
- 8.60% Series XII, 13,000 debentures of Rs. 1,000,000 each (maturity December 05, 2024)	13,338	-	13,338	-	-	-
- 8.70% Series XIII, 32,000 debentures of Rs. 1,000,000 each (maturity December 05, 2025)	32,859	-	32,859	-	-	-
- 8.70% Series XIV, 10,500 debentures of Rs. 1,000,000 each (maturity December 12, 2025)	10,772	-	10,772	-	-	-
- Floating Rate Series XV, 8,000 debentures of Rs.1,000,000 each (maturity December 12, 2025)	8,187	-	8,187	-	-	-
Total (A)	147,239	-	147,239	14,131	-	14,131
Debt securities in India	147,239	-	147,239	14,131	-	14,131
Debt securities outside India	-	-	-	-	-	-
Total (B)	147,239	-	147,239	14,131	-	14,131

Note: The above outstanding figures for Non Convertible Debentures are inclusive of interest accrued of Rs. 4,539 (previous year Rs. 331).

- The following Debentures of the Company are listed on National Stock Exchange (NSE) :

- 5.85% Series VII, 4,600 debentures of Rs. 1,000,000 each (redeemable on October 20, 2023) were listed on October 20, 2021.
- 6.42% Series VIII, 4,600 debentures of Rs. 1,000,000 each (redeemable on October 18, 2024) were listed on October 20, 2021.
- 8.70% Series IX, 15,000 debentures of Rs. 1,000,000 each (redeemable on November 21, 2024) were listed on November 23, 2022.
- 8.80% Series X, 25,000 debentures of Rs. 1,000,000 each (redeemable on November 21, 2025) were listed on November 23, 2022.
- Floating rate Series XI, 30,000 debentures of Rs. 1,000,000 each (redeemable on November 21, 2025) were listed on November 23, 2022.
- 8.60% Series XII, 13,000 debentures of Rs. 1,000,000 each (redeemable on December 05, 2024) were listed on December 07, 2022.
- 8.70% Series XIII, 32,000 debentures of Rs. 1,000,000 each (redeemable on December 05, 2025) were listed on December 07, 2022.
- 8.70% Series XIV, 10,500 debentures of Rs. 1,000,000 each (redeemable on December 12, 2025) were listed on December 14, 2022.
- Floating rate Series XV, 8,000 debentures of Rs. 1,000,000 each (redeemable on December 12, 2025) were listed on December 14, 2022.



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10 Borrowings

Particulars	As at March 31, 2023			As at March 31, 2022		
	At amortised cost	Designated at FVTPL	Total	At amortised cost	Designated at FVTPL	Total
Term loans- unsecured						
From Non banking finance company	5,000	-	5,000	5,000	-	5,000
Other loans- unsecured						
Commercial papers	9,961	-	9,961	972	-	972
Total (A)	14,961	-	14,961	5,972	-	5,972
Borrowing in India	14,961	-	14,961	5,972	-	5,972
Borrowing outside India	-	-	-	-	-	-
Total (B)	14,961	-	14,961	5,972	-	5,972

Note:

- (1) Borrowings are in the form of Term Loans ,Commercial Papers & Inter corporate deposits. All instruments of financing are unsecured.
- (2) Terms Loan of Rs. 5,000 having interest @ 8.09% per annum and repayable mature on October 18, 2023.
- (3) The above outstanding figures for Commercial Papers are net of unamortised discount.
- (4) Commercial Papers having maturity of Rs. 7,000, listed on December 05, 2022, will mature on May 31, 2023.
- (5) Commercial Papers having maturity of Rs. 2,850, listed on December 22, 2022, will mature on June 15, 2023.
- (6) Commercial Papers having maturity of Rs. 250, listed on March 15, 2023, will mature on May 31, 2023.
- (7) There was no default in repayment of borrowings or interest to bank during the year ended March 31, 2023.

11 Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued on borrowings	152	119
Liabilities arising from capital reduction*	90	97
Total	242	216

*The company had paid Rs.7 during the year ended March 31, 2023 (Rs. Nil during the year ended March 31, 2022) to certain shareholders and is in the process of locating shareholders and making the balance payments.

12 Other non-financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory liability payable *	21	23
Total	21	23

* Includes GST and TDS Payable



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13 Equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	No of Shares	Amount	No of Shares	Amount
Authorised share capital				
Equity shares of Rs. 10 each	5,000,000,000	50,000	5,000,000,000	50,000
	5,000,000,000	50,000	5,000,000,000	50,000
Issued subscribed and fully paid up equity shares				
Equity shares of Rs. 10 each	2,582,316,336	25,823	2,582,316,336	25,823
Outstanding at the end of the year	2,582,316,336	25,823	2,582,316,336	25,823

a) Reconciliation of the shares outstanding at the beginning and at the end of the year

	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	2,582,316,336	25,823	2,582,316,336	25,823
Outstanding at the end of the year	2,582,316,336	25,823	2,582,316,336	25,823

b) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares	% holding	No. of shares	% holding
Bharti Enterprises (Holding) Private Limited	1,305,663,494	50.56%	1,305,663,494	50.56%
Pastel Limited	828,434,416	32.08%	828,434,416	32.08%
Singtel International Investments Private Limited	261,600,408	10.13%	261,600,408	10.13%
Magenta Investment Limited	186,618,016	7.23%	186,618,016	7.23%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

c) Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

For the year of five year immediately, preceding March 31, 2023

	No of Shares	Amount
- Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash;	-	-
- Aggregate number and class of shares allotted as fully paid up by way of bonus shares; and	-	-
- Aggregate number and class of shares bought back;	-	-

Disclosure of Shareholding of Promoters

Shares held by promoters at the end of the year	No. of shares	% of total shares	% Change during the year
Bharti Enterprises (Holding) Private Limited	1,305,663,494	50.56%	-
Outstanding at the end of the year	1,305,663,494	50.56%	-



BHARTI TELECOM LIMITED
Notes forming part of standalone financial statements for the year ended March 31, 2023
(All amounts are in millions of Indian Rupees, unless otherwise stated)

14 Interest income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Financial assets measured at amortised cost		
Interest on loans	-	1,041
Interest on deposits with bank	-	0
Interest other	1	1
Total	1	1,042

15 Dividend income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Dividend income on investments	6,006	-
Total	6,006	-

16 Profit on sale of investments (including fair value gain)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Net gain on financial instruments at FVTPL		
Profit on sale of mutual funds	85	9
Net gain on fair value change	5	2
Total	90	11

17 Other income

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Impairment loss allowance on loans	-	52
Total	-	52

18 Finance costs

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
On financial liabilities measured at amortised cost		
Interest on borrowings		
-Inter corporate deposits	4	-
-Interest on bank loan	349	132
-Commercial paper	2,907	21
Interest on debt securities		
-Debentures - non convertible	4,633	1,460
Other interest expense		
-Bank charges	0	0
-Other charges	4	0
Total	7,897	1,613

19 Employee benefits expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salary and wages	-	13
Total	-	13

20 Administrative and other expenses

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Postage & Courier	0	-
Printing and stationery	0	0
Advertisement and publicity	0	0
Auditor's remunerations*		
- Statutory audit fee	1	1
- Certification and other services	0	0
- For taxation matter	0	0
- Out of pocket expenses	-	0
Legal and professional charges	30	11
Membership & subscription expenses	0	0
Other expenditure		
-Sitting fee	1	0
Total	32	12

*including goods & services tax



BHARTI TELECOM LIMITED**Notes forming part of standalone financial statements for the year ended March 31, 2023****(All amounts are in millions of Indian Rupees, unless otherwise stated)****21. Income tax note**

The major components of income tax expense are:

	For the year ended	
	March 31, 2023	March 31, 2022
Current income tax		
- for the year	1,228	86
- Adjustments for the earlier year	(16)	-
Deferred tax		
- Origination & reversal of temporary differences	1	0
	1,213	86
Income tax expenses	1,213	86

The reconciliation between the amount computed by applying the statutory income tax rate to the profit before tax and the income tax charge is summarised below:

	For the year ended	
	March 31, 2023	March 31, 2022
Profit before tax	(1,832)	(533)
Tax expenses @ company's domestic rate of 25.168% (March 31, 2022 - 25.168%)	(461)	(134)
Effect of:		
Deferred tax (net of previous year reversal)	1	0
Previous year tax	(16)	-
Income not taxable under normal provisions of tax	(304)	(14)
Inadmissible expenses	1,993	234
Income tax expenses	1,213	86

The analysis of differed tax assets and liabilities is as follows:

	As of	
	March 31, 2023	March 31, 2022
Deferred tax asset (gross)		
Deferred tax assets	-	-
Deferred tax liabilities (gross)		
Mark to market gain on investments	1	1
Deferred tax (expenses) / income		
Mark to market on mutual fund investments	1	1
Net deferred tax (expense) / income	1	1

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BHARTI TELECOM LIMITED
Notes forming part of standalone financial statements for the year ended March 31, 2023
(All amounts are in millions of Indian Rupees, unless otherwise stated)

22. Fair value of financial assets and liabilities

The category wise details as to the carrying value and fair value of the Company's financial instruments are as follows:

	Level	Carrying value as at		Fair value as at	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Financial assets					
FVTPL					
Investments	Level 1	400	218	400	218
Amortised cost					
Cash and cash equivalents		96	100	96	100
Investment in subsidiary at cost					
Investment in subsidiary	Level 1	244,532	105,650	1,667,783	1,541,191
		245,028	105,968	1,668,279	1,541,509
Financial liabilities					
Amortised cost					
Debt securities (fixed rate)		108,193	14,131	108,136	14,119
Debt securities (floating rate)		39,046	-	39,125	-
Borrowings		14,961	5,972	14,961	5,972
Payable - others		8	23	8	23
Other financial liabilities		242	216	242	216
		162,450	20,342	162,472	20,330

The following methods / assumptions were used to estimate the fair values:

- The carrying value of cash and cash equivalents, bank loans, commercial papers, trade payables, other financial liabilities approximate their fair value mainly due to the short-term maturities of these instruments / being subject to floating-rates.
- The fair value of debt securities is estimated by discounting future cash flows using current rates applicable to instruments with similar terms, currency, credit risk and remaining maturities.
- Company's investment in subsidiary and mutual funds are quoted, the valuation is based on the quoted price of these investments.

The following table describes the key inputs used in the valuation (basis discounted cash flow technique) of the Level 2 financial liabilities as of March 31, 2023 and March 31, 2022:

Financial assets / liabilities	Inputs used
Fixed rate borrowings	Prevailing interest rates in market, future payouts, interest rates.
Floating rate borrowings	Floating Rate linked to Benchmark means "Kotak Bank-MCLR 6 months".

During the year ended March 31, 2023 and March 31, 2022, there were no transfers between Level 1 and Level 2 fair value measurements. None of the financial assets and financial liabilities are in Level 3.

23. Contingent liabilities and capital commitments

- Claims against the Company not acknowledged as debts: Rs. Nil (March 31, 2022 - Rs. Nil)
- Capital commitments by Company : Rs. 57,541 (March 31, 2022 - Rs. 57,541)



BHARTI TELECOM LIMITED**Notes forming part of standalone financial statements for the year ended March 31, 2023****(All amounts are in millions of Indian Rupees, unless otherwise stated)****24. Earnings per share (basic and diluted):**

Particulars		For the year ended March 31, 2023	For the year ended March 31, 2022
<u>Basic and diluted Earnings Per Share:</u>			
a) (Loss)/ Profit attributable to equity shareholders	(A)	(3,045)	(619)
b) Weighted average number of equity shares outstanding during the period (absolute)	(B)	2,582,316,336	2,582,316,336
c) Nominal value of equity shares (Rs.)		10	10
d) Basic and diluted earnings per share (Rs.)	(A/B)	(1.18)	(0.24)

25. Segment reporting

Since the Company's business activity falls within a single business and geographical segment of holding investments, there are no additional disclosure to be provided under Indian Accounting Standard (Ind AS) - 108 'Operating segments' other than those already provided in financial statements.

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BHARTI TELECOM LIMITED
Notes forming part of standalone financial statements for the year ended March 31, 2023
(All amounts are in millions of Indian Rupees, unless otherwise stated)

26. Financial risk management objectives and policies

The Company's financial liabilities comprise borrowings and trade payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company's principal financial assets include investment in subsidiaries, mutual funds and cash and short-term deposits that arise directly from its operations.

The Company is exposed to market risk, credit risk, liquidity risk and interest rate risk.

The Company's senior management oversees the management of these risks. The senior professionals working to manage the financial risks and the appropriate financial risk governance framework for the Company are accountable to the Board of Directors. This process provides assurance to the Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Company policies and Company risk appetite.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarised below:-

• **Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity risk financial instruments affected by market risk include investments.

• **Credit risk**

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its financing activities, including deposits with banks, mutual funds and financial institutions, loans and other financial instruments.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by Company's treasury in accordance with the Board approved policy. Investments of surplus funds are made only with approved counterparties who meet the minimum threshold requirements under the counterparty risk assessment process. Based on its on-going assessment of counterparty risk, the Company adjusts its exposure to various counterparties. The Company's maximum exposure to credit risk for the components of the Balance sheet as of March 31, 2023 and March 31, 2022 is the carrying amounts as disclosed in **Note 22**.

Movement of impairment loss allowance on loans

	As at March 31, 2023	As at March 31, 2022
Opening balance	-	52
Provision made	-	-
Provision written back	-	(52)
Closing Balance	-	-

• **Liquidity risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements as they fall due. Company closely monitors its liquidity position and deploys a robust cash management system. Company have borrowings due in next 12 months (which are higher than the available current assets) and to meet those obligations, it maintains adequate sources of financing including loans, debt, and overdraft from both domestic and international banks at an optimized cost. Company holds marquee quoted investment and is promoted by Bharti Group and Singtel Group, which results in enjoying strong access to domestic and international capital markets across debt, equity and hybrids.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

Particulars	Carrying Amount	On Demand	Less than 6 months	6 to 12 months	1 to 2 years	> 2 years	Total
As at March 31, 2023							
Financial Liabilities							
Debt securities	147,239	-	-	4,992	33,814	108,433	147,239
Borrowings	14,961	-	9,961	5,000	-	-	14,961
Interest on borrowings	152	-	152	-	-	-	152
Capital reduction liabilities	90	90	-	-	-	-	90
Payable - others	8	8	-	-	-	-	8
Total	162,450	98	10,113	9,992	33,814	108,433	162,450
As at March 31, 2022							
Financial Liabilities							
Debt securities	14,131	-	-	4,698	4,711	4,722	14,131
Borrowings	5,972	-	-	972	5,000	-	5,972
Interest on borrowings	119	-	119	-	-	-	119
Capital reduction liabilities	97	97	-	-	-	-	97
Payable - others	23	23	-	-	-	-	23
Total	20,342	120	119	5,670	9,710	4,722	20,342

• **Interest rate risk**

As the Company have floating interest bearing assets or liabilities, or any significant long term fixed interest bearing assets or liabilities. Being a fixed interest bearing assets / liabilities the corresponding interest income / expense and related cash flows are not affected by changes in market interest rates.

Particulars	Increase / decrease (basis points)	Effect on profit before tax
For the year ended March 31, 2023	+100	(132)
INR - borrowings	-100	132
For the year ended March 31, 2022	+100	-
INR - borrowings	-100	-

The sensitivity disclosed in the above table is attributable to floating interest rate borrowings and the interest swaps

The above sensitivity analysis is based on a reasonably possible change in the underlying interest rate of the Company's borrowings in INR, while assuming all other variables to be constant.

27. Capital management

Capital includes equity attributable to the equity holders of the Parent. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximize shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements.

No changes were made in the objectives, policies or processes during the year ended March 31, 2023 and March 31, 2022.



Bharti Telecom Limited**Notes forming part of standalone financial statements for the year ended March 31, 2023
(All amounts are in millions of Indian Rupees, unless otherwise stated)**

28. The company is registered as a Non-Deposit taking Systemically Important - Core Investment Company ("CIC-ND-SI") pursuant to the receipt of certificate of registration from the Reserve Bank of India ("RBI") vide Certificate No. N-14.03465 dated January 15, 2019, under Section 45-IA of the Reserve Bank of India Act, 1934 ("RBI Act"). During the financial year under review, the company complied with all the applicable regulations of the Reserve Bank of India.

A) Core Investment Company (CIC) components of Adjusted Net Worth (ANW) and other related information are as follows:

Sl. No.	Components of ANW and other related information	March 31, 2023	March 31, 2022
1	Investment in group companies as a proportion of net assets (%)	99.99%	99.99%
2	Investment in equity shares and compulsory convertible instruments in group companies as a proportion of net assets (%)	99.99%	99.99%
3	Capital Adequacy Ratio % [adjusted net worth/ risk weightage assets]	346.15%	709.57%
4	Unrealized appreciation in the book value of quoted investments (₹ in Mn)	765,240	665,571
5	Diminution in the aggregate book value of quoted investments (₹ in Mn)	-	-
6	Leverage Ratio (times) [outside liabilities/adjusted net worth]	0.19	0.03

B) The paid up capital of the Company comprises of domestic and foreign direct investment funds as per FEMA regulations. During the year under audit, the Company has invested, as a part of its treasury management activities, surplus funds in debt/liquid mutual funds.

By virtue of the CIC registration as aforesaid, the provisions of net owned fund requirements under section 45-IA (1)(b) of the RBI Act, 1934 and provisions related to "Asset Income Pattern", "Requirement to Capital Adequacy (CRAR)" and "Concentration of Credit/Investment" as applicable for NBFCs under NBFC Master Directions 2016 shall not apply to the company, subject to the compliance of conditions specified in the CIC Directions.

C) Investment in other CICs

(₹ in Mn)			
Sl. No.	Components of ANW and other related information	March 31, 2023	March 31, 2022
1	Total amount representing any direct or indirect capital contribution made by one CIC in another CIC (including name of CICs)	-	-
2	Number of CICs with their names wherein the direct or indirect capital contribution exceeds 10% of Owned Funds	-	-
3	Number of CICs with their names wherein the direct or indirect capital contribution is less than 10% of Owned Funds	-	-

D) Off Balance Sheet Exposure

(₹ in Mn)			
Sl. No.	Components of ANW and other related information	March 31, 2023	March 31, 2022
1	Off balance sheet exposure	-	-
2	Financial Guarantee as a % of total off-balance sheet exposure	-	-
3	Non-Financial Guarantee as a% of total off-balance sheet exposure	-	-
4	Off balance sheet exposure to overseas subsidiaries	-	-
5	Letter of Comfort issued to any subsidiary	-	-

E) Investments

(₹ in Mn)			
Sl. No.	Particulars	March 31, 2023	March 31, 2022
1	Value of Investments		
	i) Gross Value of Investments		
	a) In India	244,932	105,868
	b) Outside India,	-	-
	ii) Provisions for Depreciation		
	a) In India	-	-
	b) Outside India,	-	-
	iii) Net Value of Investments		
	a) In India	-	-
	b) Outside India,	-	-
2	Movement of provisions held towards depreciation on investments.		
	i) Opening balance	-	-
	ii) Add : Provisions made during the year	-	-
	iii) Less : Write-off / write-back of excess provisions during the year	-	-
	iv) Closing balance	244,932	105,868



Bharti Telecom Limited
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(All amounts are in millions of Indian Rupees, unless otherwise stated)

F) The Company Exposure to Real Estate Sector:

(₹ in Mn)

Sr.No.	Category	March 31, 2023	March 31, 2022
a)	Direct exposure	-	-
	Residential Mortgages -	-	-
(i)	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to Rs.15 lakh may be shown separately)	-	-
1	More than 15 lakh	-	-
2	Less than 15 lakh	-	-
	Sub Total	-	-
	Commercial Real Estate -	-	-
(ii)	Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development & construction etc.). Exposure would also include non-fund based (NFB) limits;	-	-
(iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures -	-	-
1	Residential,	-	-
2	Commercial Real Estate.	-	-
	Sub Total	-	-
	Indirect Exposure	-	-
b)	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	-	-
	Total	-	-

During the FY 2021-22, the Company has given an unsecured inter-corporate loan of Rs. 1,750 to Bharti Realty Limited, a group company engaged in commercial real estate business. Outstanding loan amount as on March 31, 2023 is Rs. Nil.

G) ALM / Maturity pattern of certain items of assets & liabilities (at book value):

(₹ in Mn)

Particulars	1 to 7 days	8 to 14 days	15 days to 30/31 days	Over one month to 2 month	Over 2 months up to 3 months	Over 3 months & up to 6 months	Over 6 months & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Total
As at March 31, 2023											
Liabilities											
Borrowings from banks / NBFC	-	-	-	-	-	-	5,000	-	-	-	5,000
Market borrowings	-	-	-	-	-	9,961	4,992	142,247	-	-	157,200
Total	-	-	-	-	-	9,961	9,992	142,247	-	-	162,200
Assets											
Loans	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	202	-	198	-	-	-	-	244,532	244,932
Total	-	-	202	-	198	-	-	-	-	244,532	244,932
As at March 31, 2022											
Liabilities											
Borrowings from banks / NBFC	-	-	-	-	-	-	-	5,000	-	-	5,000
Market borrowings	-	-	-	-	-	-	5,670	9,433	-	-	15,103
Total	-	-	-	-	-	-	5,670	14,433	-	-	20,103
Assets											
Loans	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	142	-	76	-	-	-	-	105,650	105,868
Total	-	-	142	-	76	-	-	-	-	105,650	105,868



Bharti Telecom Limited
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H) Disclosure of details as required in terms of Paragraph 21 of CIC Direction:

(₹ in Mn)

Particulars		As at March 31, 2023	
Liabilities side :		Amount outstanding	Amount overdue
(1)	Loans and advances availed by the CIC inclusive of interest accrued thereon but not paid:		
	(a) Debentures		
	: Secured	-	-
	: Unsecured (Other than falling the meaning of public deposits)	147,239	-
	(b) Deferred Credits	-	-
	(c) Term Loans	5,152	-
	(d) Inter- Corporate loans and borrowing	-	-
	(e) Commercial Paper	9,961	-
	(f) Other Loans (Specify Nature)	-	-
	* Please see Note 1 below		

Assets side :		Amount outstanding
(2)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :	
	(a) Secured	-
	(b) Unsecured	-
(3)	Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities	
	(i) Lease assets including lease rentals under sundry debtors :	
	(a) Financial lease	-
	(b) Operating lease	-
	(ii) Stock on hire including hire charges under sundry debtors:	
	(a) Assets on hire	-
	(b) Repossessed Assets	-
	(iii) Other loans counting towards asset financing activities	
	(a) Loans where assets have been repossessed	-
	(b) Loans other than (a) above	-
(4)	Break-up of Investments :	
	Current Investments :	
	1. Quoted :	
	(i) Shares :	
	(a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	400
	(iv) Government Securities	-
	(v) Others (please specify)	-
	2. Unquoted :	
	(i) Shares :	
	(a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-
	Long Term investments :	
	1. Quoted :	
	(i) Shares :	
	(a) Equity	244,532
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-
	2. Unquoted :	
	(a) Equity	-
	(b) Preference	-
	(ii) Debentures and Bonds	-
	(iii) Units of mutual funds	-
	(iv) Government Securities	-
	(v) Others (please specify)	-



Bharti Telecom Limited
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(₹ in Mn)

Particulars		As at March 31, 2022	
Liabilities side :		Amount outstanding	Amount overdue
(1)	Loans and advances availed by the CIC inclusive of interest accrued thereon but not paid:		
	(a) Debentures		
	: Secured	-	-
	: Unsecured (Other than falling the meaning of public deposits)	14,131	-
	(b) Deferred Credits	-	-
	(C) Term Loans	5,119	-
	(d) Inter- Corporate loans and borrowing	-	-
	(e) Commercial Paper	972	-
	(f) Other Loans (Specify Nature)	-	-
		-	-
	* Please see Note 1 below		

Assets side :		Amount outstanding
(2)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :	
	(a)Secured	-
	(b)Unsecured	-
(3)	Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities	
	(i) Lease assets including lease rentals under sundry debtors :	-
	(a)Financial lease	-
	(b)Operating lease	-
	(ii) Stock on hire including hire charges under sundry debtors:	-
	(a)Assets on hire	-
	(b)Repossessed Assets	-
	(iii) Other loans counting towards asset financing activities	-
	(a)Loans where assets have been repossessed	-
	(b)Loans other than (a) above	-
(4)	Break-up of Investments :	
	Current Investments :	
	1. Quoted :	
	(i)Shares :	-
	(a) Equity	-
	(b) Preference	-
	(ii)Debentures and Bonds	-
	(iii)Units of mutual funds	218
	(iv)Government Securities	-
	(v)Others (please specify)	-
	2. Unquoted :	
	(i)Shares :	-
	(a) Equity	-
	(b) Preference	-
	(ii)Debentures and Bonds	-
	(iii)Units of mutual funds	-
	(iv)Government Securities	-
	(v)Others (please specify)	-
	Long Term investments :	
	1. Quoted :	
	(i)Shares :	105,650
	(a) Equity	-
	(b) Preference	-
	(ii)Debentures and Bonds	-
	(iii)Units of mutual funds	-
	(iv)Government Securities	-
	(v)Others (please specify)	-
	2. Unquoted :	
	(a) Equity	-
	(b) Preference	-
	(ii)Debentures and Bonds	-
	(iii)Units of mutual funds	-
	(iv)Government Securities	-
	(v)Others (please specify)	-



Bharti Telecom Limited
Notes forming part of standalone financial statements for the year ended March 31, 2023
(All amounts are in millions of Indian Rupees, unless otherwise stated)

(5) Borrower group-wise classification of assets financed as in (2) and (3) above:		
Category	Amount net of provisions as at March 31, 2023	
	Secured	Unsecured
1. Related parties **	-	-
(a)Subsidiaries	-	-
(b)Companies in the same group	-	-
(c)Other related parties	-	-
Other than related parties	-	-
Total	-	-

Category	Amount net of provisions as at March 31, 2022	
	Secured	Unsecured
1. Related parties **	-	-
(a)Subsidiaries	-	-
(b)Companies in the same group	-	-
(c)Other related parties	-	-
Other than related parties	-	-
Total	-	-

** As per Indian Accounting Standard of ICAI

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):			
Category	As at March 31, 2023		As at March 31, 2023
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	
1. Related parties **			
(a)Subsidiaries	1,667,783	244,532	
(b)Companies in the same group	-	-	
(c)Other related parties	-	-	
Other than related parties	400	400	
Total	1,668,183	244,932	

Category	As at March 31, 2022		As at March 31, 2022
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	
1. Related parties **			
(a)Subsidiaries	1,541,191	105,650	
(b)Companies in the same group	-	-	
(c)Other related parties	-	-	
Other than related parties	218	218	
Total	1,541,409	105,868	

** As per Indian Accounting Standard of ICAI



Bharti Telecom Limited
Notes forming part of standalone financial statements for the year ended March 31, 2023
(All amounts are in millions of Indian Rupees, unless otherwise stated)

(7) Disclosure in compliance with RBI circular, RBI/2019-20/170, DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 issued on March 13, 2020.

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
Subtotal		-	-	-	-	-
Non-Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) Norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Total	-	-	-	-	-

(8)	Concentration of NPAs	As at March 31, 2023	As at March 31, 2022
	Particulars	Amount	Amount
(i)	Gross Non-Performing Assets	-	-
	(a) Related parties	-	-
	(b) Other than related parties	-	-
(ii)	Net Non-Performing Assets	-	-
	(a) Related parties	-	-
	(b) Other than related parties	-	-
(iii)	Assets acquired in satisfaction of debt	-	-
(iv)	Total Exposure to top five NPA accounts	-	-

Note:

- As defined in Core Investment Companies (Reserve Bank) Directions, 2016.
- Provisioning norms shall be applicable as prescribed in these Directions.

I) Business Ratios

Sl. No.	Particulars	March 31, 2023	March 31, 2022
1	Return on Equity (RoE) %	-3.69%	-0.72%
2	Return on Assets (RoA) %	-1.24%	-0.58%
3	Net profit / (loss) per employee	-	(618.69)

J) Provisions and Contingencies

Provisions and Contingencies shall be presented as under:

Sl. No.	Particulars	March 31, 2023	March 31, 2022
1	Break up of 'Provisions and Contingencies' shown under the Profit and Loss Account	-	-
2	Provisions for depreciation on Investment	-	-
3	Provision towards NPA	-	-
4	Provision made towards Income tax *	1,727	1,743
5	Other Provision and Contingencies (with details)	-	-
6	Provision for Standard Assets	-	-

* Note: Amount represents the provision made towards income tax without netting off.



Bharti Telecom Limited
Notes forming part of standalone financial statements for the year ended March 31, 2023
(All amounts are in millions of Indian Rupees, unless otherwise stated)

K) Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

(₹ in Mn)

Particulars	Name of the Joint Venture/ Subsidiary	Other Partner in the JV	Contry	Total Assets
As at March 31, 2023	Not applicable	Not applicable	Not applicable	-
As at March 31, 2022	Not applicable	Not applicable	Not applicable	-

L) Disclosure on provisioning in the Balance Sheet

(₹ in Mn)

Sl. No.	Particulars	March 31, 2023	March 31, 2022
1	Provisions made as per paragraph 17 of the directions without netting them from the income or against the value of assets	-	-
2	The provisions shall be distinctly indicated under separate heads of account as under:	-	-
	(a) provisions for bad and doubtful debts; and	-	-
	(b) provisions for depreciation in investments.	-	-
3	Provisions shall not be appropriated from the general provisions and loss reserves held, if any, by a CIC.	-	-
4	Provisions shall be debited to the profit and loss account. The excess of provisions, if any held under the heads of general provisions and loss reverse shall be written back without making adjustment against them.	-	-

M) Miscellaneous disclosures

Sl. No.	Particulars	March 31, 2023	March 31, 2022
1	Registration/ licence/ authorisation, by whatever name called, obtained from other financial sector regulators	-	-
2	Penalties imposed by RBI and other regulators including strictures or directions on the basis of inspection reports or other adverse findings.	-	-

N) Exposure to capital market

(₹ in Mn)

Particulars	As at March 31, 2023	As at March 31, 2022
1 Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt.	244,932	105,868
2 Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds.	-	-
3 Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	-	-
4 Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances	-	-
5 Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	-	-
6 Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources	-	-
7 Bridge loans to companies against expected equity flows / issues	-	-
8 Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
9 Financing to stockbrokers for margin trading	-	-
10 All exposures to Alternative Investment Funds:	-	-
(i) Category I	-	-
(ii) Category II	-	-
(iii) Category III	-	-
Total exposure to capital market	244,932	105,868



Bharti Telecom Limited
Notes forming part of standalone financial statements for the year ended March 31, 2023
(All amounts are in millions of Indian Rupees, unless otherwise stated)

O) Sectoral exposure

(₹ in Mn)

Sectors	As at March 31, 2023			As at March 31, 2022		
	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector	Total Exposure (includes on balance sheet and off-balance sheet exposure)	Gross NPAs	Percentage of Gross NPAs to total exposure in that sector
1. Agriculture and Allied Activities	-	-	-	-	-	-
2. Industry						
i....	-	-	-	-	-	-
ii....	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total of Industry (i+ii+...+Others)	-	-	-	-	-	-
3. Services						
i....	-	-	-	-	-	-
ii....	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total of Services (i+ii+...+Others)	-	-	-	-	-	-
4. Personal Loans						
i....	-	-	-	-	-	-
ii....	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total of Personal Loans (i+ii+...+Others)	-	-	-	-	-	-
5. Others, if any (please specify)	-	-	-	-	-	-

P) Intra-group exposures

(₹ in Mn)

	Particulars	As at March 31, 2023	As at March 31, 2022
1	Total amount of intra-group exposures	-	-
2	Total amount of top 20 intra-group exposures	-	-
3	Percentage of intra-group exposures to total exposure of the NBFC on borrowers / customers	-	-

Q) Unhedged foreign currency exposure

(₹ in Mn)

	Particulars	As at March 31, 2023	As at March 31, 2022
1	Unhedged foreign currency exposure	-	-

R) Disclosure of complaints

S. No.	Particulars	As at March 31, 2023	As at March 31, 2022
	Complaints received by the NBFC from its customers	-	-
1	Number of complaints pending at beginning of the year	-	-
2	Number of complaints received during the year	-	-
3	Number of complaints disposed during the year	-	-
3.1	Of which, number of complaints rejected by the NBFC	-	-
4	Number of complaints pending at the end of the year	-	-
	Maintainable complaints received by the NBFC from Office of Ombudsman	-	-
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman	-	-
	5.1 Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	-	-
	5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	-
	5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-



Bharti Telecom Limited
Notes forming part of standalone financial statements for the year ended March 31, 2023
(All amounts are in millions of Indian Rupees, unless otherwise stated)

S) Public disclosure on liquidity risk

(i) Funding concentration based on significant counterparty (both deposits and borrowings)

S.no.	Number of significant counterparties (Borrowings)	Amount (Rs. in Mn)	% of total deposits	% of total liabilities
1	15	143,773	NA	88%

Notes:

- A "Significant counterparty" is defined as a single counterparty or group of connected or affiliated counterparties accounting in aggregate for more than 1% of the Company's total liabilities.
- Total liabilities has been computed as total assets less equity share capital less reserve & surplus/other equity and computed basis extant regulatory ALM guidelines.

(ii) Top 20 large deposits (amount in Rs in Mn and % of total deposits) – Not Applicable

(iii) Top 10 borrowings (amount in Rs in Mn and % of total borrowings)

S.no.	Number of significant counterparties (Borrowings)	Amount (Rs. in Mn)	% of total deposits	% of total liabilities
1	10	128,065	NA	79%

Note:

- Total Borrowing has been computed as comprising of Debt Securities, Borrowings and Interest Due on these borrowings

(iv) Funding concentration based on significant instrument/product

S.no.	Name of the product	Amount (Rs. In Mn)	% of total liabilities
1	Non convertible debentures	147,239	91%
2	Commercial paper	9,961	6%
3	Loan	5,152	3%
	TOTAL	162,352	100%

(v) Stock ratios:

S.no.	Stock ratio	%
	Commercial paper as a % of total public funds	
1	Commercial papers as a % of total liabilities	6%
2	Commercial papers as a % of total assets	4%
	Non-convertible debentures as a % of total public funds	
3	Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	0%
4	Non-convertible debentures (original maturity of less than one year) as a % of total assets	0%
	Other short-term liabilities as a % of total public funds	
5	Other short-term liabilities as a % of total liabilities	0%
6	Other short-term liabilities as a % of total assets	0%

Notes:

- Commercial paper and NCDs for stock ratio is the gross outstanding as at March 31,2023 including the interest accrued.
- Other short-term liabilities has been computed as total short-term Liabilities less commercial paper less non-convertible debentures (including non-convertible debentures of original maturity less than one year)

(vi) Institutional set-up for liquidity risk management

The Board of Directors of the Company has an overall responsibility and oversight for the management of all the risks, including liquidity risk, to which the Company is exposed. The Board approves the governance structure, policies, strategy and the risk limits for the management of liquidity risk. The Board of Directors approves the constitution of the Risk Management Committee (RMC) for the effective supervision, evaluation, monitoring and review of various aspects and types of risks, including liquidity risk, faced by the Company. The meetings of RMC are held at half yearly interval. Further, the Board of Directors also approves constitution of Asset Liability Committee (ALCO), which functions as the strategic decision-making body for the asset-liability management of the Company from risk-return perspective and within the risk appetite and guard-rails approved by the Board. The main objective of ALCO is to assist the Board and RMC in effective discharge of the responsibilities of asset-liability management, market risk management, liquidity and interest rate risk management and also to ensure adherence to risk tolerance/limits set up by the Board. ALCO provides guidance and directions in terms of interest rate, liquidity, funding sources, and investment of surplus funds. ALCO meetings are held once in a quarter. The minutes of ALCO meetings are placed before the Board of Directors in its next meeting for its perusal/approval/ratification.

T) The Company is in compliance of guidelines on Private Placement of Non Convertible Debentures (NCDs) (maturity more than 1 year).

U) Rating assigned by credit rating agencies

Sl. No.	Nature	Rating from	
		April 01, 2022 to March 31, 2023	April 01, 2021 to March 31, 2022
1	Long Term Credit Rating (NCDs and Fund Based Bank Facilities) by CRISIL*	AA+ /Stable	AA+ /Stable
2	Short Term Credit Rating (CP) by CRISIL**	A1+	A1+
3	Short Term Credit Rating (CP) by ICRA**	A1+	A1+

*Earlier Credit Ratings CRISIL AA+ /Stable

**No change in ratings during the year.



BHARTI TELECOM LIMITED

Notes forming part of standalone financial statements for the year ended March 31, 2023
(All amounts are in millions of Indian Rupees, unless otherwise stated)

29. In accordance with the requirement of Indian Accounting Standard (Ind AS) - 24 on Related Party Disclosures, the names of the related parties where control exists and/or with whom transactions have taken place during the year and description of relationship, as identified and certified by the management are:

a) List of related parties

i. Parent/ ultimate controlling party

Bharti Enterprises (Holding) Private Limited (which is held by private trusts of Bharti family). Mr Sunil Bharti Mittal's family trust effectively controls the said company.

Subsidiaries

- Indian

Bharti Airtel Limited
Bharti Airtel Services Limited
Bharti Hexacom Limited
Bharti Telemedia Limited
Nextra Data Limited
Airtel Digital Limited (formerly known as Wink Limited)
Indo Teleports Limited (Formerly known as Bharti Teleports Limited)
Nettle Infrastructure Investments Limited (formerly known as Nettle Developers Limited)
Airtel Limited
Oneweb India Communications Private Limited (Acquired w.e.f. April 13, 2021)
Airtel Payments Bank Limited (Formerly known as Airtel M Commerce Services Limited)
Airtel International LLP

- Foreign

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 Lanka (Private) Limited
Bharti International (Singapore) Pte. Ltd.
Network i2I Limited
Bharti Airtel International (Mauritius) Investments Limited
Airtel Africa Mauritius Limited
Bharti Airtel Overseas (Mauritius) Limited
Bharti Airtel Holding (Mauritius) Limited
Network I2I (Kenya) Limited
Airtel Africa plc
Network i2I (UK) Limited
Bharti Airtel International (Netherlands) B.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
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.
Airtel Mobile Commerce Uganda Limited
Airtel Mobile Commerce Zambia Limited
Airtel Money RDC S.A.
Airtel Money Niger S.A.
Airtel Money S.A.
Airtel Networks Kenya Limited
Airtel Networks Limited
Airtel Networks Zambia plc
Airtel Rwanda Limited
Airtel Tanzania plc
Airtel Tchad S.A.
Airtel Uganda Limited
Bharti Airtel Africa B.V.
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.
Gabon Towers S.A. (under dissolution)
Indian Ocean Telecom Limited
Mobile Commerce Congo S.A.
Montana International
Partnership Investments S.a.r.l
Société Malgache de Téléphone Cellulaire S.A.



BHARTI TELECOM LIMITED
Notes forming part of standalone financial statements for the year ended March 31, 2023
(All amounts are in millions of Indian Rupees, unless otherwise stated)

Bharti Airtel Rwanda Holdings Limited
Airtel Money Transfer Limited
Airtel Money Tanzania Limited
Airtel Mobile Commerce (Nigeria) Limited
Airtel Mobile Commerce Nigeria B.V.
Airtel Mobile Commerce Congo B.V.
Airtel Mobile Commerce (Seychelles) B.V.
Airtel Mobile Commerce Madagascar B.V.
Airtel Mobile Commerce Kenya B.V.
Airtel Mobile Commerce Rwanda B.V.
Airtel Mobile Commerce Malawi B.V.
Airtel Mobile Commerce Uganda B.V.
Airtel Mobile Commerce Tchad B.V.
Airtel Mobile Commerce Zambia B.V.
Airtel Mobile Commerce DRC B.V.
Airtel Mobile Commerce Gabon B.V.
Airtel Mobile Commerce Niger B.V.
Airtel Money Kenya Limited
Airtel Digital Services Holdings B.V.
Airtel Africa Services (UK) Limited
Airtel Mobile Commerce Services Limited (incorporated on 24 March 2021)
SmartCash Payment Service Bank Limited (Incorporated on November 30, 2021)
Airtel Africa Telesonic Holdings Limited (incorporated on Oct 6, 2021)
Airtel Africa Telesonic Limited (incorporated on Oct 6, 2021)
The Registered Trustees of Airtel Money Trust Fund
Airtel Money Trust Fund
Airtel Congo Telesonic Holdings (UK) Limited
Airtel DRC Telesonic Holdings (UK) Limited
Airtel Gabon Telesonic Holdings (UK) Limited
Airtel Kenya Telesonic Holdings (UK) Limited
Airtel Madagascar Telesonic Holdings (UK) Limited
Airtel Malawi Telesonic Holdings (UK) Limited (name changed to Airtel (M) Telesonic Holdings (UK) Limited w.e.f. 13 July 2022)
Airtel Niger Telesonic Holdings (UK) Limited
Airtel Nigeria Telesonic Holdings (UK) Limited
Airtel Rwanda Telesonic Holdings (UK) Limited
Airtel Seychelles Telesonic Holdings (UK) Limited
Airtel Tanzania Telesonic Holdings (UK) Limited
Airtel Uganda Telesonic Holdings (UK) Limited
Airtel Zambia Telesonic Holdings (UK) Limited
Airtel Tchad Telesonic Holdings (UK) Limited
Airtel Kenya Telesonic Limited
Airtel (M) Telesonic Limited
Airtel Nigeria Telesonic Limited
Airtel Rwanda Telesonic Limited
Airtel Telesonic Uganda Limited
Airtel Zambia Telesonic Limited
Airtel (Seychelles) Telesonic Limited
Airtel Mobile Commerce Tanzania B.V.
Nxtra Africa Data Holdings Limited (Name changed from Airtel Africa Data Center Holdings Limited w.e.f. February 27, 2023)
Nxtra Nigeria Data Holdings (UK) Limited (Name changed from Airtel Nigeria Data Center Holdings (UK) Limited w.e.f. February 22, 2023)
Nxtra Kenya Data Holdings (UK) Limited (Name changed from Airtel Kenya Data Center Holdings (UK) Limited w.e.f. February 22, 2023)
Nxtra DRC Data Holdings (UK) Limited (Name changed from Airtel DRC Data Center Holdings (UK) Limited w.e.f. February 22, 2023)
Nxtra Gabon Data Holdings (UK) Limited (Name changed from Airtel Gabon Data Center Holdings (UK) Limited w.e.f. February 22, 2023)
Nxtra Congo Data Holdings (UK) Limited (Name changed from Airtel Congo Data Center Holdings (UK) Limited w.e.f. February 22, 2023)
Airtel Congo RDC Telesonic S.A.U.
AMPSolar Evolution Private Limited
Airtel Congo RDC Telesonic S.A.U.
SOCIETE MAWEZI RDC S.A.
Nxtra Africa Data (Nigeria) Limited

Associates

- Indian

Synse Technologies Private Limited
Juggernaut Books Private Limited
Editorji Technologies Private Limited

- Foreign

Seychelles Cable Systems Company Limited
Robi Axiata Limited
RedDot Digital Limited (Subsidiary of Robi Axiata Limited) (Incorporated on 5 November 2019)

Joint Ventures

- Indian

Indus Towers Limited (Formerly known as Bharti Infratel Limited)
FireFly Networks Limited
SmarTx Services Limited

- Foreign

Bridge Mobile Pte Limited
Bharti Airtel Ghana Holdings B.V.
Millicom Ghana Company Limited #

Fellow companies (subsidiaries / joint ventures / group company / associates other than that of the Company)

Subsidiaries of parent

- Indian

Bharti Enterprises Limited

Subsidiaries of associates

- Indian

Bharti Management Services Limited (formerly known as Bharti Axa General Insurance Company Limited)
Bharti Axa Life Insurance Company Limited
Bharti Assist Global Private Limited

Associates

- Indian

Bharti Life Ventures Private Limited
Bharti General Ventures Private Limited (formerly known as Bharti General Ventures Private Limited)

Group Company

- Indian

Bharti Realty Limited
Vinta Realty Limited



BHARTI TELECOM LIMITED
Notes forming part of standalone financial statements for the year ended March 31, 2023
(All amounts are in millions of Indian Rupees, unless otherwise stated)

Others

- Indian

Deber Technologies Private Limited (Formerly known as Ignite World Private Limited)

Entity having control over the Company

- Indian

Bharti Enterprises (Holding) Private Limited

Entities having significant influence over the Company

- Foreign

Pastel Limited

Singapore Telecommunications Limited

Under liquidation

b) Related party transactions for the year ended March 31, 2023

Nature of transaction	Year ended March 31, 2023						Year ended March 31, 2022					
	Parent (as per ownership or control)	Subsidiaries / Step down subsidiary	Associates / Joint Ventures	Group Company	Key Management Personnel	Relatives of Key Management Personnel	Parent (as per ownership or control)	Subsidiaries / Step down subsidiary	Associates / Joint Ventures	Group Company	Key Management Personnel	Relatives of Key Management Personnel
Transactions												
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-	-	-	-
Placement of deposits	-	-	-	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	-	-	-	-	-	-
Investment in subsidiary	-	-	-	-	-	-	-	19,200	-	-	-	-
Purchase of fixed / other assets	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed / other assets	-	-	-	-	-	-	-	-	-	-	-	-
Dividend Income	-	6,006	-	-	-	-	-	-	-	-	-	-
Loans given	-	-	-	-	-	-	-	-	1,750	-	-	-
Loans received back	-	-	-	-	-	-	-	9,650	-	5,200	-	-
Loans received	-	-	-	2,050	-	-	-	-	-	-	-	-
Loans paid back	-	-	-	2,050	-	-	-	-	-	-	-	-
Interest paid	-	-	-	3	-	-	-	-	-	-	-	-
Interest received	-	-	-	-	-	-	-	712	-	328	-	-
Closing balance	-	-	-	-	-	-	-	-	-	-	-	-

30. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

31. There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.

32. The Company has not done any transactions with companies struck off under section 248 of the Companies Act, 2013 during the financial year.

33. The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or other kind of funds) to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

34. The Company has not received any funds (which are material either individually or in the aggregate) from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

35. The disclosure on the following matters required under Schedule III as amended not being relevant or applicable in case of the Company, same are not covered:

- The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- The Company has not entered into any scheme of arrangement.
- No satisfaction of charges are pending to be filed with ROC.
- There are no transactions which are not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

For J. C. Bhalla & Co.
Chartered Accountants
ICAI Firm Registration No: 001111N

Amit Bhalla
Partner
Membership No. 505002

Place : New Delhi
Date : May 30, 2023



For and on Behalf of the Board of Directors of
Bharti Telecom Limited

Rajan Bharti Mittal
Director
DIN - 00028016

Rohit Krishan Purri
Company Secretary

Place : New
Delhi
Date : May 30, 2023

Devendra Khanna
Managing Director
DIN 1996768

Puneet Tandon
Chief Financial Officer



INDEPENDENT AUDITOR'S REPORT

To the Members of Bharti Telecom Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **Bharti Telecom Limited** (hereinafter referred to as "the Holding Company" or "the Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and joint ventures, which comprise the consolidated Balance Sheet as at March 31, 2023, and the consolidated statement of Profit and Loss including Other Comprehensive Income, the consolidated statement of changes in equity and the consolidated cash flows Statement for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory statement (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures, as referred to in the Other Matters paragraph below, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31, 2023, and their consolidated profit/ loss, their consolidated total comprehensive income/ loss, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements 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 the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. 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 Statements 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 Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Emphasis of Matter

Material uncertainty at one of the largest customer of Indus Towers Limited, a Joint Venture and its consequential impact on Joint Venture Company's business operations

We draw attention to Note 4(f) of the Consolidated Financial Statements, which describes the impact on business operations, receivables, property, plant and equipment and financial position of the Joint Venture Company on account of the Joint Venture Company's one of the largest customer's financial condition and its ability to continue as a going concern.

The customer's assumption of going concern is essentially dependent on its ability to raise additional funds as required, successful negotiations with lenders for continued support and generation of cash flow from its operations that it needs to settle its liabilities as they fall due.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matter	Auditor's Response
1	<p>Revenue from operations:</p> <p>The other auditors considered accuracy of revenues relating to prepaid and postpaid Mobile Services, and Digital TV Services segments as a key audit matter because of the complexity of the IT systems, significance of volumes of data processed by the IT systems and the impact of changing pricing models (tariff structures, incentive arrangements and discounts, etc.).</p> <p>Refer note 2.19 "Revenue recognition" for accounting policies, note 3.2.a 'Revenue recognition and presentation' under the head Critical judgements in applying the Group's accounting policies', and note 25 on disclosures related to Revenue in the consolidated financial statements.</p>	<p>Principal Audit Procedures</p> <p>The other auditors obtained an understanding, evaluated the design and tested the operating effectiveness of (i) the general IT controls, automated controls, interfaces, control over plan configuration and system generated reports relevant for revenue recognition by involving our IT specialist; (ii) controls over recording of revenue relating to prepaid and postpaid mobile services, and Digital TV Services segments;</p> <p>We tested inter se reconciliations between relevant IT systems (such as billing system, prepaid application systems, active customer database) and with general ledger, and performed verification of revenue recognised, deferred and unbilled revenue.</p> <p>We made test calls to determine the accuracy of revenue recorded.</p>

Sr. No	Key Audit Matter	Auditor's Response
		We verified the appropriateness of the accounting policies and the disclosures related to Revenue in notes 2.19, 3.2.a and 25 respectively in the consolidated financial statements.
2	<p>Assessment of recoverability relating to Deferred tax assets('DTA') recognized on carry forward losses:</p> <p>The DTA balance as at March 31, 2023 of Rs. 189,519 million primarily relates to DTA on carry forward losses.</p> <p>The Group exercises significant judgement in assessing the recognition and recoverability of DTA relating to carry forward losses for certain components, particularly in respect of Bharti Airtel Limited. In estimating the recoverability of DTA on carry forward losses, management uses inputs such as internal business and tax projections over a 10 year period.</p> <p>The recognition and recoverability of DTA on carry forward losses is considered a key audit matter as it is sensitive to the assumptions used by management in projecting the future taxable income, the reversal of deferred tax liabilities which can be scheduled, and tax planning strategies.</p> <p>Refer note 2.12 "Taxes" for accounting policies, note 3.1.b 'Taxes' under the head "Key sources of estimation uncertainties", and note 12 "Income tax" for disclosures related to taxes in the consolidated financial statements.</p>	<p>Principal Audit Procedures</p> <p>The other auditors obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the process for recognition and determining the recoverability of the DTA relating to carry forward losses which included amongst others controls over the assumptions and judgements used in the projections of future taxable income and tax projections.</p> <p>To assess the subsidiary management's ability to estimate future taxable income, The other auditors compared the two components previous forecasts to actual results to determine its reasonableness and examined the consistency of projections used for assessing DTA recoverability with business projections used for goodwill impairment assessment.</p> <p>The other auditors involved their tax specialists in evaluating the tax planning strategies, opinion obtained by the two component's management from its tax advisors and interpretation of tax laws used by the management of the subsidiary in the tax projections for supporting the recoverability of DTA.</p>

Sr. No	Key Audit Matter	Auditor's Response
3	<p>Provisions and contingencies relating to relating to regulatory and tax matters:</p> <p>The Group has recognised provisions for probable outflows relating to legal, tax and regulatory matters and have disclosed contingencies for legal, tax and regulatory matters where the obligations are considered possible.</p> <p>The Group in consultation with the legal, tax and other advisers assess a likelihood that a pending matter relating to tax, legal or regulatory will succeed. In performing this assessment, the Group applies judgement and has recognised provisions based on whether additional amounts will be payable and has disclosed contingent liabilities where economic outflows are considered possible.</p> <p>The other auditors have considered the provisions recorded and the contingencies relating to tax, legal and regulatory matters as a key audit matter as there is significant judgement to determine the possible outcome of matters under dispute and determining the amounts involved, which may vary depending on the outcome of the matters.</p> <p>Refer note 2.18 "Contingencies" for accounting policies, 3.1.e 'Contingent liabilities and provisions' under the head "Key sources of estimation uncertainties", note 4(m) on AGR dues provision, note 20 "Provisions" for disclosure related to provisions for subjudice matters, and note 24(i) in respect of details of Contingent liabilities in the consolidated financial statements.</p>	<p>Principal Audit Procedures:</p> <p>The other auditors obtained an understanding, evaluated the design and tested the operating effectiveness of internal controls relating to:</p> <p>(1) identification, evaluation, recognition of provisions, disclosure of contingencies for matters under review or appeal with relevant adjudicating authorities by considering the assumptions and information used by management in performing this assessment;</p> <p>(2) completeness and accuracy of the underlying data / information used in the assessment. For tax matters, with the help of their tax specialist, The other auditors evaluated the reasonableness of the management's positions by considering tax regulations and past decisions from tax authorities, new information and opinions obtained by the component management from its external tax advisors, where applicable. For regulatory matters, The other auditors evaluated the reasonableness of the management's positions by considering relevant assessment orders, court judgements, statutes, interpretations and amendments, circulars and external legal opinion obtained by the component management, where applicable. The other auditors also evaluated the disclosures provided in the notes to the consolidated financial statements concerning these matters.</p>

Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to the Board's Report but does not include the Consolidated Financial Statements, standalone financial statements and our auditor's reports thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information, compare with the financial statements of associate audited by the other auditor, to the extent it relates to this entity and, in doing so, place reliance on the work of the other auditor and consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to associates or joint ventures, is traced from their financial statements audited by the other auditor.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in sections 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income/loss, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements 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 the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, 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 Group and of its associates and joint ventures 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 Group or to cease operations, or has no realistic alternative but to do so.

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 the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements 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 these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to the Consolidated Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Group ability 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 Statements 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 Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Standalone Financial Statements of such entities included in the Consolidated Financial Statements of which we are the Independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remains responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements 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.

Other Matters

- a. We did not audit the financial statements of 117 (one hundred and seventeen) subsidiaries whose separate financial statements reflects total assets of Rs. 4,466,332/- millions as at March 31, 2023, total revenues of Rs. 1,400,814/- millions and net cash inflows amounting to Rs. 17,749/- millions for the year ended on that date, as considered in the Consolidated Financial Statements. The Consolidated Financial Statements includes the Group's share of total comprehensive income of Rs. 7,567/- millions for the year ended March 31, 2023, as considered in the Consolidated Financial Statements, in respect of 11 (eleven) associates and joint ventures, whose separate financial statements have not been audited by us. These separate financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiaries, associates and joint ventures and our report in terms of sub-sections (3) of section 143 of the Act, in so far as it relates to aforesaid subsidiaries associates and joint ventures, is based solely on the reports of other auditors.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of other auditors and the financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of other auditors on separate financial statements of the subsidiaries, its associates and joint ventures as mentioned in Other Matters paragraph, we report that:

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;
- b. in our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and report of other auditors;
- c. the consolidated balance sheet, the consolidated statement of profit and loss and the consolidated cash flow statement dealt with in this report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
- d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act.
- e. on the basis of written representations received from the directors of the Holding Company as on March 31, 2023 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture companies incorporated in India, none of the directors of the Group companies, its associate companies and joint venture companies incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting and 'the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" which is based on the auditors' reports of the Holding Company, subsidiary companies, associate companies and joint venture companies incorporated in India whose audit under section 143 of the Act has been completed and procedures performed by us (as applicable). Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us and based on the auditors' report of subsidiary companies, associate companies and joint venture companies incorporated in India whose audit under 143 of the Act has been completed, the remuneration paid by the Holding Company and such subsidiary companies, associate companies and joint venture companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures (Refer Note 24(i) to the Consolidated Financial Statements).

- ii) Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts (Refer Note 20 to the Consolidated Financial Statements).
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and joint venture companies incorporated in India (Refer Note 19 to the Consolidated Financial Statements).
- iv) (a) The respective Managements of the Holding Company and its subsidiaries, associates and joint ventures which are companies incorporated in India, whose audit of financial statements/information have been audited under the Act or for the purpose of group reporting, have represented to us and other auditors (as applicable) that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries, associates and joint ventures to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries, associates and joint ventures (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Holding Company and its subsidiaries, associates and joint ventures which are companies incorporated in India, and whose audit of financial statements/information have been completed under the Act or for the purpose of group reporting, have represented to us and other auditors (as applicable) that, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiaries, associates and joint ventures from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, associates and joint ventures shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor’s notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v) The Holding Company has neither declared nor paid any dividend during the year.

vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. April 1, 2023 to the Holding Company and its subsidiaries, associates and joint ventures which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014, as amended, is not applicable for the financial year ended March 31, 2023.

2. With respect to the matters specified in clause (xxi) of paragraph (3) and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the Consolidated Financial Statements to which reporting under CARO is applicable, as provided to us by the Management of the Holding Company, we report that in respect of those companies where audits have been completed under section 143 of the Act, there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the Consolidated Financial Statements except for the following:

No.	Name of the company	CIN	Nature of relationship	Clause Number of CARO order with qualification or adverse remark
1	Bharti Telecom Limited	U32039HR1985PLC032091	Holding Company	Clause 3(xvii) ⁵
2	Bharti Airtel Limited	L74899HR1995PLC095967	Subsidiary	Clause 3(i)(a) (A) ¹ , (b) ² & (c) ³ Clause 3(ix)(d) ⁴
3	Bharti Telemedia Limited	U92200DL2006PLC156075	Subsidiary	Clause 3(i)(b) ² Clause 3(xix) ⁶
4	Bharti Airtel Services Limited	U64201DL1997PLC091001	Subsidiary	Clause 3(i)(b) ² , (c) ³ , Clause 3(ix)(d) ⁴ , Clause 3(xix) ⁶
5	Airtel Limited	U64200HR2021PLC093754	Subsidiary	Clause 3(xvii) ⁵
6	OneWeb India Communications Private Limited	U74999UP2020PTC126575	Subsidiary	Clause 3(xvii) ⁵
7	SmarTx Services Limited	U64202DL2015PLC285515	Joint Venture	Clause 3(xvii) ⁵ , Clause (xix) ⁶
8	Indo Teleports Limited	U32204DL2008PLC183976	Subsidiary	Clause 3(ix)(d) ⁴ , Clause (xix) ⁶
9	Hughes Communications India Private Limited	U64202DL1992PTC048053	Associate	Clause 3(xvii) ⁵

- 1 Clause pertains to non-updation of situation details of certain Property, Plant and Equipment (PPE)
- 2 Clause pertains to physical verification not conducted in respect of CPE, bandwidth and certain PPE
- 3 Clause pertains to title deeds of certain of immovable properties not held in name of the company
- 4 Clause pertains to short term funds used for long term purposes
- 5 Clause pertains to cash losses incurred
- 6 Clause pertains to going concern based on support from parent

Further, the statutory audit report on the financial statements for the year ended March 31, 2023, of the following related entities of the Parent has not been issued until the date of this report:

S. No	Name of the company	CIN	Nature of relationship
1	Juggernaut Books Private Limited	U22219DL2015PTC280186	Associate
2	Lavelle Networks Private Limited	U72200KA2015PTC078612	Associate

Accordingly, no comments for the said subsidiaries, associate companies and jointly controlled entities have been included for the purpose of reporting under this clause.

For J.C. Bhalla & Co.
Chartered Accountants
Firm's Regn. No. 001111N

(Akhil Bhalla)
Partner
Membership No. 505002
UDIN: 23505002BGTINE5699

Place: New Delhi
Date : May 30, 2023

Annexure 1 to the Independent Auditor's Report

Referred to in paragraph 1(f) under the heading "Report on other Legal and Regulatory requirements" of our report on the Consolidated Financial Statements of Bharti Telecom Limited as of and for the year ended March 31, 2023.

Report on the Internal Financial Controls with reference to the Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

Opinion

In conjunction with our audit of the Consolidated Financial Statements of the Group as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to the Consolidated Financial Statements of **Bharti Telecom Limited** ("the Holding Company" or "the Company"), and its subsidiary companies (the Holding Company and its subsidiaries together referred to as "the Group"), its associate companies and joint venture companies which are companies incorporated in India, as of that date.

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors referred to in Other Matters paragraph below, the Holding Company, its subsidiaries, its associates and joint ventures which are the companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to the Consolidated Financial Statement and such internal financial controls were operating effectively as at March 31, 2023, based on the internal control with reference to the Consolidated Financial Statement criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiaries, its associates and joint ventures which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to the Consolidated Financial Statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by The Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to the Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by The Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal

financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to the Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Consolidated Financial Statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors in terms of their report referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to the Consolidated Financial Statements of the Holding Company, its subsidiaries, its associates and joint ventures which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to the Consolidated Financial Statements

A Company's internal financial control with reference to the Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles.

A Company's internal financial control with reference to the Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Consolidated Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to the Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to the Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to the Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to the subsidiary companies, associate companies and joint venture companies which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not qualified in respect of this matter.

For J.C. Bhalla & Co.

Chartered Accountants

Firm's Regn. No. 001111N

(Akhil Bhalla)

Partner

Membership No. 505002

UDIN: 23505002BGTINE5699

Place: New Delhi

Date : May 30, 2023

BHARTI TELECOM LIMITED
Consolidated Balance Sheet as at March 31, 2023
(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

Particulars	Note No.	As of	
		March 31, 2023	March 31, 2022
Assets			
Financial assets			
Cash and cash equivalents	5	71,890	61,059
Other bank balances	6	62,392	73,984
Derivative financial instruments	7	2,137	779
Trade receivables	8	39,815	40,562
Investments	9	329,939	293,709
Security deposits	10	7,730	7,140
Other financial assets	11	239,098	230,073
Total financials assets		753,001	707,306
Non-financial assets			
Inventories		2,576	3,750
Income tax assets (net)		20,440	17,520
Deferred tax assets (net)	12	189,519	199,250
Property, plant and equipment	13	952,241	905,725
Capital work-in-progress	13	110,293	42,386
Right of use assets	37	546,466	322,286
Goodwill	14	337,741	338,313
Other intangible assets	14	937,490	874,509
Intangible assets under development	14	383,961	17,161
Other assets	15	233,144	208,714
Total non-financials assets		3,713,871	2,929,614
Total assets		4,466,872	3,636,920
Liabilities and equity			
Liabilities			
Financial liabilities			
Derivative financial instruments	7	4,640	1,169
Trade payables	16		
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises		328,954	292,764
Payables-others			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
Debt securities	17	408,381	294,565
Borrowings	18	1,409,267	1,054,683
Lease liabilities		604,755	367,634
Other financial liabilities	19	339,504	284,746
Total financial liabilities		3,095,501	2,295,561

BHARTI TELECOM LIMITED

Consolidated Balance Sheet as at March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

Particulars	Note No.	As of	
		March 31, 2023	March 31, 2022
Non-financial liabilities			
Income tax liabilities (net)		17,972	20,725
Provisions	20	262,036	248,088
Deferred tax liabilities (net)	12	20,763	24,489
Deferred revenue	25	115,896	106,187
Other liabilities	21	52,193	42,525
Total non-financial liabilities		468,860	442,014
Total liabilities		3,564,361	2,737,575
Equity			
Equity share capital	22	25,823	25,823
Other equity		153,521	139,119
Equity attributable to owners of the parent		179,344	164,942
Non-controlling interest		723,167	734,403
Total equity		902,511	899,345
Total liabilities and equity		4,466,872	3,636,920

The accompanying notes 1 to 45 forms an integral part of the consolidated financial statements.

As per our report of even date.

For J. C. Bhalla & Co.

Chartered Accountants

ICAI Firm Registration No: 001111N

Sd/-

Akhil Bhalla

Partner

Membership No. 505002

Place: New Delhi

Date: May 30, 2023

**For and on behalf of the Board of Directors of
Bharti Telecom Limited**

Sd/-

Rajan Bharti Mittal

Director

DIN - 00028016

Sd/-

Rohit Krishan Puri

Company Secretary

Sd/-

Devendra Khanna

Managing Director

DIN - 01996768

Sd/-

Puneet Tandon

Chief Financial Officer

BHARTI TELECOM LIMITED
Consolidated Statement of Profit & Loss for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

Particulars	Note No.	For the year ended	
		March 31, 2023	March 31, 2022
Revenue from operations	25	1,391,539	1,165,809
Other income	26	9,366	5,395
Total income		1,400,905	1,171,203
Expenses			
Finance costs	27	200,896	167,063
Network operating expenses	28	285,433	250,205
Access charges		76,207	67,611
License fee/ spectrum charges		117,517	110,636
Employee benefits expenses	29	48,308	44,346
Sales and marketing expenses	30	72,454	53,035
Depreciation and amortisation	31	364,318	330,907
Non-operating expenses		-	-
Other expenses	32	78,826	64,322
Total expenses		1,243,959	1,088,125
Profit/ (loss) before share of profit of associates and joint ventures, exceptional items and tax		156,946	83,079
Share of loss of associates and joint ventures (net)	9	(7,521)	(24,232)
Profit/ (loss) before exceptional items and tax		164,467	107,311
Exceptional items (net)	33	6,698	(16,986)
Loss before tax from continuing operations		157,769	124,297
Tax expense / (credit)			
Current tax	12	36,059	30,417
Earlier year income tax	12	(16)	-
Deferred tax expenses/(income)	12	7,903	11,448
Loss for the year from continuing operations		113,823	82,431
Profit from discontinued operation before tax		-	-
Tax expense of discontinued operation		-	-
Profit for the year from discontinuing operations#		-	-
Profit/ (loss) for the year		113,823	82,432
Other comprehensive income ('OCI')			
Items to be reclassified subsequently to profit or loss :			
Net (losses)/ gain due to foreign currency translation differences		(8,730)	7,687
Net gain/ (losses) on net investment hedge		(17,075)	(6,401)
Net losses on cash flow hedge		-	-
Net losses on fair value through OCI investments		-	-
Tax credit/(charge)	12	4,365	1,269
		(21,440)	2,555

BHARTI TELECOM LIMITED

Consolidated Statement of Profit & Loss for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

Particulars	Note No.	For the year ended	
		March 31, 2023	March 31, 2022
Items not to be reclassified to profit or loss :			
Re-measurement losses on defined benefit plans		(176)	(44)
Share of OCI of joint ventures and associates	9	46	35
Tax (charge)/credit	12	48	10
		(82)	1
Other comprehensive loss for the year		(21,522)	2,556
Total comprehensive (loss) / income for the year		92,301	84,988
Profit/ (loss) for the year attributable to :		113,823	82,432
Owners of the parent		26,806	14,178
Non-controlling interests [#]		87,017	68,254
Other comprehensive (loss)/ income for the year attributable to :		(21,522)	2,556
Owners of the parent		(10,830)	(1,622)
Non-controlling interests [#]		(10,692)	4,178
Total comprehensive income/ (loss) for the year attributable to :		92,301	84,988
Owners of the parent		15,976	12,556
Non-controlling interests		76,325	72,432
Earnings per share			
Basic	34	10.38	5.49
Diluted	34	10.38	5.49

Non-controlling interest is attributable to subsidiaries of the Company

The accompanying notes 1 to 45 forms an integral part of the consolidated financial statements.

As per our report of even date.

For J. C. Bhalla & Co.
Chartered Accountants
ICAI Firm Registration No: 001111N

Sd/-

Akhil Bhalla
Partner
Membership No. 505002

Place: New Delhi
Date : May 30, 2023

**For and on behalf of the Board of Directors of
Bharti Telecom Limited**

Sd/-

Rajan Bharti Mittal
Director
DIN - 00028016

Sd/-

Rohit Krishan Puri
Company Secretary

Sd/-

Devendra Khanna
Managing Director
DIN - 01996768

Sd/-

Puneet Tandon
Chief Financial Officer

BHARTI TELECOM LIMITED
Consolidated Statement of Cash Flows for the year ended March 31, 2023
(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

Particulars	March 31, 2023	March 31, 2022
Cash flows from operating activities		
Profit/ (loss) before tax	157,769	124,297
<i>Adjustments for :</i>		
Depreciation and amortisation	364,318	330,907
Finance costs	188,434	165,241
Interest income	(3,081)	(2,207)
Impairment loss allowance on loans	-	(52)
Profit on sale of mutual funds (including fair value gain)	(90)	(11)
Net gain on FVTPL investments	(2,474)	(1,067)
Net loss on derivative financial instruments	3,013	947
Share of profit of joint ventures and associates	(7,521)	(24,232)
Exceptional items (net)	6,698	(11,705)
Loss on sale of property, plant and equipment	22	74
Employee share-based payment expense	1,115	776
Other non-cash items	6,149	2,826
Operating cash flow before changes in working capital	714,352	585,794
Changes in working capital		
Trade receivables	(5,583)	(7,131)
Trade payables	12,671	(4,877)
Payables-others	(15)	17
Inventories	(1,157)	(1,181)
Provisions	6,494	2,736
Debt securities and borrowings	142,097	6,377
Other financial and non financial liabilities	(11,961)	11,797
Loans, other financial and non financial assets	(31,556)	(2,575)
Net cash generated from operations before tax	825,342	590,957
Income tax paid	(39,126)	(21,848)
Net cash generated from operating activities (a)	786,216	569,109
Cash flows from investing activities		
Purchase of property, plant and equipment and capital work in progress	(260,566)	(265,406)
Proceeds from sale of property, plant and equipment	885	13,791
Purchase of intangible assets	(4,819)	(8,593)
Payment towards spectrum - deferred payment liability^	(123,684)	(174,482)
Proceeds from sale of spectrum	-	10,048
Proceeds from sale of business	-	998
Sale of investments	(12,000)	36,458
Net proceeds from sale/ (purchase) of investment	(323)	(15,256)
Proceeds from sale of non-current investment	311	-
Proceeds from sale of tower subsidiary (net of cash acquired)	-	5,887
Repayment of loan given to joint venture	-	8
Investment in associate / joint venture	(8,106)	(26,208)
Dividend received	13,992	-
Interest received	3,509	4,053
Proceeds from sale of investment in mutual funds	(82,221)	-
Investment in Mutual Funds	82,129	-
Investment in subsidiaries, net of cash acquired	(138,882)	-
Net cash used in investing activities (b)	(529,775)	(418,702)

BHARTI TELECOM LIMITED
Consolidated Statement of Cash Flows for the year ended March 31, 2023
(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

Particulars	March 31, 2023	March 31, 2022
Cash flows from financing activities		
Net Proceeds from issue of equity shares (Right issues)	52,242	33,026
Proceeds from borrowings	136,077	254,786
Repayment of borrowings	(178,227)	(337,212)
Net proceeds/ (repayment) of borrowing	(70,972)	63,649
Payment of finance lease liabilities	(75,986)	(76,427)
Purchase of treasury shares	(499)	(598)
Interest and other finance charges paid	(66,893)	(131,588)
Payment on account of capital reduction	(7)	-
Proceeds from exercise of share options	3	7
Dividend paid (including tax)	(29,892)	(14,438)
Proceeds from issuance of Compulsorily convertible preference shares to NCI	-	10,881
Proceeds from sale of shares of subsidiary to NCI	-	40,911
Purchase of shares from NCI	(641)	(13,523)
Payment on maturity of derivatives	(3,901)	(704)
Net cash (used in)/ generated from financing activities (c)	(238,696)	(171,231)
Net (decrease)/ increase in cash and cash equivalents during the period (a+b+c)	17,745	(20,824)
Effect of exchange rate on cash and cash equivalents	(1,522)	3,919
Cash and cash equivalents as at beginning of the period	74,087	90,991
Cash and cash equivalents as at end of the period (refer note 6)	90,310	74,087

^Cash flows towards spectrum acquisition are based on the timing payouts to DOT (viz. upfront/deferred)

*Includes interest on fixed deposit kept as lien with bank against term loan.

The accompanying notes 1 to 45 forms an integral part of the consolidated financial statements.

As per our report of even date.

For J. C. Bhalla & Co.
Chartered Accountants
ICAI Firm Registration No: 001111N

Sd/-

Akhil Bhalla
Partner
Membership No. 505002

Place : New Delhi
Date : May 30, 2023

**For and on behalf of the Board of Directors of
Bharti Telecom Limited**

Sd/-

Rajan Bharti Mittal
Director
DIN - 00028016

Sd/-

Rohit Krishan Puri
Company Secretary

Sd/-

Devendra Khanna
Managing Director
DIN - 01996768

Sd/-

Puneet Tandon
Chief Financial Officer

BHARTI TELECOM LIMITED
Consolidated Statement of Changes in Equity for the year ended March 31, 2023
(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

	Equity attributable to owners of the parent												Non-controlling interests	Total equity
	Share capital			Other equity										
	No of shares (in '000)	Amount	Securities premium	Reserves and surplus					Capital reserve	Share-based payment	NCI reserve	Other components of equity		
Retained earnings				General reserve	Statutory reserve	Debt redemption								
As of April 1, 2021	2,582,316	25,823	92,415	(44,337)	11,236	1,791	207	7,988	226	107,115	(45,009)	131,630	654,628	812,082
Profit/(Loss) for the year	-	-	-	14,178	-	-	-	-	456	-	-	14,634	67,798	82,432
Other comprehensive income / (loss)	-	-	-	(1,622)	-	-	-	-	-	-	-	(1,622)	4,179	2,557
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share Issued	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NCI on business combination	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income/(loss)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Employee share based payment expense	-	-	-	-	-	-	-	-	258	-	-	258	518	776
Purchase of treasury share	-	-	-	-	-	-	-	-	-	-	(214)	(214)	(384)	(598)
Exercise of share option	-	-	-	-	(32)	-	-	-	(212)	-	212	(32)	(78)	(110)
Transaction with NCI	-	-	-	-	-	-	-	-	-	(5,670)	-	(5,670)	24,037	18,367
Issue of perpetual securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend to Company's shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend to NCI	-	-	-	-	-	-	-	-	-	-	-	-	(16,537)	(16,537)
Adjustment on account of Indus-Infratel merger (refer note 4(b))	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earning	-	-	-	281	-	-	-	-	-	-	-	281	502	783
Impact of Common Control Transactions	-	-	-	(145)	-	-	-	-	-	-	-	(145)	(260)	(405)
Movement on account of court approved scheme	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As of March 31, 2022	2,582,316	25,823	92,415	(31,645)	11,204	1,791	207	7,988	728	101,445	(45,011)	139,119	734,403	899,346
Profit/(Loss) for the year	-	-	-	26,806	-	-	-	-	-	-	-	26,806	87,017	113,823
Other comprehensive income / (loss)	-	-	-	(10,830)	-	-	-	-	-	-	-	(10,830)	(10,692)	(21,522)
Transfer to statutory reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issue of Share Capital	-	-	22,645	-	-	-	-	-	-	-	-	22,645	36,527	59,172
NCI on business combination	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Employee share based payment expense	-	-	-	-	-	-	-	-	-	-	-	-	1,097	1,097
Purchase of treasury share	-	-	-	-	-	-	-	-	-	-	(192)	(192)	(307)	(499)
Exercise of share option	-	-	-	-	(56)	-	-	-	(122)	-	124	(54)	(100)	(154)
Transaction with NCI	-	-	-	(45,105)	-	-	-	-	-	21,319	-	(23,786)	(96,413)	(120,199)
Issue of perpetual securities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend to Company's shareholders	-	-	-	-	-	-	-	-	-	-	-	-	(10,970)	(10,970)
Dividend to NCI	-	-	-	-	-	-	-	-	-	-	-	-	(17,100)	(17,100)
Adjustment on account of Indus-Infratel merger (refer note 4(b))	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earning	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Impact of Common Control Transactions	-	-	-	37	-	-	-	-	-	-	-	37	59	96
Movement on account of court approved scheme	-	-	-	(223)	-	-	-	-	-	-	-	(223)	(355)	(578)
As of March 31, 2023	2,582,316	25,823	92,415	(76,936)	11,148	1,791	207	7,988	606	122,764	(45,080)	153,521	723,167	902,511

The accompanying notes 1 to 45 forms an integral part of the consolidated financial statements.

As per our report of even date.

For J. C. Bhalla & Co.
 Chartered Accountants
 ICAI Firm Registration No: 001111N

Sd/-

Akhil Bhalla
 Partner
 Membership No. 505002

 Place : New Delhi
 Date : May 30, 2023

**For and on behalf of the Board of Directors of
 Bharti Telecom Limited**

Sd/-

Rajan Bharti Mittal
 Director
 DIN - 00028016

Sd/-

Rohit Krishan Puri
 Company Secretary

Sd/-

Devendra Khanna
 Managing Director
 DIN - 01996768

Sd/-

Puneet Tandon
 Chief Financial Officer

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

1 Corporate Information

Bharti Telecom Limited ("the Company") having its Registered office at Plot No.16, Udyog Vihar, Phase-IV, Gurugram - 122015 is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. It is a part of Bharti Group with its primary activity being holding investment in Bharti Airtel Limited. The Company together with its subsidiaries has been hereinafter referred to as 'the Group'.

The Company is registered with Reserve Bank of India as a Non-Deposit taking Systematically Important Core Investment Company ("CIC") vide registration certificate no. N-14.03465 dated January 15, 2019 (refer disclaimer below).

Its subsidiary (namely Bharti Airtel Limited) is a leading telecommunication service provider in India and also has strong presence in Africa and South Asia through its group, and is engaged primarily in the business of rendering services in the telecommunication systems and services, tower infrastructure services and direct to home digital services.

RBI Disclaimer:

- (a) Reserve Bank of India does not accept any responsibility or guarantee about the present position as to the financial soundness of the company or for the correctness of any of the statements or representations made or opinions expressed by the company and for discharge of liability by the company.
- (b) Neither is there any provision in law to keep, nor does the company keep any part of the deposits with the Reserve Bank and by issuing the Certificate of Registration to the company, the Reserve Bank neither accepts any responsibility nor guarantee for the payment of the public funds to any person/body corporate.

2 Significant accounting policies

2.1 Basis of preparation

These consolidated financial statements ("financial statements") have been prepared to comply in all material respects with the Indian Accounting standards ("Ind AS") as notified by the Ministry of Corporate Affairs ('MCA') under the section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of Companies (Indian Accounting Standard) Rules, of 2015 other relevant provisions of Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016 issued by RBI.

The consolidated financial statements are authorised for issue by the Company's Board of Directors on May 30, 2023.

The financial statements are based on the classification provisions contained in Ind AS 1, 'Presentation of Financial statements' and division III of schedule III of the Companies Act, 2013. Further, for the purpose of clarity, various items are aggregated

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

in the consolidated statement of profit and loss ('statement of profit and loss') and consolidated balance sheet ('balance sheet'). Nonetheless, these items are disaggregated separately in the notes to the financial statements, where applicable or required.

The consolidated financial statements are presented in Indian Rupees which is the functional and presentation currency of the Company.

All the amounts included in the financial statements are reported in millions of Indian Rupees ('Rupee' or 'Rs.') and are rounded to the nearest million, except per share data and unless stated otherwise. Further, due to rounding off, certain amounts are appearing as '0'.

The preparation of the said financial statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Group's accounting policies. The areas where estimates are significant to the financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in note 3.

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, by all the Group entities, to all the periods presented in the said financial statements, except in case of adoption of any new standards and / or amendments during the year.

To provide more reliable and relevant information about the effect of certain items in the balance sheet and statement of profit and loss, the Group has changed the classification of certain items. Comparative figures have been re-grouped or reclassified, to confirm to such current period's grouping / classifications. There is no impact on equity or net loss due to these re-groupings / reclassifications.

New amendments adopted during the year

a) Amendments to Ind AS

MCA vide notification no. G.S.R. 255(E) dated March 23, 2022 has issued the Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends following Ind AS (as applicable to the Group):

- Ind AS 103, Business Combinations
- Ind AS 109, Financial Instruments
- Ind AS 16, Property, Plant and Equipment
- Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

The amendments are applicable for annual periods beginning on or after April 1, 2022, however, these do not have material impact on the Financial Statements of the Group.

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023 (All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

b) Amendments to Schedule III Division III

MCA vide notification dated March 24, 2021, has amended disclosure requirements to Division III of Schedule III to the Act. The amendments are applicable from April 1, 2021.

Amendments to Ind AS issued but not yet effective

MCA vide notification no. G.S.R. 242(E) dated March 31, 2023 has issued the Companies (Indian Accounting Standards) Amendment Rules, 2023 which amends following Ind AS (as applicable to the Group):

- Ind AS 102, Share-based Payments
- Ind AS 103, Business Combinations
- Ind AS 107, Financial Instruments: Disclosures
- Ind AS 109, Financial Instruments
- Ind AS 115, Revenue from Contracts with Customers
- Ind AS 1, Presentation of Financial Statements
- Ind AS 12, Income Taxes
- Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors
- Ind AS 34, Interim Financial Reporting

The amendments are applicable for annual periods beginning on or after April 1, 2023. The Group has evaluated the amendments and the impact is not expected to be material.

2.2 Basis of measurement

The financial statements have been prepared on the accrual and going concern basis, and the historical cost convention except where the Ind AS requires a different accounting treatment. The principal variations from the historical cost convention relate to financial instruments classified as fair value through profit or loss or through other comprehensive income (refer note 2.10 (b)), liability for cash-settled awards (refer note 2.16 (d)), the component of carrying values of recognised liabilities that are designated in fair value hedges (refer note 2.10 (d)) - which are measured at fair value.

Fair value measurement

Fair value is the price at the measurement date, at which an asset can be sold or a liability can be transferred, in an orderly transaction between market participants. The Group's accounting policies require measurement of certain financial instruments at fair values (either on a recurring or non-recurring basis).

The Group is required to classify the fair valuation method of the financial/non-financial assets and liabilities, either measured or disclosed at fair value in the financial statements, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurement). Accordingly, the Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

The three levels of the fair-value-hierarchy are described below:

Level 1: Quoted (unadjusted) prices for identical assets or liabilities in active markets

Level 2: Significant inputs to the fair value measurement are directly or indirectly

observable Level 3: Significant inputs to the fair value measurement are unobservable

2.3 Basis of consolidation

a. Subsidiaries

Subsidiaries include all the entities over which the Group has control. The Group controls an entity when it is exposed or has right to variable return from its involvement with the entity, and has the ability to affect those returns through its power (that is, existing rights that give it the current ability to direct the relevant activities) over the entity. The Group re-assesses whether or not it controls the entity, in case the underlying facts and circumstances indicate that there are changes to above-mentioned parameters that determine the existence of control. The financial statements of all entities used for the purpose of consolidation are drawn upto the same reporting date as that of Parent Company i.e. Year ended on March 31.

Subsidiaries are fully consolidated from the date on which control is acquired by the Group, and they are de-consolidated from the date that control ceases. Non-controlling interests is the equity in a subsidiary not attributable to a parent and presented separately from the parent's equity. Non-controlling interests consist of the amount at the date of the business combination and its share of changes in equity since that date. Profit or loss and other comprehensive income are attributed to the controlling and non-controlling interests in proportion to their ownership interests, even if this results in the non-controlling interests having a deficit balance. However, in case where there are binding contractual arrangements that determine the attribution of the earnings, the attribution specified by such arrangement is considered.

The profit or loss on disposal (associated with loss of control) is recognised in the statement of profit and loss being the difference between:

- (i) the aggregate of the fair value of consideration received and the fair value of any retained interest, and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary less any non-controlling interests. In addition, any amounts previously recognised in the other comprehensive income in respect of that de-consolidated entity, are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in the other comprehensive income are reclassified to the statement of profit and loss. Any retained interest in the entity is remeasured to its fair value with the resultant change in carrying value being recognised in statement of profit and loss.
- (ii) A change in the ownership interest of a subsidiary, without a change of control, is accounted for as a transaction with equity holders. Any difference

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

between the amount of the adjustment to non-controlling interests and any consideration exchanged is recognised in 'NCI reserve', a component of equity.

b. 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.

Investment in 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. The said investments are tested for impairment whenever circumstances indicate that their carrying values may exceed the recoverable amount (viz. higher of the fair value less costs to sell and the value-in-use).

c. Method of consolidation

Accounting policies of the respective individual subsidiary, joint venture and associate are aligned wherever necessary to ensure consistency with the accounting policies that are adopted by the Group under Ind AS and other generally accepted accounting principles.

The standalone financial statements of subsidiaries are fully consolidated on a line-by-line basis, after adjusting for business combination adjustments (refer note 2.4). Intra-group balances and transactions, and income and expenses arising from intra-group transactions, are eliminated while preparing the said financial statements. The unrealised gains resulting from intra-group transactions are also eliminated. Similarly, the unrealised losses are eliminated, unless the transaction provides evidence as to impairment of the asset transferred.

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 losses, as adjusted for post-acquisition changes in the Group's share of the net assets of investees. Any excess of the cost of the investment over the Group's share of net assets in its joint ventures / associates at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment. The unrealised gains / losses resulting from transactions with joint ventures and associates are eliminated against the investment to the extent of the Group's interest in the investee. However, unrealised losses are eliminated only to the extent that there is no evidence of

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impairment. If as a result of equity method accounting, the Group's interest in its joint venture and / or associate is reduced to zero, additional losses are provided for, and a liability is recognised, only to the extent that the entity has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. In such a case, if the associate or joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

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.

2.4 Business combinations

The Group accounts for business combinations using the acquisition method of accounting. Accordingly, the identifiable assets acquired and the liabilities assumed of the acquiree are recorded at their acquisition date fair values (except certain assets and liabilities which are required to be measured as per the applicable standard). The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries. The consideration transferred for the acquisition of a subsidiary is aggregation of the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Parent in exchange for control of the acquiree.

The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is subsequently measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, along with the amount of any non-controlling interests in the acquiree and the acquisition-date fair value (with the resulting difference being recognised in statement of profit and loss) of any previous equity interest in the acquiree, over the fair value of the identifiable net assets of the acquiree is recorded as goodwill.

Acquisition-related costs are expensed in the period in which the costs are incurred.

If the initial accounting for a business combination is incomplete as at the reporting date in which the combination occurs, the identifiable assets and liabilities acquired in a business combination are measured at their provisional fair values at the date of acquisition. Subsequently adjustments to the provisional values are made

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retrospectively within the measurement period, if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date or would have resulted in the recognition of those assets and liabilities as of that date; otherwise the adjustments are recorded in the period in which they occur.

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets', or amount initially recognised less, when appropriate, cumulative income recognised in accordance with Ind AS 115 'Revenue from Contracts with Customers'.

2.5 Foreign currency transactions

(a) Functional and presentation currency

The financial statements are presented in Indian Rupees, which is the functional, and presentation currency of the Company.

The items included in financial statements of each of the Group's entities are measured using the currency of primary economic environment in which the entity operates (i.e. 'functional currency').

(b) Transactions and balances

Transactions in foreign currencies are initially recorded in the relevant functional currency at the exchange rate prevailing at the date of the transaction.

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 resulting foreign exchange difference, on subsequent re-statement / settlement, recognised in the statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity.

The equity items denominated in foreign currencies are translated at historical cost.

(c) Foreign operations

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 at the exchange rates prevailing at the reporting date whereas their statements of profit and loss are translated into Rupees at monthly average

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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 ('FCTR'), a component of equity. 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.

2.6 Current versus non-current classification

The Company's subsidiaries presents assets and liabilities in the balance sheet based on current / non-current classification. However, following the Division III to Schedule III, the Group classified all items in the Balance Sheet as either Financial or Non-Financial.

Deferred tax assets and liabilities, and all assets and liabilities which are not current (as discussed in the below paragraphs) are classified as non-current assets and liabilities.

An asset is classified as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period, or cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The derivatives designated in hedging relationship and separated embedded derivatives are classified basis the hedged item and host contract respectively.

2.7 Property, plant and equipment ('PPE')

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), assets retirement obligations ('ARO') (refer note 2.17 (b)) and any directly attributable cost of bringing the asset to its working condition and location for its intended use. Further, it includes assets installed on the premises of customers as the associated risks, rewards and control remain with the Group.

Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and any impairment losses. When significant parts of PPE are required to be replaced at regular intervals, the Group recognises such parts as separate component of assets. When an item of PPE is replaced, then its carrying amount is derecognised from the balance sheet and cost of the new item of PPE is recognised.

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Further, in case the replaced part was not being depreciated separately, the cost of the replacement is used as an indication to determine the cost of the replaced part at the time it was acquired.

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress ('CWIP'), advances given towards acquisition of PPE outstanding at each balance sheet date are disclosed under Other Non-current assets.

The expenditures that are incurred after the item of PPE has been available for use, such as repairs and maintenance, are normally charged to the statement of profit and loss in the period in which such costs are incurred. However, in situations where the said expenditure can be measured reliably, and is probable that future economic benefits associated with it will flow to the Group, it is included in the asset's carrying value or as a separate asset, as appropriate.

Depreciation on PPE is computed using the straight-line method over the estimated useful lives. The management basis its past experience and technical assessment has estimated the useful life, which is at variance with the life prescribed in Part C of Schedule II of the Act and has accordingly, depreciated the assets over such useful life.

Freehold land is not depreciated as it has an unlimited useful life.

The Group has established the estimated range of useful lives for different categories of PPE as follows:

Categories	Years
Leasehold improvement	Lease term or 20 years, whichever is less
Buildings	20
Building on leased land	Lease term or 20 years, whichever is less
Plant and equipment	
- Network equipment (including passive infrastructure)	3 - 25
- Customer premise equipment	3 - 7
Other equipment, operating and office equipment	
- Customer / Servers	3 - 5
- Furniture & fixture and Office equipment	1 - 5
Vehicles	3 - 5
Aircraft	20

The useful lives, residual values and depreciation method of PPE are reviewed, and adjusted appropriately, at-least, as at each financial year-end to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets. The effect of any change in the estimated useful lives, residual values and / or depreciation method are accounted prospectively, and accordingly, the depreciation is calculated over the PPE's

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remaining revised useful life. The cost and the accumulated depreciation for PPE sold, scrapped, retired or otherwise disposed of are derecognised from the balance sheet and the resulting gains / (losses) are included in the statement of profit and loss within other expenses / other income.

2.8 Intangible assets

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.

Goodwill represents the cost of the acquired businesses in excess of the fair value of identifiable net assets purchased (refer note 2.4). Goodwill is not amortised; however it is tested annually for impairment and whenever there is an indication that the unit may be impaired (refer note 2.9) and carried at cost less any accumulated impairment losses. The gains / (losses) on the disposal of a cash-generating-unit ('CGU') include the carrying amount of goodwill relating to the CGU sold (in case goodwill has been allocated to group of CGUs; it is determined on the basis of the relative fair value of the operations sold).

The intangible assets that are acquired in a business combination are recognised at its fair value there at. Other intangible assets are initially 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.

Subsequent expenditure on intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, is recognised in profit or loss as incurred.

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

a) Software

Software are amortised over the period of license, generally not exceeding five years.

b) 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 life of acquired licenses and spectrum range is up 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.

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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

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 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 for prospectively, and accordingly, the amortisation is calculated over the remaining revised useful life.

Further, the cost of intangible assets under development (IAUD) includes the following:

- (a) the amount of spectrum allotted to the Group and related costs (including borrowing costs) that are directly attributable to the acquisition or construction of qualifying assets (refer note 14), if any, for which services are yet to be rolled out and are presented separately in the balance sheet.
- (b) the amount of software / IT platform under development.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

2.9 Impairment of financial and non-financial assets

Financial assets

The Group has established a policy to perform an assessment, at the end of each twelve month reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Group categorizes its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1: When loans are first recognised, the Group recognises an allowance based on twelve months expected credit losses. This also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2. If no credit loss is expected, credit loss equivalent to provision recognised as per CIC Master Direction circular is recognised.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Group records an allowance for the long term expected credit losses. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.

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Stage 3: Loans considered credit-impaired. A default on a financial asset is when the counterparty fails to make the contractual payments within 90 days of when they fall due. Accordingly, the financial assets shall be classified as Stage 3, if on the reporting date, it has been 90 days past due. Further if the customer has requested forbearance in repayment terms, such restructured, rescheduled or renegotiated accounts are also classified as Stage 3. Non-payment on another obligation of the same customer is also considered as Stage 3. The Group records an allowance for the long term expected credit losses.

Non financial assets

a. Goodwill

Goodwill is tested for impairment, at-least annually and whenever circumstances indicate that it may be impaired. For the purpose of impairment testing, the goodwill is allocated to a cash-generating-unit ('CGU') or group of CGUs ('CGUs'), which are expected to benefit from the acquisition-related synergies and represent the lowest level within the entity at which the goodwill is monitored for internal management purposes, within an operating segment. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

Impairment occurs when the carrying value of a CGU / CGUs including the goodwill, exceeds the estimated recoverable amount of the CGU / CGUs. The recoverable amount of a CGU / CGUs is the higher of its fair value less costs to sell and its value in use. Value-in-use is the present value of future cash flows expected to be derived from the CGU / CGUs.

The total impairment loss of a CGU / CGUs is allocated first to reduce the carrying value of goodwill allocated to that CGU / CGUs and then to the other assets of that CGU / CGUs - on pro-rata basis of the carrying value of each asset.

Further detail including the key assumptions adopted to determine the recoverable amount of goodwill are detailed in note 14.

b. PPE, Right-of-use-assets ('ROU'), intangible assets and intangible assets under development

PPE (including CWIP), ROU, intangible assets under development and intangible assets with definite lives, are reviewed for impairment, whenever events or changes in circumstances indicate that their carrying values may not be recoverable. Intangible assets under development is tested for impairment, at-least annually and whenever circumstances indicate that it may be impaired.

For the purpose of impairment testing, the recoverable amount (that is, higher of the fair value less costs to sell and the value-in-use) is determined on an individual asset basis, unless the asset does not generate cash flows that are largely independent of those from other assets, in which case the recoverable

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amount is determined at the CGU level to which the said asset belongs. If such individual assets or CGU are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the asset / CGU exceeds their estimated recoverable amount and allocated on pro-ratabasis.

Reversal of impairment losses

Impairment loss in respect of goodwill is not reversed. Other impairment losses are reversed in the statement of profit and loss and the carrying value is increased to its revised recoverable amount provided that this amount does not exceed the carrying value that would have been determined had no impairment loss been recognised for the said asset / CGU previously.

2.10 Financial instruments

a. Recognition, classification and presentation

The financial instruments are recognised in the balance sheet when the Group becomes a party to the contractual provisions of the financial instrument.

The Group determines the classification of its financial instruments at initial recognition.

The Group classifies its financial assets in the following categories: a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and b) those to be measured at amortised cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cashflows.

The Group has classified all the non-derivative financial liabilities as measured at amortised cost.

The entire hybrid contract, financial assets with embedded derivatives, are considered in their entirety for determining the contractual terms of the cash flow and accordingly, the embedded derivatives are not separated. However, derivatives embedded in non-financial instrument / financial liabilities (measured at amortised cost) host contracts are classified as separate derivatives if their economic characteristics and risks are not closely related to those of the host contracts.

Financial assets and liabilities arising from different transactions are offset against each other and the resultant net amount is presented in the balance sheet, if and only when, the Group currently has a legally enforceable right to set off the related recognised amounts and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

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b. Measurement - Non-derivative financial instruments

I. Initial measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at FVTPL, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. Other transaction costs are expensed as incurred in the statement of Profit and Loss.

The transaction price is generally the best evidence of the financial instrument's initial fair value. However, it is possible for an entity to determine that the instrument's fair value is not the transaction price. The difference between the transaction amount and the fair value (if any) is accounted for as follows:

- The difference is recognised as a gain or loss in the statement of Profit and Loss only if fair value is evidenced by a quoted price in an active market for an identical asset or liability (that is, a Level 1 input) or based on a valuation technique that uses only data from observable markets.
- In all other cases, an entity recognises the instrument at fair value and defers the difference between the fair value at initial recognition and the transaction price in the statement of financial position.

The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

II. Subsequent measurement - financial assets

The subsequent measurement of the non-derivative financial assets depends on their classification as follows:

i. Financial assets measured at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost using the effective interest rate ('EIR') method (if the impact of discounting / any transaction costs is significant). Interest income from these financial assets is included in other income.

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ii. Financial assets at fair value through other comprehensive income ('FVTOCI')

Equity investments which are not held for trading and for which the Group has elected to present the change in the fair value in other comprehensive income and debt instruments that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flow represent solely payment of principal and interest, are measured at FVTOCI.

The changes in fair value are taken through OCI, except for the impairment (on debt instruments), interest (basis EIR method), dividend and foreign exchange differences which are recognised in the statement of profit and loss.

When the financial asset is derecognised, the related accumulated fair value adjustments in OCI as at the date of derecognition are reclassified from equity and recognised in the statement of profit and loss. However, there is no subsequent reclassification of fair value gains and losses to statement of profit and loss in case of equity instruments.

iii. Financial assets at fair value through profit or loss ('FVTPL')

All equity instruments and financial assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. Interest (basis EIR method) and dividend income from financial assets at FVTPL is recognised in the statement of profit and loss within other income separately from the other gains / losses arising from changes in the fair value.

Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and debt instrument carried at FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, twelve month expected credit loss ('ECL') is used to provide for impairment loss, otherwise lifetime ECL is used.

However, only in case of trade receivables, the Group applies the simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

III. Subsequent measurement - financial liabilities

Financial liabilities are subsequently measured at amortised cost using the EIR method (if the impact of discounting / any transaction costs is significant), except for contingent consideration and financial liability under option arrangements recognised in a business combination which is subsequently measured at fair value through profit or loss. For trade and other payables

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maturing within one year from the Balance Sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not re-measured. Interest related to the financial liability is recognised in profit or loss under finance cost. On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognised.

c. Measurement - 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 measured at their fair value, with changes in fair value being recognised in the statement of profit and loss.

d. Hedging activities

I. Fair value hedge

Some of the Group entities use derivative financial instruments (e.g. 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 swaps to hedge the risk of changes in fair value of recognised borrowings attributable to the hedged interest rate risk. The effective and ineffective 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, together with any changes in the fair value of the hedged liability that is 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 the Statement of Profit and Loss over the period to remaining maturity of the hedged item.

II. Cash flow hedge

Some of the Group's entities use derivative financial instruments (e.g. foreign currency forwards, options, swaps) to manage their exposure to foreign exchange and price risk. Further, the Group designates certain derivative financial instruments (or its components) as hedging instruments for hedging the exchange rate fluctuation risk attributable to either a recognised item or a highly probable forecast transaction ('Cash flow hedge'). 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 other comprehensive income and held as cash flow hedge reserve ('CFHR') - within other components of equity. Any gains / (losses) relating to the ineffective portion, are recognised immediately in the

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statement of profit and loss. The amounts accumulated in equity are reclassified 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 cash flow 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 (on the basis as discussed in the above paragraph) 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 net investment in certain foreign subsidiaries which are accounted for similar to cash flow hedges and accordingly, any foreign exchange differences on the hedging instrument (e.g. borrowings) relating to the effective portion of the hedge is recognised in other comprehensive income as foreign currency translation reserve ('FCTR') - within other components of equity, 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.

e. Derecognition

The financial liabilities are derecognised from the balance sheet when the underlying obligations are extinguished, discharged, lapsed, cancelled, expires or legally released. The financial assets are derecognised from the balance sheet when the rights to receive cash flows from the financial assets have expired, or have been transferred and the Group has transferred substantially all risks and rewards of ownership. The resultant impact of derecognition is recognised in the statement of profit and loss.

2.11 Leases

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

The Group recognises a ROU 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

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initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the incremental borrowing rate (as the rate implicit in the lease cannot be readily determined). 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 ROU, or is recorded in profit or loss if the carrying amount of the related ROU has been reduced to zero and there is a further reduction in the measurement of the lease liability.

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

Subsequent to initial recognition, ROU 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 ROU are determined on the same basis as those of the underlying asset.

In the balance sheet, the ROU and lease liabilities are presented separately. In the statement of profit and loss, interest expense on lease liabilities are presented separately from the depreciation charge for the ROU. Interest expense on the lease liability is a component of finance costs, which are presented separately in the statement of profit or loss. In the statement of cash flows, cash payments for the principal portion of lease payments and the interest portion of lease liability are presented as financing activities, and short-term lease payments and payments for leases of low-value assets and variable lease payments not included in the measurement of the lease liability, if any, as operating activities.

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 ROU and lease liabilities for short term leases that have a lease term of twelve months or less and leases of low value assets. The Group recognises lease payments associated with these leases as an expense on a straight-line basis over the lease term.

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Sale and lease back

In case of sale and leaseback transactions, the Group first considers whether the initial transfer of the underlying asset to the buyer-lessor is a sale by applying the requirements of Ind AS 115. If the transfer qualifies as a sale and the transaction is on market terms the Group effectively derecognises the asset, recognises a ROU asset (and lease liabilities) and recognises a portion of the total gain or loss on the sale. The amount recognised is calculated by splitting the total gain or loss into:

- an amount recognised in consolidated statement of Statement of Profit and Loss relating to the buyer-lessor's rights in the underlying asset, and
- an unrecognised amount relating to the rights retained by the seller-lessee which is deferred by way of reducing the right-of-use assets initially recognised.

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 'Revenue from Contracts with Customers' 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.

2.12 Taxes

The income tax expense comprises of current and deferred income tax. Income tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity, in which case the related income tax is also recognised accordingly.

a. Current tax

The current 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

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respective countries where the Group entities operate and generate taxable income. The payment made in excess / (shortfall) of the respective Group entities' income tax obligation for the period are recognised in the balance sheet under non-current assets as income tax assets / under current liabilities as current tax liabilities.

Any interest, related to accrued liabilities for potential tax assessments are not included in income tax charge or (credit), but are rather recognised within finance costs.

The Group periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation. The Group considers whether it is probable that a taxation authority will accept an uncertain tax treatment. If the Group concludes it is probable that the taxation authority will accept an uncertain tax treatment, it determines the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates consistently with the tax treatment used or planned to be used in its income tax filings. If the Group concludes it is not probable that the taxation authority will accept an uncertain tax treatment, the entity reflects the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates.

b. Deferred Tax

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax assets / liabilities recognised for temporary differences arising from a business combination, affect the amount of goodwill or the bargain purchase gain that the Group recognises. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is 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.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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. The Group considers the projected future taxable income and tax planning strategies in making this assessment.

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.

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

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the asset is realised or the liability is settled.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in respective countries where the group entities operate and generate taxable income, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the balance sheet to the extent that it is probable that future taxable profit will be available against which MAT credit can be utilised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

2.13 Inventories

Inventories are stated at the lower of cost (determined using the first-in-first-out method) and net realisable value. The costs comprise its purchase price and any directly attributable cost of bringing the inventories to its present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

2.14 Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances and any deposits with original maturities of three months or less (that are readily convertible to known amounts of cash and cash equivalents and subject to an insignificant risk of changes in value). However, for the purpose of the statement of cash flows, in addition to above items, any bank overdrafts / cash credits that are integral part of the Group's cash management, are also included as a component of cash and cash equivalents.

2.15 Treasury shares

When the subsidiary of the Group Company purchases its ordinary shares through Bharti Airtel Employees' Welfare Trust, they are treated as treasury shares, and the consideration paid is deducted from the Equity. When the treasury shares are subsequently re-issued, any difference between its carrying amount and consideration received is recognised in share-based-payment reserve.

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2.16 Employee benefits

The Group's employee benefits mainly include wages, salaries, bonuses, defined contribution plans, defined benefit plans, compensated absences, deferred compensation and share-based payments. The employee benefits are recognised in the year in which the associated services are rendered by the Group employees. Short-term employee benefits are recognised in statement of profit and loss at undiscounted amounts during the period in which the related services are rendered.

a. Defined contribution plans

The contributions to defined contribution plans are recognised in profit or loss as and when the services are rendered by employees. The Group has no further obligations under these plans beyond its periodic contributions.

b. Defined benefit plans

In accordance with the local laws and regulations, all the employees in India are entitled for the Gratuity plan. The said plan requires a lump-sum payment to eligible employees (meeting the required vesting service condition) at retirement or termination of employment, based on a pre-defined formula. Some of the entities outside India has defined benefit plans in form of 'Retirement Benefits' and 'Severance Pay'.

The Group provides for the liability towards the said plans on the basis of actuarial valuation carried out quarterly as at the reporting date, by an independent qualified actuary using the projected-unit-credit method.

The obligation towards the said benefits is recognised in the balance sheet, at the present value of the defined benefit obligations less the fair value of plan assets (being the funded portion). The present value of the said obligation is determined by discounting the estimated future cash outflows, using appropriate discount rate.

The interest income / (expense) are calculated by applying the above mentioned discount rate to the plan assets and defined benefit obligations. The net interest income / (expense) on the net defined benefit obligation is recognised in the statement of profit and loss. However, the related re-measurements of the net defined benefit obligation are recognised directly in the other comprehensive income in the period in which they arise. The said re-measurements comprise of actuarial gains and losses (arising from experience adjustments and changes in actuarial assumptions), the return on plan assets (excluding interest). Re-measurements are not reclassified to the statement of profit and loss in any of the subsequent periods.

c. Other long-term employee benefits

The employees of the Group are entitled to compensated absences as well as other long-term benefits. Compensated absences benefit comprises of

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encashment and availment of leave balances that were earned by the employees over the period of past employment.

The Group provides for the liability towards the said benefits on the basis of actuarial valuation carried out quarterly as at the reporting date, by an independent qualified actuary using the projected-unit-credit method. The related re-measurements are recognised in the statement of profit and loss in the period in which they arise.

d. Share-based payments

The Group operates equity-settled and cash-settled employee share-based compensation plans, under which the Group receives services from employees as consideration for stock options either towards shares of the subsidiary of the company or cash settled units.

In case of equity-settled awards, the fair value of stock options (at grant date) is recognised as an expense in the statement of profit and loss within employee benefits as employee share-based payment expenses over the vesting period, with a corresponding increase in share-based payment reserve (a component of equity).

The total amount so expensed in case of equity settled awards is determined by reference to the grant date fair value of the stock options granted, which includes the impact of any market performance conditions and non-vesting conditions but excludes the impact of any service and non-market performance vesting conditions. However, the non-market performance vesting and service conditions are considered in the assumption as to the number of options that are expected to vest. The forfeitures are estimated at the time of grant and reduce the said expense rateably over the vesting period.

The fair value of the amount payable to employees in respect of share-based payments which are settled in cash, is recognised as an expense on a straight-line basis with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of such instruments. Any changes in the liability are recognised in profit or loss.

The expense so determined is recognised over the requisite vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. As at each reporting date, the Group revises its estimates of the number of options that are expected to vest, if required.

It recognises the impact of any revision to original estimates in the period of change. Accordingly, no expense is recognised for awards that do not ultimately vest, except for which vesting is conditional upon a market performance / non-vesting condition. These are treated as vested irrespective of whether or not the market / non-vesting condition is satisfied, provided that service conditions and all other non-market performance are satisfied.

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Where the terms of an award are modified, in addition to the expense pertaining to the original award, an incremental expense is recognised for any modification that results in additional fair value, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled (including due to non-vesting conditions not being met), it is treated as if it is vested thereon, and any un-recognised expense for the award is recognised immediately. In case of cancellation of cash-settled award, change in the value of the liability, if any, is recognised in statement of profit and loss.

2.17 Provisions

a. General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the said obligation, and the amounts of the said obligation can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the relevant obligation (if the impact of discounting is significant), using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to unwinding of interest over passage of time is recognised within finance costs.

The Group is involved in various legal and taxation matters, and the matters are in legal course. Management, in consultation with legal, tax and other advisers, assesses the likelihood that a pending claim will succeed.

The Group recognises a provision in cases where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations arising from such claims.

b. Asset retirement obligation ('ARO')

ARO are recognised for those operating lease arrangements where the Group has an obligation at the end of the lease period to restore the leased premises in a condition similar to inception of lease. ARO are provided at the present value of expected costs to settle the obligation and are recognised as part of the cost of that particular asset. The estimated future costs of decommissioning are reviewed annually and any changes in the estimated future costs or in the discount rate applied are adjusted from the cost of the asset.

2.18 Contingencies

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of

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resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are not recognised and disclosed only where an inflow of economic benefits is probable.

2.19 Revenue recognition

Revenue is recognised upon transfer of control of promised products or services to the 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. When determining the consideration to which the Group is entitled for providing promised products or services via intermediaries, the Group assesses whether it is primarily responsible for fulfilling the performance obligation and whether it controls the promised service before transfer to customers. To the extent that the intermediary is considered a principal, the consideration to which the Group is entitled is determined to be that received from the intermediary.

Revenue is recognised when, or as, each distinct performance obligation is satisfied. The main categories of revenue and the basis of recognition are as follows:

a. Service revenue

Service revenues mainly pertain to usage, subscription and customer onboarding charges for voice, data, messaging, other value added services and Direct to Home (DTH) 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. Service revenues also includes rental revenue for use of sites and energy revenue for the provision of energy for operation of sites.

Telecommunication services (comprising voice, data and SMS) are considered to represent a single performance obligation as all are provided over the Group's network and transmitted as data representing a digital signal on the network. The transmission consumes network bandwidth and therefore, irrespective of the nature of the communication, the customer ultimately receives access to the network and the right to consume network bandwidth.

The Group recognises revenue from these services as they are provided. Revenue is recognised based on actual units of telecommunication services provided during the reporting period as a proportion of the total units of telecommunication services to be provided. Subscription charges are recognised over the subscription pack validity period. Customer onboarding revenue is recognised upon successful onboarding of customer i.e. upfront except for 'Digital TV services' business, in which case the customer onboarding revenue is deferred over the average expected customer life. Revenues in excess of invoicing are classified as unbilled revenue while invoicing / collection in excess of revenue are classified as deferred revenue / advance from customers. The

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Group Collects Goods and service tax ('GST') on behalf of the government and therefore, it is not an economic benefit flowing to the Group, hence it is excluded from revenue.

Service revenues also includes revenue from interconnection / roaming charges for usage of the Group's network by other operators for voice, data, messaging and signaling services. These are recognised upon transfer of control of services overtime.

Certain business services revenues 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 over the period of respective arrangements.

Rental revenue is recognised as and when services are rendered on a monthly basis as per the contractual terms prescribed under master service agreement entered with customer. Exit Charges are recognised when uncertainty relating to the amounts receivable on exit is resolved and it is probable that a significant reversal relating to the amounts receivable on exit will not occur. Energy revenue is recognised over the period on a monthly basis upon satisfaction of performance obligation as per contracts with the customers. The transaction price is the consideration received from customers based on prices agreed as per the contract with the customers. The determination of standalone selling prices is not required as the transaction prices are stated in the contract based on the identified performance obligation.

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 commissions on transfer of monies from one customer wallet to another. Such commissions are recognised as revenue at a point in time on fulfillment of these services by the Group.

b. 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 and other value added services. At the inception of the arrangement, all the deliverables therein are evaluated to determine whether they represent distinct performance obligations, and if so, they are accounted for separately. Total consideration related to the multiple element arrangements is allocated to each performance obligation based on their standalone selling prices. The stand-alone selling prices are determined based on the list prices at which the Group sells equipment and network services separately.

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c. Equipment sales

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

d. Interest income

The interest income is recognised using the EIR method. For further details, refer note 2.10.

e. Costs to obtain or fulfil a contract with a customer

The Group incurs certain costs to obtain or fulfill contracts with customers 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.

f. Dividend income

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

2.20 Government grants

Grants from the government are recognised where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

2.21 Borrowing costs

Borrowing costs consist of interest and other ancillary costs that the Group incurs in connection with the borrowing of funds. The borrowing costs directly attributable to the acquisition or construction of any asset that takes a substantial period of time to get ready for its intended use or sale are capitalised. All other borrowing costs are recognised in the statement of profit and loss within finance costs in the period in which they are incurred.

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2.22 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.

2.23 Dividends paid

Dividend to shareholders is recognised as a liability on the date of approval by the shareholders. However, interim dividend is recorded as a liability on the date of declaration by the Company's Board of Directors.

2.24 Earnings per share ('EPS')

The Company presents the Basic and Diluted EPS.

Basic EPS is computed by dividing the profit for the period attributable to the shareholders of the parent by the weighted average number of shares outstanding during the period excluding the treasury shares.

Diluted EPS is computed by adjusting, the profit for the year attributable to the shareholders and the weighted average number of shares considered for deriving Basic EPS, for the effects of all the shares that could have been issued upon conversion of all dilutive potential shares. The dilutive potential shares are adjusted for the proceeds receivable had the shares been actually issued at fair value. Further, the dilutive potential shares are deemed converted as at beginning of the period, unless issued at a later date during the period.

2.25 Discontinued operation

A discontinued operation is a component of the Group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operation are presented separately in the statement of profit and loss for all the periods presented.

3 Key sources of estimation uncertainties and critical judgements

The estimates and judgements used in the preparation of the said financial statements are continuously evaluated by the Group, and are based on historical experience and various other assumptions and factors (including expectations of future events), that the Group believes to be reasonable under the existing circumstances. The said estimates and judgements are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

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Although the Group regularly assesses these estimates, actual results could differ materially from these estimates - even if the assumptions underlying such estimates were reasonable when made, if these results differ from historical experience or other assumptions do not turn out to be substantially accurate. The changes in estimates are recognised in the financial statements in the year in which they become known.

3.1 Key sources of estimation uncertainties

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below:

a. Impairment reviews

Property, plant and equipment (including capital work-in-progress) and intangible assets with definite lives, are reviewed for impairment, whenever events or changes in circumstances indicate that their carrying values may not be recoverable. Goodwill and intangible assets under development are tested for impairment, at-least annually and whenever circumstances indicate that it may be impaired. For details as to the impairment policy, refer note 2.9.

In calculating the value in use, the Group is required to make significant judgements, estimates and assumptions inter-alia concerning the growth in earnings before interest, taxes, depreciation and amortisation ('EBITDA') margins, capital expenditure, long-term growth rates and discount rates to reflect the risks involved. Also, judgement is involved in determining the CGU / grouping of CGUs for allocation of the goodwill.

The Group mainly operates in developing markets and in such markets, the plan for shorter duration is not indicative of the long-term future performance. Considering this and the consistent use of such robust ten-year information for management reporting purpose, the Group uses ten-year plans for the purpose of impairment testing.

b. Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the relevant tax authority.

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Deferred tax assets are recognised for the unused tax losses for which there is probability of utilisation against the future taxable profit.

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, future tax planning strategies and recent business performances and developments. For detail as to provisions and contingencies, refer note 20 and 24 respectively.

c. Property, plant and equipment

As described at note 2.7 above, the Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. After considering market conditions, industry practice, technological developments and other factors, the Group determined that the current useful lives of its PPE remain appropriate. However, changes in economic conditions of the markets, competition and technology, among others, are unpredictable and they may significantly impact the useful lives of PPE and therefore the depreciation charges. Refer note 2.7 and 13 for the estimated useful life and carrying value of property, plant and equipment respectively.

d. Allowance for impairment of trade receivables

The expected credit loss is mainly based on the ageing of the receivable balances and historical experience. The receivables are assessed on an individual basis or grouped into homogeneous groups and assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances.

e. Contingent liabilities and provision

The Group is involved in various legal, tax and regulatory matters, the outcome of which may not be favourable to the Group. Management in consultation with the legal, tax and other advisers assess the likelihood that a pending claim will succeed. The Group has applied its judgement and has recognised liabilities based on whether additional amounts will be payable and has included contingent liabilities where economic outflows are considered possible but not probable.

3.2 Critical judgements in applying the Group's accounting policies

The critical judgements, which the management has made in the process of applying the Group's accounting policies and have the most significant impact on the amounts recognised in the said financial statements, are discussed below:

a. Revenue recognition and presentation

The Group assesses its revenue arrangements in order to determine if it is acting as a principal or as an agent by determining whether it has primary obligation

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basis pricing latitude and exposure to credit / inventory risks associated with the sale of goods / rendering of services.

In the said assessment, both the legal form and substance of the agreement are reviewed to determine each party's role in the transaction.

b. Separating lease and non-lease components

The consideration paid by the Group in telecommunication towers lease contracts include the use of land and passive infrastructure as well as maintenance, security, provision of energy etc. services. Therefore, in determining the allocation of consideration between lease and non- lease components, for the additional services that are not separately priced, the Group performs analysis of cost split to arrive at relative stand-alone prices of each of the components. The bifurcation of the consideration paid (excluding energy) between lease versus non-lease component across the Group has been accordingly considered at 55-78% as lease component on an overall basis.

c. Determining the lease term

Under Ind AS 116 if it is reasonably certain that a lease will be extended / will not be early terminated, the Group is required to estimate the expected lease period which may be different from the contractual tenure. The Group has various tower lease agreements with a right to extend / renew / terminate wherein it considers the nature of the contractual terms and economic factors to determine the lease term. After assessing such factors, the lease liability has been calculated using the remaining - contractual lease period / lease period until which significant exit penalties are payable.

d. Determining the incremental borrowing rate for lease contracts

The initial recognition of lease liabilities at present value requires the identification of an appropriate discount rate. The Group has determined the incremental borrowing rate based on considerations specific to the leases by taking consideration of the risk free borrowing rates as adjusted for country / Company specific risk premiums (basis the readily available data points).

e. Determination of functional currency

The Group has determined the functional currency of the Group entities by identifying the primary economic environment in which the entity operates - based on underlying facts / circumstances. However, in respect of certain intermediary foreign operations of the Group, the determination of functional currency is not very obvious due to mixed indicators and the extent of autonomy enjoyed by the foreign operation. In such cases management uses its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

f. Taxes

The identification of temporary differences pertaining to the investment in subsidiaries that are expected to reverse in the foreseeable future and the determination of the related deferred income tax liabilities after considering the requisite tax credits require the Group to make significant judgements.

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4. Significant transactions / new developments

- a) During the year ended March 31, 2023, the subsidiary of the company has allotted 71,176,839 equity shares of the face value of Rs. 5 each fully paid up, on preferential basis to Google International LLC at an issue price of Rs. 734 per equity share (including a premium of Rs 729 per share) aggregating to Rs 52,244, upon receipt of all applicable statutory/ regulatory approvals including the approval from the Competition Commission of India.
- b) During the year ended March 31, 2023, the compulsorily convertible preference shares ('CCPS') of Nextra Data Limited, a step down subsidiary of the company, have been converted into equity shares pursuant to the terms of Investment Agreement with CA Cloud Investments ('Carlyle'). Upon conversion of 17,880,000 CCPS of face value of Rs 1,000 each into 2,854,461 equity shares of Rs 10 each, Carlyle holds 24.04% equity stake in Nextra Data Limited. The excess of CCPS liability derecognised over the carrying value of minority interest of Rs 12,213 has been recognised in the transaction with NCI reserve, a component of equity.
- c) During the year ended March 31, 2023, the Group has participated in the latest spectrum auction conducted by the Department of Telecommunications ('DoT'), Government of India and acquired 19,867.8 MHz spectrum of 3.5 & 26 GHz bands and selective mid and low band spectrum. This entire spectrum bank was secured for a total consideration of Rs 430,396 for 20 years. The Group has paid 4 years of spectrum dues upfront amounting to Rs 83,124 for all circles except North East and Rajasthan circles where first instalment is paid amounting to Rs 1,321. The said spectrum has been allocated by the DoT on August 17, 2022. Payment for remaining spectrum dues shall begin from August 2026 for all circles except for North East and Rajasthan circles where group will continue to pay instalment every year.
- d) During the year ended March 31, 2023, upon approval of National Company Law Tribunal, Chandigarh Bench, vide its order received on January 25, 2023 in certified copy, the composite scheme of arrangement between Nettle Infrastructure Investments Limited ('Nettle'), Telesonic Networks Limited ('Telesonic'), their respective shareholders and the Company, under sections 230 to 232 along with other applicable provisions of the Companies Act, 2013 for amalgamation of Nettle and Telesonic, wholly-owned subsidiaries, with the Company ('Scheme') has become effective from February 1, 2023, with an appointed date of April 1, 2022 in accordance with the Scheme.

Consequently, the authorised share capital of Nettle and Telesonic has been added to the authorised share capital of the Company. Accordingly, as on effective date of scheme, the authorised equity share capital of the Company is Rs 148,730 divided into 29,746,080,000 equity shares of Rs 5 each.

- e) During the year ended March 31, 2023, the subsidiary of the company has, in accordance with the terms of the offering circular dated ('Offering Circular') January 14, 2020 w.r.t. USD 1,000 Mn (approx. Rs 72,017) 1.50% Convertible Bonds

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due 2025 ('FCCBs'), allotted 11,903,000 equity shares of the face value of H 5 each fully paid up at a conversion price of Rs 521 per equity share and 27,543 equity shares of the face value of Rs 5 each fully paid up at a conversion price of Rs 523 per equity share, against the conversion request of FCCBs of USD 86.1 Mn and USD 0.2 Mn respectively.

- f) On April 26, 2023, Indus Towers Limited, a Joint Venture Company ('JVC') of the Group, in its Audited Consolidated Financial Statement for year ended March 31, 2023 reported certain matters relating to one of its large customers ('customer'), which is summarised below:

The said customer accounts for substantial part of revenue from operations for the year ended March 31, 2023 and constitutes a significant part of trade receivables outstanding and unbilled revenue as at March 31, 2023. The said customer has indicated in its latest published unaudited results for the quarter and nine months ended December 31, 2022, that its ability to continue as a going concern is dependent on raising additional funds, negotiations with lenders & vendors and generation of cash flows from operations. The said customer had informed the JVC that a funding plan was under discussion with its lenders and had agreed to a payment plan with the JVC to pay part of the monthly billing till December 2022 and 100% of the amounts billed from January 2023 onwards. As regards the dues outstanding as on December 31, 2022, it had agreed to pay the dues between January 2023 and July 2023.

However, during the current quarter, the funding plan of the said customer did not materialise and the said customer has indicated challenges in making the committed payments pertaining to the outstanding amount due as at December 31, 2022. Although, the said customer has been paying an amount equivalent to monthly billing from January 2023.

The JVC, subject to the terms and conditions agreed between the parties, has a secondary pledge over promoter's remaining shares held in the JVC and a corporate guarantee provided by said customer's promoter which could be triggered in certain situations and events in the manner agreed between the parties. However, this is not adequate to cover the total outstanding with the said customer.

The potential loss of the said customer due to its ability to continue as a going concern or the failure to attract new customers could have an adverse effect on the business, results of operations and financial position of the JVC and amounts receivable (including unbilled revenue) and carrying amount of property, plant and equipment related to the said customer.

- g) During the year ended March 31, 2022, the CCPS of Airtel Payments Bank Limited ('APBL'), an associate of the subsidiary of the Company, have been converted into equity shares which has resulted in dilution of subsidiary company's shareholding from 80.1% to 73.9%. On the same date, the Board of APBL has approved issuance of partly paid up 129,622,090 equity shares at Rs.14.74/- (Face value of Rs 10 and premium of Rs 4.74) per share on rights basis to

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its equity shareholders as on September 30, 2021. The shareholders were required to pay Rs 1 per share at the time of the application towards the subscription of the Rights equity share. Further, the partly paid up rights equity shares to other subscribers were allotted by APBL and Bharti Airtel Limited has chosen not to subscribe to the rights equity shares which has resulted in dilution of Company's shareholding from 73.9% to 73.4% (effective).

Further, during the year ended March 31, 2023, on receipt of first call money on partly paid up rights equity shares from other subscribers has resulted in dilution of subsidiary company's shareholding from 73.4% to 72.61%.

- h) In April 2022, one of the Airtel Mobile Commerce BV's ('AMC BV') subsidiaries, SMARTCASH Payment Service Bank Limited ('SMARTCASH'), received the final approval from the Central Bank of Nigeria for a full Payment Service Bank license affording it the opportunity to deliver a full suite of mobile money services in Nigeria.

Later in August 2022, in line with the directions of the Central Bank of Nigeria, SMARTCASH was transferred to Airtel Networks Limited (a subsidiary of Airtel Africa Group, outside the perimeter of AMC BV Group). Airtel Africa Group has agreed with non-controlling investors to compensate them for their respective potential loss of value by way of transferring additional AMC BV shares equivalent to the value of SMARTCASH on the prescribed trigger event date (subject to a cap of 5% of the value of AMC BV Group), which will only be payable in the event that SMARTCASH does not again form part of the AMC BV Group perimeter or the non- controlling investors do not own a direct shareholding in SMARTCASH based on regulatory approvals, by the prescribed trigger event date.

Given that the proposal to compensate the non- controlling investors is agreed, for their economic value loss due to exclusion of SMARTCASH (which they were entitled to before the transfer of SMARTCASH to Airtel Nigeria Limited) based on the future fair value of SMARTCASH on the prescribed trigger event date, Airtel Africa Group continues to recognise non-controlling interest w.r.t. net assets of SMARTCASH.

- i) On July 7 2022, Bharti Airtel International (Netherlands) B.V. ('BAIN') (one of the Group's subsidiaries) completed the early redemption of USD 450 Mn of its USD 1,000 Mn of 5.35% Guaranteed Senior Notes due in 2024 for a consideration of USD 463 Mn. The consideration included accrued interest up to the date of redemption and early redemption cost.
- j) During the year ended March 31, 2021, the National Company Law Tribunal, New Delhi, subject to the applicable sectoral approval, approved the composite Scheme of arrangement under Sections 230 to 232 of the Companies Act, 2013 ('Scheme') for transfer of Very Small Aperture Terminal ('VSAT') business of the subsidiary company and Bharti Airtel Services Limited, a wholly owned subsidiary of the subsidiary company, on a going concern basis by way of slump sale and vesting of the same with Hughes Communications India Private Limited ('Hughes India') and HCIL Comtel Private Limited against the consideration of Rs 663 and Rs 334

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respectively. During the year ended March 31, 2022, the Scheme had become effective on January 4, 2022 upon fulfillment of conditions and receipt of requisite approval(s). Furthermore, the subsidiary company had invested approximately Rs.998 in Hughes India and holds its 33.33% equity shareholding w.e.f. January 4, 2022.

- k) During the year ended March 31, 2022, the subsidiary company had paid Rs 155,191 and Rs 88,145 to the DoT (Government of India) towards prepayment of the entire deferred liabilities pertaining to spectrum acquired by the subsidiary company in 2014 auction (including acquired spectrum) and towards prepayment of the first two installments of deferred liabilities pertaining to spectrum acquired by the subsidiary company in 2015 auction (including acquired spectrum) respectively.
- l) During the year ended March 31, 2022, the subsidiary company had allotted 392,287,662 partly paid-up equity shares at an issue price of Rs 535 per share (with Rs 133.75 paid on application and balance to be paid in two more additional calls as may be decided by the Board / Committee of the Board of the subsidiary company from time to time) to the eligible applicants under the rights issue.
- m) On October 24, 2019, the Supreme Court delivered a judgement in relation to a long outstanding industry- wide case upholding the view of the DoT in respect of the definition of Adjusted Gross Revenue ('AGR'). Further, in its judgement dated September 1, 2020 ('AGR September judgement'), the Supreme Court reaffirmed that the demand raised by the DoT stated in its modification application. In addition, Supreme Court directed that the Telecom Service Providers ('TSPs') shall make a payment of 10% of the total dues as demanded by DoT by March 31, 2021 and remaining dues in yearly instalments commencing April 1, 2021 till March 31, 2031, payable by March 31 of every succeeding financial year. Considering the above Supreme Court's judgment, the Group accounted for provision for license fee and spectrum charges based on the demand raised by the DoT and paid part dues in the previous years. On July 19, 2021, the Group confirmed its compliance to the Supreme Court with the directions to pay 10% of total dues by March 31, 2021. The matter is pending adjudication before the Supreme Court. Further, on July 23, 2021 the Supreme Court pronounced its judgment, whereby the applications filed by the TSPs for correction of errors in the computation of demand amount by DoT were dismissed. The Group has filed a review petition against the order dated July 23, 2021 before the Supreme Court and the same is pending adjudication. In the meanwhile, DoT vide letter dated October 14, 2021 has offered a one-time opportunity to opt for deferment of AGR related dues determined by the Supreme Court in the AGR case, by a period of four years with immediate effect without changing the overall payment period of 10 years as fixed by the Supreme court (i.e. the last of the yearly instalment payment to be made by March 31, 2031). The revised amount of instalment of the AGR dues is to be paid within this time frame only. The Group vide its letter dated October 22, 2021 has confirmed DoT to avail the offer.
- n) During the year ended March 31, 2022, the subsidiary company has transferred spectrum rights and related future liabilities of Rs 4,693 to another telecom operator for the Company's 800 MHz spectrum in Andhra Pradesh (3.75 MHz), Delhi (1.25 MHz) and Mumbai (2.5 MHz) for consideration of Rs 10,048.

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- o) Pursuant to Telecom Regulatory Authority of India's tariff order in relation to broadcasting services, Bharti Telemedia Limited, a Company's step down subsidiary, had entered into revised agreements with the broadcasters. With effect from April 1, 2019, basis such revised agreements and the provisions of the new tariff order, Bharti Telemedia Limited had re-assessed its performance obligations, extent of control over broadcasted content and various other responsibilities and liabilities. Consequently, the step down subsidiary had considered network capacity fee and commission and incentives from broadcasters as to subscription services, as part of its revenue from operations. Further, the Telecom Regulatory Authority of India had implemented second and third amendment to the tariff order effective from March 1, 2020 and February 1, 2023 respectively and Bharti Telemedia Limited had implemented the same to the extent is applicable and is in control of Bharti Telemedia Limited, as a distributor.

On March 31, 2021, Ministry of Information and Broadcasting ('MIB') has granted provisional licence for providing DTH services to Bharti Telemedia Limited w.e.f. April 1, 2021. As per the amended guidelines, amongst other conditions, the validity of license which will be issued subsequently, would be 20 years and the License fee (LF) prescribed is @ 8% of AGR, calculated by excluding GST from gross revenue and the LF is to be paid on quarterly basis to MIB.

- p) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. The Ministry of Labour and Employment ('Ministry') has issued draft of the Code on Social Security (Central) Rules, 2020 on November 13, 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. However, the date on which the Code will come into effect has not been notified. The Group is assessing the impact of the Code and will record any related impact in the period the Code becomes effective.
- q) During the year ended March 31, 2022, Airtel Nigeria completed the buyback of 8.22% non-controlling interest (out of existing 8.26%) from its non-controlling shareholders at a total cost of NGN 67.6 Bn (approx. Rs. 12,173) including directly attributable transaction costs. The difference between such cost and the carrying value of such non-controlling interest, has been recorded in 'NCI reserve' a component of equity.
- r) In March 2021, the Group had entered into agreements with TPG's The Rise Fund and Mastercard for the sale of NCI in one of the Group's subsidiaries (AMC BV) by way of the secondary sale of AMC BV's shares.

On August 2, 2021, the Group completed the first close of the transaction, whereby The Rise Fund and Mastercard invested USD 150 Mn (approx. Rs. 11,108) and USD 75 Mn (approx. Rs. 5,554) respectively.

On July 30, 2021, the Group further entered into an agreement with Qatar Holdings LLC for the sale of further NCI in AMC BV and completed the first close of the

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transaction on August 19, 2021, to receive USD 150 Mn (approx. Rs. 11,108) from Qatar Holdings LLC.

On November 16, 2021, the Group completed the second close of the above transactions whereby The Rise Fund and Qatar Holdings LLC each invested a further USD 50 Mn (approx. Rs. 3,734), and Mastercard a further USD 25 Mn (approx. Rs. 1,867).

On December 15, 2021, the Group further entered into an agreement with Chimetech Holding Limited for the sale of further NCI in AMC BV and received USD 50 Mn (approx. Rs. 3,734) from Chimetech Holding Limited

While the Group continues to control AMC BV, for all the above-mentioned investments, the Group has recorded a NCI including shares held within Escrow. These shares may transfer to the investors at the end of a restructuring period as per the terms of the agreements. The Group has concluded that it does not control the shares placed in Escrow and hence has recorded these shares as part of the Group's NCI.

Under the terms of the transaction, and in very limited circumstances (including in the event that there is no Initial Public Offering of shares in AMC BV within four years of first close), The Rise Fund and Mastercard would have the option, so as to provide liquidity to them, to sell its shares in AMC BV to Airtel Africa or its affiliates at fair market value (determined by a mutually agreed merchant bank using an agreed internationally accepted valuation methodology). The Group has determined that successfully executing the IPO is not within complete control of the Group and has thus recorded a put option liability at the present value of the expected buy-back amount which is also the maximum amount, by debiting 'NCI reserve'. Subsequent re-measurement of this liability has been recognised as a finance cost.

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5 Cash and cash equivalents ('C&CE')	As of	
	March 31, 2023	March 31, 2022
Cash on hand	228	174
Balances with banks		
- On current accounts*	29,203	30,963
- Bank deposits with original maturity of 3 months or less	42,166	29,719
Cheques on hand	293	203
	71,890	61,059

* It includes balance held under mobile money wallet in group subsidiaries.

6 Other bank balances	As of	
	March 31, 2023	March 31, 2022
Balance held under mobile trust*	50,729	38,978
Earmarked bank balances - unpaid dividend	21	12
Term deposits with bank	9,595	22,319
Margin money deposits#	2,047	12,675
	62,392	73,984

*It represents balance held under mobile money trust on behalf of mobile money customers relating to Group's subsidiaries in Africa which is not available for use by the Group.

#Margin money deposits represents amount given as collateral for legal cases and / or bank guarantees for disputed matters.

The details of interest accrued on above items (which is included within 'Interest accrued on deposits' under other financial assets is as below:

	As of	
	March 31, 2023	March 31, 2022
Other Bank Balances		
Term deposits with bank	32	74
	32	74
Cash & Cash Equivalents		
-Bank deposits with original maturity of 3 months or less	343	146
	343	146
Total	375	220

For the purpose of consolidated cash flow statement, C&CE are as following:

	As of	
	March 31, 2023	March 31, 2022
Cash and cash equivalents	71,890	61,059
Balance held under mobile money trust*	50,729	38,978
Bank overdraft	(32,309)	(25,950)
	90,310	74,087

*It represents balance held under mobile money trust on behalf of mobile money customers relating to Group's subsidiaries in Africa which is not available for use by the Group.

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7 Derivative financial instruments	As of					
	March 31, 2023			March 31, 2022		
		Fair value assets	Fair value liabilities		Fair value assets	Fair value liabilities
Currency swaps, forward and options contracts		1,406	4,617		561	945
Interest Swaps		731	-		218	-
Embedded derivatives		-	23		-	224
		2,137	4,640		779	1,169
Total derivative financial instruments		2,137	4,640		779	1,169

The Group holds derivatives which are accounted for as FVTPL. In some of these derivatives, on recognition, since the fair value of these derivatives could neither be evidenced by a quoted price in an active market nor data from any observable markets was available, the difference between the fair value at initial recognition and the transaction price is deferred and recognised on a straight-line basis over the tenure of such derivatives. The fair value of the derivatives are determined based on a valuation report by the derivative issuer.

Refer note 38 for details of the financial risk management of the Group.

8 Trade receivables	As of	
	March 31, 2023	March 31, 2022
Unsecured		
Receivables considered good*	39,815	40,562
Less: Impairment allowances	-	-
(A)	39,815	40,562
Receivables considered doubtful with significant credit risk	50,097	44,956
Less: Impairment allowances	(50,097)	(44,956)
(B)	-	-
(A+B)	39,815	40,562

*It includes amount due from related party (refer note 36).

Refer note 38 for credit risk.

The movement in provision for impairment loss is as follows:	For the year ended	
	March 31, 2023	March 31, 2022
Opening Balance	44,956	43,524
Additions	5,664	3,048
Write off (net of recovery)	(1,402)	(1,179)
Exchange differences	879	(437)
Closing Balance	50,097	44,956

For details towards pledge of the above assets refer note 18.

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9 Investments

	As of							
	March 31, 2023				March 31, 2022			
	Designated at				Designated at			
	FVTOCI	FVTPL	Others	Total	FVTOCI	FVTPL	Others	Total
Investments								
Mutual funds	-	37,153	-	37,153	-	8,832	-	8,832
Government securities	-	2	-	2	-	2	-	2
Equity instruments	69	585	-	654	69	253	-	322
Preference shares	-	-	-	-	-	285	-	285
Corporate Deposits	-	-	4,497	4,497	-	-	-	-
Commercial Paper	-	-	5,795	5,795	-	-	-	-
Joint ventures	-	-	250,340	250,340	-	-	248,920	248,920
Associates	-	-	31,498	31,498	-	-	35,348	35,348
Total- Gross (A)	69	37,740	292,130	329,939	69	9,372	284,268	293,709
(i) Investments outside India	-	-	22,283	22,283	-	-	25,831	25,831
(ii) Investment in India	-	37,740	269,847	307,656	69	9,372	258,437	267,878
Total (B)	-	37,740	292,130	329,939	69	9,372	284,268	293,709
Less: Impairment loss (C)	-	-	-	-	-	-	-	-
Net Investment (A)-(C)	-	37,740	292,130	329,939	69	9,372	284,268	293,709

A. Details of joint ventures:

S.no.	Name of joint venture#	Principal place of business	Principal activities	Ownership interest %			
				As of			
				March 31, 2023		March 31, 2022	
				Group ownership	Effective ownership^	Group ownership	Effective ownership^
1	Indus Towers Limited@	India	Passive infrastructure services	47.95	18.48	46.49	16.64
2	Bharti Airtel Ghana Holdings B.V.\$	Netherlands	Investment company	50.00	19.27	50.00	17.90
3	Bridge Mobile Pte Limited	Singapore	Provision of regional mobile services	10.00	3.85	10.00	3.58
4	Firefly Networks Limited	India	Telecommunication services	50.00	19.27	50.00	17.90
5	MAWEZI RDC S. A. *	Democratic Republic of Congo	Construction and operation of a landing station	27.58	10.63	-	-

#Investment in Joint ventures are unquoted except investment in Indus Towers Limited.

@ The joint venture has a subsidiary Smartx Services Limited. For details, refer note 44.

\$The joint venture has a subsidiary namely Millicom Ghana Company Limited (under liquidation). For details, refer note 44.

* Airtel Africa plc, in which the Group has 56.01 % equity interest (56.01% as of March 31, 2022), owns effectively 49.25% of MAWEZI RDC S.A.

^Represents the Company's effective stake in joint ventures through group companies.

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B. Details of associates:

S.no.	Name of associates#	Principal place of business	Principal activities	Ownership interest % As of			
				March 31, 2023		March 31, 2022	
				Group ownership	Effective ownership^	Group ownership	Effective ownership^
1	Seychelles Cable Systems Company Limited*	Seychelles	Submarine cable system	14.56	5.61	14.56	5.21
2	Robi Axiata Limited**	Bangladesh	Telecommunication services	28.18	10.86	28.18	10.09
3	Juggermout Books Private limited	India	Digital books publishing services	18.75	7.23	18.75	6.72
4	Hughes Communication India Private Limited***	India	Telecommunication services	33.33	12.85	33.33	11.93
5	Lavelle Networks Private Limited	India	Information Technology services	25.00	9.64	25.00	8.95
6	Airtel Payments Bank Limited	India	Mobile commerce services	72.61	27.98	73.41	26.28

#Investment in associates are unquoted, except investment in Robi Axiata Limited.

*Airtel Africa plc, in which the Group has 56.01% equity interest (56.01% as of March 31, 2022), owns 26% of Seychelles Cable Systems Company Limited.

**The associate has a subsidiary RedDot Digital Limited. For details refer note no 44.

***The associate has two subsidiaries namely Hughes Communication India Private Limited & HCIL Comtel Private Limited. For details refer note no 44.

Refer note 24 for Group's share of joint venture's and associate's commitments and contingencies.

^Represents the Company's effective stake in joint ventures through group companies.

C. The amounts recognized in the statement of profit and loss are as follows:

	For the year ended	
	March 31, 2023	March 31, 2022
Recognized in profit and loss		
Joint ventures	7,371	24,258
Associates	150	(26)
	7,521	24,232
Recognized in other comprehensive income		
Joint ventures	(4)	38
Associates	50	(3)
	46	35

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D. The summarized financial information of joint venture and associates that are material to the group are as follows:-

Summarized balance sheet

	As of	
	Joint venture - Indus Towers Limited	
	March 31, 2023	March 31, 2022
Assets		
Non current assets	378,648	356,563
Current assets		
Cash and cash equivalents ('C&CE')	224	9,802
Other current assets (excluding 'C&CE')	86,852	113,311
Total current assets	87,076	123,113
Liabilities		
Non current liabilities		
Borrowings	24,340	23,739
Other liabilities (excluding 'Borrowings')	148,661	146,163
Total non current liabilities	173,001	169,902
Current liabilities		
Borrowings	22,786	31,129
Other liabilities (excluding 'Borrowings')	58,842	57,140
Total current liabilities	81,628	88,269
Equity	211,095	221,505
Percentage of group's ownership interest	47.95%	46.49%
Interest in joint ventures	101,220	102,978
Consolidation adjustment (including goodwill)	148,981	145,812
Carrying amount of investment	250,201	248,790
Quoted market value of investment	184,793	278,191

	As of			
	Associates			
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Robi Axiata Limited		Airtel Payment Bank Limited	
Assets				
Non current assets	152,648	164,312	7,481	5,226
Current assets				
Cash and cash equivalents ('C&CE')	5,963	5,024	3,758	1,684
Other current assets (excluding 'C&CE')	6,393	9,184	19,073	14,314
Total current assets	12,356	14,208	22,831	15,998
Liabilities				
Non current liabilities				
Borrowings	35,868	39,547	-	-
Other liabilities (excluding 'Borrowings')	23,624	17,289	160	139
Total non current liabilities	59,492	56,836	160	139
Current liabilities				
Borrowings	8,089	9,955	850	575
Other liabilities (excluding 'Borrowings')	45,589	53,091	25,260	16,972
Total current liabilities	53,678	63,046	26,110	17,547
Equity	51,834	58,638	4,042	3,538
Percentage of group's ownership interest	28.18%	28.18%	72.61%	73.41%
Interest in associate	14,607	16,524	2,935	2,597
Consolidation adjustment (including goodwill)	7,177	8,791	5,574	5,998
Carrying amount of investment	21,784	25,315	8,509	8,595
Quoted market value of investment	33,975	43,657	-	-

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Summarized information on statement of profit and loss

	For the year ended	
	Joint ventures - Indus Towers Limited	
	March 31, 2023	March 31, 2022
Revenue	283,818	277,172
Depreciation and	54,410	54,222
Finance income	2,165	1,060
Finance cost	16,704	16,033
Income tax expense	7,193	20,576
Profit / (loss) for the year	20,400	63,731
OCI / loss for the year	(8)	93
Total comprehensive income/(loss) for the year	20,392	63,824
Percentage of Group's ownership interest	47.95%	46.49%
Group's share in profit / (loss) for the year	9,778	29,629
Group's share in OCI / (loss) for the year	(4)	43
Consolidation adjustments	(2,347)	(2,414)
Group's share in profit / (loss) recognized	7,364	24,242
Dividend received from joint venture	13,852	-

Summarized information on statement of profit and loss

	For the year ended			
	Associates			
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Robi Axiata Limited		Airtel Payment Bank Ltd	
Revenue	73,083	71,160	12,781	9,326
Depreciation and	21,166	21,157	571	227
Finance income	78	75	32	39
Finance cost	5,215	3,599	325	247
Income tax expense	2,377	2,578	-	-
Profit / (loss) for the year	1,467	1,617	226	104
OCI / loss for the year	110	17	(22)	-11
Total comprehensive income/(loss) for the year	1,577	1,634	204	93
Percentage of Group's ownership interest	28.18%	28.18%	72.61%	73.41%
Group's share in profit / (loss) for the year	414	456	164	65
Group's share in OCI / (loss) for the year	31	5	18	(8)
Consolidation adjustments	-	0	(364)	(549)
Group's share in profit / (loss) recognized	414	456	(200)	(484)
Dividend received from associates	-	-	-	-

E. The aggregate information of joint ventures that are individually immaterial is as follows:

	As of	
	March 31, 2023	March 31, 2022
Carrying amount of investments	139	129
	139	129
	For the year ended	
	March 31, 2023	March 31, 2022
Group's share in joint ventures		
Net profit	7	16
Total comprehensive income	7	16

The aggregate information of associates that are individually immaterial is as follows:

	As of	
	March 31, 2023	March 31, 2022
Carrying amount of investments	1,205	1,438
	For the year ended	
	March 31, 2023	March 31, 2022
Group's share in		
Net profit/(Loss)	(64)	2
Total comprehensive income	(64)	2

Refer note 24 for Group's share of joint venture's and associate's commitments and contingencies.

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F. Investments in subsidiaries

Information as to the subsidiaries which are part of the Group is as follows:

S.no.	Principal activity	Principal place of business	Number of subsidiaries	
			As of	
			March 31, 2023	March 31, 2022
Wholly Owned Subsidiaries				
1	Telecommunication Services	India	2	2
2	Telecommunication Services	South Asia	1	1
3	Telecommunication Services	Others	6	6
4	Direct to home services	India	1	1
5	Data centre and managed services	India	-	1
6	Uplinking channels for broadcasters	India	1	1
7	Content Procurement & Selling	India	1	1
8	Submarine cable	Mauritius	1	1
9	Submarine cable	Africa	1	1
10	Submarine cable	Others	1	1
11	Investment Company	Mauritius	5	5
12	Investment Company	India	-	1
13	Others	India	1	2
			21	24
Non Wholly Owned Subsidiaries				
1	Telecommunication Services	India	2	2
2	Telecommunication Services	Africa	23	14
3	Data centre and managed services	India	1	-
4	Mobile commerce Service	Africa	20	20
5	Infrastructure Services	Africa	2	2
6	Investment Company	Africa	2	2
7	Investment Company	Mauritius	5	5
8	Investment Company	Netherland	35	34
9	Investment Company	Others	23	3
10	Others	India	1	1
11	Others	Africa	1	1
12	Others	Others	2	2
			117	86

Additionally, the Group also controls the employee stock option plan trusts as mentioned here below:

S.no.	Name of trust	Principal place of business
1	Bharti Airtel Employees' Welfare Trust	India
2	The Airtel Africa Employee Benefit Trust	Africa

The summarized financial information of subsidiaries (including acquisition date fair valuation and adjustments thereto, and accounting policies alignment) having material non-controlling interests is as follows:

Summarized balance sheet

	Nxtra Data Limited#	Bharti Hexacom Limited		Airtel Africa Plc.*#	
	As of	As of		As of	
	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Assets					
Non current assets	29,792	153,553	126,520	762,905	635,206
Current assets	4,311	28,976	40,223	156,172	151,740
Liabilities					
Non current liabilities	4,639	79,013	68,348	311,366	275,790
Current liabilities	4,141	61,421	61,790	294,009	233,460
Equity	25,323	42,095	36,605	313,702	277,696
% of ownership interest held by NCI	24.04%	30%	30%	43.99%	43.99%
Accumulated NCI	6,088	12,629	10,982	130,490	116,049

#Equity includes NCI of Rs. 14,269 as of March 31, 2023 and Rs. 11,160 as of March 31, 2022 respectively with Airtel Africa Plc. structure.

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

Summarized statement of profit and loss

	Nxtra Data Limited#	Bharti Hexacom Limited		Airtel Africa Plc.*	
	For the year ended	For the year ended		For the year ended	
	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Revenue	16,011	65,790	54,052	422,664	350,612
Net (loss)/ profit @	2,201	5,492	16,746	52,915	46,626
Other comprehensive (loss)/ income@	(2)	(2)	(1)	(5,026)	7,988
Total comprehensive (loss)/ income @	2,199	5,490	16,745	47,889	54,615
(Loss)/ profit allocated to NCI	418	1,647	5,024	23,275	20,509

@represents respective entities owner's share.

Summarized statement of cash flow

	Nxtra Data Limited#	Bharti Hexacom Limited		Airtel Africa Plc.*#	
	For the year ended	For the year ended		For the year ended	
	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Net cash inflow/(outflow) from operating activities	6,409	51,084	12,580	177,569	148,178
Net cash outflow from investing activities	(8,795)	(20,309)	(13,825)	(82,416)	(41,314)
Net cash (outflow)/inflow from financing activities	598	(31,114)	1,831	(89,669)	(119,650)
Net cash inflow/(outflow)	(1,788)	(339)	586	5,484	(12,786)
Dividend paid to NCI (including tax)**		-	-	6,840	5,550

*Based on consolidated financial statements of the entity.

#Refer Note 4(i)

**It represents dividend being paid by Airtel Africa plc. to its shareholders other than Airtel Africa Mauritius Limited.

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BHARTI TELECOM LIMITED**Notes to Consolidated Financial Statements for the year ended March 31, 2023****(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)**

10	Security deposits	As of	
		March 31, 2023	March 31, 2022
	Considered good#	7,730	7,140
	Considered doubtful	-	-
	Less: Provision for doubtful deposits	-	-
		7,730	7,140

#Security deposits primarily include deposits given towards rented premises, cell sites and interconnect ports and is disclosed net of allowance for impairment of Rs. 2,210 and Rs. 2,044 as of March 31, 2023 and March 31, 2022, respectively. It also includes amount due from related party.

For details towards pledge of the above assets refer note 18.

11	Other financial assets	As of	
		March 31, 2023	March 31, 2022
	Indemnification assets*	203,300	199,363
	Unbilled revenue (refer note 25)	20,923	19,051
	Loans	-	-
	Interest accrued on deposits	375	220
	Claims recoverable**	8,279	7,609
	Bank deposit	-	-
	Margin money deposits	136	224
	Others#	6,085	3,606
		239,098	230,073

*primarily includes indemnification assets pursuant to merger with Tata Teleservices (Maharashtra) Limited ('TTML') / Tata Teleservices Limited ('TTSL') and Telenor (India) Communications Private Limited ('Telenor').

**claims recoverable majorly include Universal Service Obligation Fund ('USOF') subsidy.

#It includes amounts due from related party (refer note 36)

For details towards pledge of the above assets refer note 18.

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BHARTI TELECOM LIMITED**Notes to Consolidated Financial Statements for the year ended March 31, 2023****(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)****12 Income tax**

The major components of income tax expense are:

Amounts recognised in Statement of Profit and Loss:

	For the year ended	
	March 31, 2023	March 31, 2022
Current tax		
- For the year	35,778	30,851
- For earlier years	(16)	-
- Adjustments for prior periods	281	(434)
	36,043	30,417
Deferred tax		
- Origination and reversal of temporary differences	7,905	11,602
- Effect of change in tax rate (refer note 33)	(2)	(154)
	7,903	11,448
Income tax expense	43,946	41,865

Amounts recognised in OCI:

Amounts recognised in OCI:	For the year ended	
	March 31, 2023	March 31, 2022
Deferred tax		
Net loss on net investment hedge	4,365	1,269
Remeasurement loss on defined benefit plans	48	10
	4,413	1,279

The reconciliation between the amount computed by applying the statutory income tax rate to the profit before tax and income tax charge is summarized below:-

	For the year ended	
	March 31, 2023	March 31, 2022
Profit/ (loss) before tax	157,769	124,297
Enacted tax rates in India	25.168%	25.168%
Tax expense @ company's domestic tax rate	39,707	31,283
Effect of:		
Share of profits in associates and joint ventures	(2,933)	(6,093)
Tax holiday	870	1,913
Adjustment in respect of MAT credit recoverability (refer note 34)	280	(420)
Additional taxes / taxes for which no credit is allowed	1,747	158
Difference in tax rate applicable to group companies	3,060	2,594
Recognition of previously unrecognised tax losses	(9,534)	-
Expense / (income) not deductible / (taxable) (net)	6,116	6,823
Tax on undistributed retained earnings of subsidiaries / joint	5,210	8,745
Items for which no deferred tax has been recognised	(717)	(2,866)
Settlement of various disputes	19	385
Others	121	(655)
Income tax expense	43,946	41,866

BHARTI TELECOM LIMITED**Notes to Consolidated Financial Statements for the year ended March 31, 2023****(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)**

The analysis of deferred tax assets and liabilities is as follows:

Deferred tax assets (net)	As of	
	March 31, 2023	March 31, 2022
a) Deferred tax liability due to		
Depreciation / amortization on property, plant and equipment / intangible assets / ROU / interest on lease liabilities	(30,995)	(42,309)
Fair valuation of FCCBs	(494)	(802)
b) Deferred tax asset arising out of		
Allowances for impairment of debtors / advances	12,282	10,135
Carry forward losses	181,069	200,697
Unearned income	223	163
Employee benefits	2,035	1,650
Claim for variable license fee acquired under amnesty scheme	4,163	5,612
Fair valuation of financial instruments and exchange differences	5,688	8,139
Government grant	1,052	973
Rates and taxes	14,886	14,372
Tax effect on Current Investment		
Tax effect on Expenses		
Recognition of unutilized tax credits	14,886	14,372
Others	(390)	620
	189,519	199,250

Deferred tax liabilities (net)	As of	
	March 31, 2023	March 31, 2022
a) Deferred tax liability due to		
Depreciation / amortization on property, plant and equipment / intangible assets / ROU / interest on lease liabilities	19,965	9,352
Undistributed retained earnings	14,375	16,902
Others	(142)	512
b) Deferred tax asset arising out of		
Fair valuation of financial instruments and exchange differences	(5,601)	(243)
Allowance for impairment of debtors / advances	(1,080)	(1,537)
Carry forward losses	(6,208)	(50)
Unearned income	(342)	(328)
Employee benefits	(205)	(119)
	20,763	24,489

BHARTI TELECOM LIMITED**Notes to Consolidated Financial Statements for the year ended March 31, 2023****(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)**

	For the year ended	
	March 31, 2023	March 31, 2022
Deferred tax expense		
Allowance for impairment of debtors / advances	1,498	973
Carry forward losses	(13,301)	(402)
Unearned income	(7)	328
Employee benefits	323	86
Claim for variable license fees acquired under amnesty scheme	(1,449)	(4,072)
Fair valuation of financial instruments and exchange differences	2,197	1,666
Fair valuation of FCCB	308	265
Rates and taxes	517	2,629
Depreciation / amortization on property, plant and equipment / intangible assets / ROU / interest on lease liabilities	4,587	(4,831)
Government grant	79	(233)
Undistributed retained earnings	2,225	(6,549)
Others	(4,879)	(1,308)
Net deferred tax (expense)/ income	(7,902)	(11,448)

The movement in deferred tax assets and liabilities during the year is as follows:

	As of	
	March 31, 2023	March 31, 2022
Opening balance	174,762	184,757
Tax (expense)/ income recognised in statement of profit or loss	(7,902)	(11,448)
Tax income/ (expense) recognized in OCI:		
- on net investments hedge	4,365	1,269
- Re-measurement loss on defined benefit plans	48	10
Exchange differences and others	245	199
Deferred tax as Assessment order/ Return actualisation impact	(2,761)	(25)
Closing balance	168,757	174,762

In line with accounting policy of the Group, Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry forward of unabsorbed depreciation and unused tax losses can be utilised. Accordingly, the Group has not recognised deferred tax assets in respect of deductible temporary differences, carry forward of unabsorbed depreciation and unused tax losses of Rs. 781,963 and Rs. 737,055 as of March 31, 2023 and March 31, 2022, respectively as it is not probable that taxable profits will be available in future.

BHARTI TELECOM LIMITED**Notes to Consolidated Financial Statements for the year ended March 31, 2023****(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)**

The expiry schedule of above unrecognised losses is as follows:

Expiry date	As of	
	March 31, 2023	March 31, 2022
Within five years	564,085	377,318
Above five years	6,814	151,976
Unlimited	211,064	207,761
	781,963	737,055

The Group has not recognised deferred tax liability with respect to unremitted retained earnings and associated foreign currency translation reserve with respect to certain of its subsidiaries and joint ventures where the Group is in a position to control the timing of the distribution of profits and it is probable that the subsidiaries will not distribute the profits in the foreseeable future. The taxable temporary difference associated with respect to unremitted retained earnings and associated foreign currency translation reserve is Rs. 45,215 and Rs. 98,427 as of March 31, 2023 and March 31, 2022, respectively. The distribution of the same is expected to attract tax in the range of NIL to 20% depending on the tax rates applicable as of March 31, 2023 in the jurisdiction in which the respective Group entity operates.

Factors affecting the tax charge in future years

a)The group's future tax charge and effective tax rate, could be affected by the following factors:

- Change in income tax rate in any of the jurisdictions in which group operates
- Overall profit mix between profit and loss making entities
- Withholding tax on distributed and undistributed retained earnings of subsidiaries
- Recognition of deferred tax assets in any of the group entities meeting the criteria

The Group is routinely subject to audit by tax authorities in the jurisdictions in which the Group entities operate. The Group recognises tax provisions based on reasonable estimates for those matters where tax determination is uncertain but it is considered probable that there will be a future outflow of funds to tax authorities. The amount of such provisions are based on various factors, such as experience of previous tax audits and different interpretations of tax regulations by the tax authority in jurisdictions in which the Group operates; the amount ultimately paid in these kind of uncertain tax cases may differ materially and could therefore affect the Group's overall profitability and cash flows in future.

The tax impact of a transaction disclosed as contingent liability can also be uncertain until a conclusion is reached with the relevant tax authority or through a legal process. Refer note 23 for details of the contingencies pertaining to income tax.

BHARTI TELECOM LIMITED
Notes to Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)
13 Property, plant and equipment ('PPE')

The following table presents the reconciliation of changes in the carrying value of PPE for the year ended March 31, 2023 and 2022:

	Leasehold improvements	Buildings	Land	Plant and equipment	Furniture and fixtures	Vehicles	Office equipments	Computer and servers	Aircrafts	Total
Gross carrying value										
As of April 1, 2021	10,357	10,731	5,843	1,926,716	4,653	2,047	9,449	91,616	-	2,061,413
Additions	202	2,897	145	231,788	2,134	57	1,491	7,240	-	245,953
Disposals / adjustments*	(49)	(11)	(185)	(51,121)	(151)	(231)	(354)	(131)	-	(52,235)
Exchange differences	2	150	(5)	(1,988)	65	19	121	318	-	(1,320)
As of March 31, 2022	10,511	13,767	5,798	2,105,395	6,701	1,891	10,706	99,043	-	2,253,811
As of April 1, 2022	10,512	13,767	5,798	2,105,395	6,701	1,892	10,707	99,043	-	2,253,814
Additions	335	4,455	2,355	231,784	1,451	36	1,721	8,569	3,960	254,666
Disposals / adjustments	8	-	-	(43,150)	(272)	(41)	(308)	(450)	-	(44,211)
Exchange differences	25	(70)	85	(9,138)	(126)	95	(215)	236	-	(9,108)
As of March 31, 2023	10,880	18,152	8,238	2,284,892	7,754	1,982	11,906	107,398	3,960	2,455,162
Accumulated depreciation										
As of April 1, 2021	8,464	4,799	0	1,094,375	3,417	1,916	7,317	83,078	-	1,203,367
Depreciation	361	568	-	182,766	764	24	986	6,177	-	191,645
Disposals / adjustments	(45)	(2)	-	(42,402)	(164)	(231)	(272)	(265)	-	(43,379)
Exchange differences	(19)	48	-	(3,930)	41	25	(6)	300	-	(3,540)
As of March 31, 2022	8,762	5,413	0	1,230,810	4,058	1,734	8,025	89,290	-	1,348,093
As of April 1, 2022	8,761	5,413	0	1,230,809	4,058	1,734	8,025	89,290	-	1,348,091
Depreciation	345	866	-	196,737	1,069	24	1,366	6,415	17	206,839
Disposals / adjustments	(2)	(5)	-	(41,394)	(230)	(40)	(206)	(464)	-	(42,340)
Exchange differences	35	(97)	-	(9,758)	(68)	56	(226)	389	-	(9,670)
As of March 31, 2023	9,138	6,177	0	1,376,394	4,831	1,774	8,958	95,631	17	1,502,920
Net carrying value										
As of March 31, 2022	1,749	8,354	5,797	874,585	2,642	157	2,681	9,753	-	905,725
As of March 31, 2023	1,742	11,975	8,238	908,498	2,923	208	2,948	11,767	3,943	952,241
Capital Work in Progress (CWIP)										
As of March 31, 2022										42,386
As of March 31, 2023										110,293

*It includes an impairment charge of Rs. 3,810 on plant and equipment (part of Mobile Services South Asia segment) pertaining to one of its subsidiary. The impairment charge has been recorded under exceptional items in the Statement of Profit and Loss.

BHARTI TELECOM LIMITED**Notes to Consolidated Financial Statements for the year ended March 31, 2023****(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)**

The Group has capitalised borrowing cost of Rs. Nil and Rs. 118 during the year ended March 31, 2023 and March 31, 2022 respectively. The rate used to determine the amount of borrowing costs eligible for capitalisation is Nil and 4.85 % for the year ended March 31, 2023 and March 31, 2022 respectively, which is the weighted average interest rate applicable to the Group's general borrowings.

The carrying value of CWIP as of March 31, 2023 and March 31, 2022 is Rs. 110,293 and Rs. 42,386 respectively, which mainly pertains to plant and equipment.

For details towards pledge of the above assets refer note 18.2.

CWIP Ageing Schedule - Projects in progress(net of provisions)

Amount in CWIP for a period of	As of 31 March 2023	As of 31 March 2022
Less than 1 year	106,615	40,975
1-2 years	3,428	1,233
2-3 years	189	56
More than 3 years	61	122
	110,293	42,386

BHARTI TELECOM LIMITED
Notes to Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)
14 Intangible assets

The following table presents the reconciliation of changes in the carrying value of goodwill and other intangible assets for the year ended March 31, 2023 and March 31, 2022:

	Goodwill #	Other intangible assets			Total
		Software	Licenses (including spectrum)	Other acquired intangibles	
Gross carrying value					
As of April 1, 2021	331,701	31,024	1,099,397	12,029	1,142,450
Additions	-	6,554	188,158	490	195,202
Disposals / adjustments	-	(11,255)	(20,629)	(7,505)	(39,389)
Exchange differences	9,249	4	(174)	(18)	(188)
As of March 31, 2022	340,950	26,327	1,266,752	4,996	1,298,075
As of April 1, 2022	340,950	26,327	1,266,752	4,996	1,298,075
Additions	-	3,249	137,380	763	141,392
Disposals / adjustments	-	(481)	(3,308)	(1,011)	(4,800)
Exchange differences	(572)	19	(1,505)	(10)	(1,496)
As of March 31, 2023	340,378	29,114	1,399,319	4,738	1,433,171
Accumulated amortisation					
As of April 1, 2021	-	24,967	346,473	11,441	382,881
Amortisation	-	4,166	70,137	622	74,925
Disposals / adjustments	2,637	(11,243)	(14,515)	(7,474)	(33,232)
Exchange differences	-	13	(997)	(24)	(1,008)
As of March 31, 2022	2,637	17,903	401,098	4,565	423,566
As of April 1, 2022	2,637	17,903	401,098	4,565	423,566
Amortisation	-	4,669	73,940	396	79,005
Disposals / adjustments	-	(466)	(3,329)	(1,011)	(4,806)
Exchange differences	-	20	(2,117)	13	(2,084)
As of March 31, 2023	2,637	22,126	469,592	3,963	495,681
Net carrying value					
As of March 31, 2022	338,313	8,424	865,654	431	874,509
As of March 31, 2023	337,741	6,988	929,727	775	937,490
Intangible Assets under development (IAUD)					
As of March 31, 2022					17,161
As of March 31, 2023					383,961

#Net carrying value of goodwill includes accumulated impairment of Rs. 2,637 as of March 31, 2023 and March 31, 2022.

The carrying value of IAUD as of March 31, 2023 and March 31, 2022 is Rs. 383,961 and Rs. 17,161 respectively, which pertains to spectrum and software / IT platform.

During the year ended March 31, 2023 and March 31, 2022, the Group has capitalised borrowing cost of Rs. 14,752 and Rs. 2,840 respectively. The weighted average rate used to determine the amount of borrowing costs eligible for capitalisation is 7.17 % (Specific borrowing), 3.34% (general borrowing) and 7.30% (specific borrowing), 3.34% (general borrowing) for the year ended March 31, 2023 and March 31, 2022 respectively.

Weighted average remaining amortisation period of licenses as of March 31, 2023 and March 31, 2022 is 13.38 years and 13.49 years respectively.

BHARTI TELECOM LIMITED**Notes to Consolidated Financial Statements for the year ended March 31, 2023**

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

IAUD Ageing Schedule - Projects in progress

Amount in IAUD for a period of	As of 31 March 2023	As of 31 March 2022
Less than 1 year	383,826	17,078
1-2 years	94	12
2-3 years	-	33
More than 3 years	41	38
	383,961	17,161

Impairment review - Goodwill

The carrying value of Group's goodwill has been allocated to the following seven group of CGUs, whereby Nigeria, East Africa, Francophone mobile services and Mobile money services, Group of CGUs pertain to Airtel Africa plc. (Airtel Africa) operations.

	As of 31 March 2023		As of 31 March 2022	
Airtel Africa operations				
Nigeria Mobile Services	74,071		96,792	
East Africa Mobile Services	76,293		139,276	
Francophone Africa Mobile Services	41,397		54,431	
Mobile Money Services	97,614	289,375	-	290,499
Operations other than Airtel Africa				
India Mobile Services		40,413		40,413
Airtel Business		7,609		7,057
Homes Services		344		344
		337,741		338,313

The change in total goodwill is on account of foreign exchange differences.

The Group tests goodwill for impairment annually on December 31.

Details of impairment testing for the Group are as follows:

A. Impairment review of goodwill pertaining to Airtel Africa operations

During the year, the Group re-assessed its operating segments which resulted in Mobile Money Services becoming a new operating segment of the Group. In line with this change, for the purposes of impairment testing, Mobile Money Services was identified an additional new group of CGUs. The new group of CGUs for impairment testing purposes are Nigeria Mobile Services, East Africa Mobile Services, Francophone Africa Mobile Services and Mobile Money Services (previously Nigeria, East Africa and Francophone). Goodwill was reallocated to the four group of CGUs based on the relative values of each group of CGUs, this resulted in goodwill being reallocated from Nigeria Mobile Services, East Africa Mobile Services and Francophone Africa Mobile Services to the Mobile Money services group of CGUs. Consequently, as at April 1, 2022 USD 1,295 million (approx. Rs. 98,310) was reallocated to the new group of CGUs i.e., Mobile Money Services.

The carrying value of Goodwill as of December 31, 2022 was USD 901 million (approx. Rs. 74,588), USD 951 million (approx. Rs. 78,728), USD 497 (approx. Rs. 41,144) and USD 1,200 million (approx. Rs. 99,341) for Nigeria Mobile Services, East Africa Mobile Services and Francophone Africa Mobile Services and Mobile Money Services, respectively.

Whilst the Board performed a long-term viability assessment over a three-year period, for the purposes of assessing liquidity, the Group has adopted a ten-year plan for the purpose of impairment testing due to the following reasons:

- The Group operates in emerging markets where the telecommunications and mobile money market is underpenetrated when compared to developed markets. In these emerging markets, short-term plans (for example, five years) are not indicative of the long-term future prospects and performance of the Group.
- The life of the Group's regulatory telecom licences and network assets are at an average of ten years, the spectrum renewals happen for a period of ten years or more and in general the replacement of technology happens after a similar duration, and

BHARTI TELECOM LIMITED**Notes to Consolidated Financial Statements for the year ended March 31, 2023****(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)**

- The potential opportunities of the emerging African telecom and mobile money sector, which is mostly a two-three player market with lower smartphone penetration.

Accordingly, the Board approved that this planning horizon reflects the assumptions for medium to long-term market developments, appropriately covers market dynamics of emerging markets and better reflects the expected performance in the markets in which the Group operates.

While using the ten-year plan, the Group also considers external market data to support the assumptions used in such plans, which is generally available only for the first five years. Considering the degree of availability of external market data beyond year five, the Group has performed sensitivity analysis to assess the impact on impairment of using a five-year plan. The results of this sensitivity analysis demonstrate that the initial five-year plan with appropriate changes including long-term growth rates applied at the end of this period does not result in any impairment and does not impact the headroom by more than 6% in any of the group of CGUs as compared to the headroom using the ten-year plan. Further, the Group is confident that projections for years six to ten are reliable and can demonstrate its ability, based on past experience to forecast cash flows accurately over a longer period. Accordingly, the Board has approved and the Group continues to follow a consistent policy of using an initial forecast period of ten years for the purpose of impairment testing.

In assessing the Group's prospects, the directors of the subsidiary company considered 5G cellular network potential in the markets in which the Group operates. The Group's first endeavour is to secure spectrum for 5G launch and roll out 5G network in key markets. During the financial year, the Group secured 5G spectrum in Nigeria, Kenya, Zambia and Tanzania and will selectively launch 5G services in these markets. Given the relatively low 4G customer penetration in the countries where it operates, the Group will continue to focus on its strategy to expand its data services and increase data customer penetration by leveraging and expanding its leading 4G network.

The nominal cash flows used in the impairment tests reflect the Group's current assessment of the impact of climate change and associated commitments the Group has made. Based on the analysis conducted so far, the Group is satisfied that the impact of climate change does not lead to an impairment as at December 31, 2022 and is adequately covered as part of the sensitivities disclosed below.

The nominal cash flows beyond the planning period are extrapolated using appropriate long term terminal growth rates. The long term terminal growth rates used do not exceed the long term average growth rates of the respective industry and country in which the entity operates and are consistent with internal/external sources of information.

The inputs used in performing the impairment assessment at December 31, 2022 were as follows:

Assumptions	Nigeria Mobile Services	East Africa Mobile Services	Francophone Africa Mobile Services	Mobile Money Service
Pre tax discount rate	33.38%	23.01%	21.07%	26.10%
Capital expenditure (as a % of revenue)	6%-23%	8%-20%	9%-26%	1%-5%
Long-term growth rate	7.64%	7.30%	7.35%	7.47%

At December 31, 2022, the impairment testing did not result in any impairment in the carrying amount of goodwill in any group of CGUs.

The key assumptions in performing the impairment assessment are as follows:

Assumptions	Basis of Assumptions
Discount Rate	Nominal discount rate reflects the market assessment of the risks specific to the group of CGUs and estimated based on the weighted average cost of capital for respective CGUs.
Capital expenditures	The cash flow forecasts of capital expenditure are based on experience after considering the capital expenditure required to meet coverage and capacity requirements relating to voice, data and mobile money services.
Growth rates	The growth rates into perpetuity used are in line with the nominal long-term average growth rates of the respective industry and country in which the entity operates and are consistent with the internal / external sources of information.

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

At December 31, 2022, the impairment testing did not result in any impairment in the carrying amount of goodwill in any group of CGUs. The results of the impairment tests using these rates show that the recoverable amount exceeds the carrying amount by USD 1,342 million (approx. Rs. 110,096) for Nigeria Mobile Services (54%), USD 1,593 million (approx. Rs. 131,875) for East Africa Mobile Services (66%), USD 1,512 million (approx. Rs. 125,170) for Francophone Africa Mobile Services (105%) and USD 2,688 million (approx. Rs. 222,524) for Mobile Money Services (198%). The group therefore concluded that no impairment was required to the Goodwill held against each groups of CGUs.

BHARTI TELECOM LIMITED**Notes to Consolidated Financial Statements for the year ended March 31, 2023**

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

Sensitivity in discount rate and capital expenditure

Management of the subsidiary believes that no reasonably possible change in any of the key assumptions would cause the difference between the carrying value and recoverable amount for any cash generating unit to be materially different from the recoverable value in the base case. The table below sets out the breakeven pre-tax discount rate for each group of CGUs, which will result in the recoverable amount being equal with the carrying amount for each group of CGUs:

	Nigeria Mobile Services	East Africa Mobile Services	Francophone Africa Mobile Services	Mobile Money Services
Pre-tax discount rate	46.89%	32.34%	33.37%	55.00%

The table below presents the increase in isolation in absolute capital expenditure as a percentage of revenue (across all years of the impairment review) which will result in equating the recoverable amount with the carrying amount for each group of CGUs:

	Nigeria Mobile Services	East Africa Mobile Services	Francophone Africa Mobile Services	Mobile Money Services
Capital expenditure (as a % of revenue)	6.21%	8.15%	8.89%	20.24%

No reasonably possible change in the terminal growth rate would cause the carrying amount to exceed the recoverable amount.

Impairment assessment for the year ended March 31, 2022:

The inputs used in performing the impairment assessment at December 31, 2021 were as follows:

Assumptions	Nigeria	East Africa	Francophone Africa
Pre tax Discount Rate	24.35%	16.17%	15.43%
Capital expenditure (as % of Revenue)	8% - 15%	7% - 15%	7% - 12%
Long term growth Rate	2.65%	5.31%	5.46%

The key assumptions in performing the impairment assessment are as follows:

Assumptions	Basis of assumptions
Discount rate	Discount rate reflects the market assessment of the risks specific to the group of CGUs and estimated based on the weighted average cost of capital for each respective group of CGUs.
Capital expenditures	The cash flow forecasts of capital expenditure are based on experience after considering the capital expenditure required to meet coverage and capacity requirements relating to voice, data and mobile money services.
Growth rates	The growth rates used are in line with the long-term average growth rates of the respective industry and country in which the entity operates and are consistent with internal / external sources of information.

At December 31, 2021, the impairment testing did not result in any impairment in the carrying amount of goodwill in any group of CGUs. The results of the impairment tests using these rates show that the recoverable amount exceeds the carrying amount by USD 5,579 million (approx. Rs. 423,530) for East Africa (173%) and USD 2,559 million (approx. Rs. 194,266) for Francophone Africa (160%). For Nigeria, the recoverable amount exceeds the carrying amount by USD 2,842 million (approx. Rs. 215,750) (104%) including the cash flows of PSB licence which was received subsequent to the impairment testing date. Excluding such cash-flows did not result in any impairment in Nigeria. The Group therefore concluded that no impairment was required to the Goodwill held against each group of CGUs.

Sensitivity in discount rate and capital expenditure

Management of the subsidiary believes that no reasonably possible change in any of the key assumptions would cause the difference between the carrying value and recoverable amount for any cash-generating unit to be materially different from the recoverable value in the base case. The table below sets out the breakeven pre-tax discount rate for each group of CGUs, which will result in the recoverable amount being equal with the carrying amount for each group of CGU's

Assumptions	Nigeria	East Africa	Francophone Africa
Pre tax Discount Rate	43.70%	34.34%	32.63%

BHARTI TELECOM LIMITED**Notes to Consolidated Financial Statements for the year ended March 31, 2023****(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)**

The table below presents the increase in isolation in absolute capital expenditure as a percentage of revenue (across all years of the impairment review) which will result in equating the recoverable amount with the carrying amount for each group of CGUs:

	Nigeria	East Africa	Francophone Africa
Capital expenditure (as % of Revenue)	9.64%	13.99%	11.06%

No reasonably possible change in the terminal growth rate would cause the carrying amount to exceed the recoverable amount.

B. Impairment review of goodwill pertaining to operations other than Airtel Africa

The recoverable amounts of the above group of CGUs are based on value-in-use, which are determined based on ten-year business plans

The Group has adopted a ten-year plan for the purpose of impairment testing due to the following reasons:

- The Group operates in growing markets where the telecommunications market is continuously converging towards adoption of smartphone devices. In these markets, short-term plans (for example, five years) are not indicative of the long-term future prospects and performance of the Group.
- The life of the Group's spectrum bandwidth has remaining useful life of more than ten years.

Accordingly, the management believes that this planning horizon reflects the assumptions for medium to long-term market developments, appropriately covers market dynamics and better reflects the expected performance in the markets in which the Group operates.

The testing carried out during December 2022, did not result in any impairment in the carrying amount of goodwill. While, for the previous year testing (December 2021), the Group, in line with para 99 of Ind AS 36 'Impairment of Assets', used the most recent detailed calculation made in the year preceding the previous year (December 31, 2020 - the annual goodwill impairment assessment date) of the recoverable amount of Mobility, Airtel Business and Homes CGUs to which goodwill has been allocated. Accordingly, the disclosures made in the year preceding the previous year's financial statements (March 31, 2021) relating to recoverable value are carried forward and disclosed as comparative information.

As part of such testing, the key assumptions used in value-in-use calculations were as follows:

Assumptions	Basis of assumptions
EBITDA Margins	The margins have been estimated based on past experience after considering incremental revenue arising out of adoption of value added and data services from the existing and new customers. Margins will be positively impacted from the efficiencies and cost rationalisation / others initiatives driven by the Group; whereas, factors like higher churn, increased cost of operations may impact the margins negatively.
Discount rate	Discount rate reflects the current market assessment of the risks specific to a CGU or group of CGUs and estimated based on the weighted average cost of capital for respective CGU / group of CGUs. Pre-tax discount rates used are 13.36 % for the year ended March 31, 2023 and 11.60% for the year ended March 31, 2021.
Growth rate	The growth rates used are in line with the long-term average growth rates of the respective industry and country in which the entity operates and are consistent with the internal / external sources of information. The average growth rate used in extrapolating cash flows beyond the planning period is 3.5% for March 31, 2023 and 3.5% for March 31, 2021.
Capital expenditures	The cash flow forecasts of capital expenditure are based on past experience after considering the additional capital expenditure required for roll out of incremental coverage and capacity requirements and to provide enhanced voice and data services.

Sensitivity to changes in assumptions

With regard to the sensitivity assessment of value-in-use for Mobile service- India, Homes Services and Airtel Business, no reasonably possible change in any of the above key assumptions would have caused the carrying amount of these units to exceed their recoverable amount.

BHARTI TELECOM LIMITED**Notes to Consolidated Financial Statements for the year ended March 31, 2023****(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)****15 Other assets**

	As of	
	March 31, 2023	March 31, 2022
Advances (net)#	21,374	19,954
Capital advances	5,861	1,544
Advances to suppliers (net) @	3,504	5,714
Prepaid expenses	43,808	37,386
Taxes recoverable##	89,609	93,443
Deposit with government authorities^	-	-
Cost to obtain a contract with the customer (refer note 25)	66,093	46,961
Revenue equalisation	-	-
Others**	2,895	3,712
Assets-held-for-sale	-	-
	233,144	208,714

#Advances (net) represent payments made to various government authorities under protest and are disclosed net of allowance.

@Advance to suppliers are disclosed net of allowance of Rs. 2,684 and Rs. 2,751 as of March 31, 2023 and March 31, 2022 respectively.

##Taxes recoverable primarily include goods and services tax and custom duty.

** It mainly includes refund recoverable of custom duty and employee receivable which principally consist of advances given for business purpose.

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BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

16 Trade payable	As of	
	March 31, 2023	March 31, 2022
i) total outstanding dues of micro enterprise & small enterprises	-	-
ii) total outstanding dues of creditors other than micro enterprises & small enterprises*	328,954	292,764
	328,954	292,764

*It includes amount due from related party (refer note 36) and payable towards sub-judice matter.

The following details relating to Micro, Small and Medium Enterprises shall be disclosed:

Particulars	As of	
	March 31, 2023	March 31, 2022
1. Principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year	-	-
2. Amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
3. Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
4. Amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
5. Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Trade Payables Ageing as of March 31, 2023:

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues	136,332	15,290	16,226	3,593	1,570	2,736	175,747
(ii) Disputed dues	78	22	15,487	14,989	28,815	93,816	153,207
Total	136,410	15,312	31,713	18,582	30,385	96,552	328,954

Trade Payables Ageing as of March 31, 2022:

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues	136,340	15,306	16,227	3,593	1,570	2,736	175,772
(ii) Disputed dues	78	22	15,487	14,989	28,815	93,816	153,207
Total	136,418	15,328	31,714	18,582	30,385	96,552	328,979

17 Debt securities

	As of	
	March 31, 2023	March 31, 2022
Designated at amortised cost		
Non convertible debenture-unsecured		
- 5.10% Series VI, 4,600 debentures of Rs. 1,000,000 each (maturity October 20, 2022)	-	4,698
- 5.85% Series VII, 4,600 debentures of Rs. 1,000,000 each (maturity October 20, 2023)	4,992	4,711
- 6.42% Series VIII, 4,600 debentures of Rs. 1,000,000 each (maturity October 18, 2024)	5,028	4,722
- 8.70% Series IX, 15,000 debentures of Rs. 1,000,000 each (maturity November 21, 2024)	15,448	-
- 8.80% Series X, 25,000 debentures of Rs. 1,000,000 each (maturity November 21, 2025)	25,756	-
- Floating Rate Series XI, 30,000 debentures of Rs.1,000,000 each (maturity November 21, 2025)	30,859	-
- 8.60% Series XII, 13,000 debentures of Rs. 1,000,000 each (maturity December 05, 2024)	13,338	-
- 8.70% Series XIII, 32,000 debentures of Rs. 1,000,000 each (maturity December 05, 2025)	32,859	-
- 8.70% Series XIV, 10,500 debentures of Rs. 1,000,000 each (maturity December 12, 2025)	10,772	-
- Floating Rate Series XV, 8,000 debentures of Rs.1,000,000 each (maturity December 12, 2025)	8,187	-
5.5% -6.0% Other non convertible debentures	67,712	66,858
3.3% - 5.4% Non convertible bonds	193,430	213,576
	408,381	294,565
	408,381	294,565
Debt securities in India	408,381	294,565
Debt securities outside India	-	-
	408,381	294,565

Note: The above outstanding figures for Non Convertible Debentures are inclusive of interest accrued of Rs. 4,539 (previous year Rs. 331).

- The following Debentures of the Company are listed on National Stock Exchange (NSE) :

- 5.85% Series VII, 4,600 debentures of Rs. 1,000,000 each (redeemable on October 20, 2023) were listed on October 20, 2021.
- 6.42% Series VIII, 4,600 debentures of Rs. 1,000,000 each (redeemable on October 18, 2024) were listed on October 20, 2021.
- 8.70% Series IX, 15,000 debentures of Rs. 1,000,000 each (redeemable on November 21, 2024) were listed on November 23, 2022.
- 8.80% Series X, 25,000 debentures of Rs. 1,000,000 each (redeemable on November 21, 2025) were listed on November 23, 2022.
- Floating rate Series XI, 30,000 debentures of Rs. 1,000,000 each (redeemable on November 21, 2025) were listed on November 23, 2022.
- 8.60% Series XII, 13,000 debentures of Rs. 1,000,000 each (redeemable on December 05, 2024) were listed on December 07, 2022.
- 8.70% Series XIII, 32,000 debentures of Rs. 1,000,000 each (redeemable on December 05, 2025) were listed on December 07, 2022.
- 8.70% Series XIV, 10,500 debentures of Rs. 1,000,000 each (redeemable on December 12, 2025) were listed on December 14, 2022.
- Floating rate Series XV, 8,000 debentures of Rs. 1,000,000 each (redeemable on December 12, 2025) were listed on December 14, 2022.

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Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

18 Borrowings

		As of	
		March 31, 2023	March 31, 2022
Designated at amortised cost			
Secured			
Term loans			
(i) from banks		3,598	3,796
(ii) from others		5,000	5,000
	A	8,598	8,796
Unsecured			
Bank overdraft		32,309	25,950
Term loans#		172,131	121,062
Deferred payment liabilities**		1,158,204	730,612
Commercial paper*#		9,961	122,464
Liability component of foreign currency convertible bond		74,153	73,126
Interest accrued but not due		(46,089)	(27,327)
	B	1,400,669	1,045,887
Total Borrowing	A+B	1,409,267	1,054,683
Borrowing in India		(139,348)	(139,348)
Borrowing outside India		139,348	139,348
		-	-

#includes working capital demand loans.

**During the year ended March 31, 2022, the Union Cabinet announced major reforms in Telecom Sector in the month of September 2021. Accordingly, DoT in October 2021 (in pursuance to these reforms), has granted an option to the subsidiary of the Company for a moratorium of 4 years towards the deferred spectrum liability in respect of spectrum purchased through various auctions except for that purchased through 2021 auction. The subsidiary company has opted for the moratorium and the same was granted by DoT during November 2021. The DoT has subsequently shared the revised payment schedule in respect of these deferred spectrum payment liabilities by revising the instalment amounts without any increase in the existing time period specified for making the installment payments.

*# Commercial Papers having maturity of Rs. 7,000, listed on December 05, 2022, will mature on May 31, 2023.

Commercial Papers having maturity of Rs. 2,850, listed on December 22, 2022, will mature on June 15, 2023.

Commercial Papers having maturity of Rs. 250, listed on March 15, 2023, will mature on May 31, 2023.

The above outstanding figures for Commercial Papers are net of unamortised discount.

18.1 Analysis of Debt securities/Borrowing

The details given below are gross of debt origination cost and fair valuation adjustments with respect to the hedged risk.

18.1.2. Repayment terms of Debt securities/Borrowing

The table below summarizes the maturity profile of the group's borrowings/debts:

	As of March 31, 2023						
	Interest rate (range)	Frequency of installments	Number of instalments outstanding per facility (range)*	Within one year	Between one and two years	Between two and five years	Over five years
Non convertible debentures	5.4% - 8.8%	One time	1	49,992	53,814	108,433	-
Non convertible bonds	3.3% - 5.4%	One time	1	-	45,260	82,301	61,725
Term loans	3.3% - 5.4%	Quarterly	3 to 13	7,645	6,146	4,913	-
	6.4% - 18.0%	Half-yearly	1 to 12	10,301	19,991	64,403	5,119
	6.3% - 15.5%	Monthly	1 to 60	2,316	1,484	2,083	46
	3.2% - 14.0%	One time	1	37,253	10,233	-	-
	12.9%	Annual	2	-	1,633	1,633	-
Liability component of FCCB	1.5%	One time	1	-	77,198	-	-
Commercial papers	7.9%-8.2%	One time	1	10,100	-	-	-
Deferred payment liabilities for spectrum	7.2% to 10.0%	Annual	2 to 19	5,070	5,440	21,519	756,202
Deferred payment liability for Adjusted gross revenue	8.0%	Annual	5	-	-	115,764	215,503
Bank overdraft	5.2% - 19.0%	On demand	NA	32,309	-	-	-
				154,986	221,199	401,049	1,038,595

*The instalment amount due are equal/ equated per se.

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

	As of March 31, 2022						
	Interest rate (range)	Frequency of installments	Number of instalments outstanding per facility (range)*	Within one year	Between one and two years	Between two and five years	Over five years
Non convertible debentures	3.3% to 6.4%	One time	1	-	-	151,813	56,936
Non convertible bonds	5.4%-6.0%	One time	1	4,698	49,711	24,722	-
Term loans	1.9% - 13.9%	One time	1	36,325	22,236	3,037	-
	5.5% to 15.0%	Monthly	1-48	3,376	1,724	1,752	-
	4.59% to 18.0%	Quarterly	7- 12	2,834	5,984	4,148	-
	6.4% to 15.3%	Half yearly	1- 8	3,906	3,904	40,155	-
Liability component of FCCB	1.5%	One time	1	-	-	77,934	-
Deferred payment liabilities for spectrum	7.3% to 10.0%	Annual	6-16	-	-	11,861	393,915
Deferred payment liabilities for adjusted gross revenue	8%	Annual	6	-	-	29,573	273,857
Commercial papers	4.0% to 5.3%	One time	1	124,072	-	-	-
Bank overdraft	5.2% to 18.0%	On demand	NA	22,294	-	-	-
	4.9% to 5.2%	NA	NA	3,656	-	-	-
				201,161	83,560	344,995	724,708

*The instalments amount due are equal / equated per se.

18.1.3. Interest rate and currency of Debt securities/Borrowing	As of March 31, 2023			
	Weighted average rate of interest	Total borrowings	Floating rate borrowings	Fixed rate borrowings
Currency				
INR	8.5%	1,417,344	105,189	1,312,155
USD	3.9%	338,179	61,228	276,951
Euro	6.2%	5,766	5,766	-
UGX	12.8%	11,175	9,533	1,642
KES	11.7%	10,527	7,317	3,210
XAF	6.5%	11,641	-	11,641
XOF	6.0%	6,337	-	6,337
Others	7.24% - 19.0%	16,170	11,279	4,891
		1,817,139	200,312	1,616,827

	As of March 31, 2022			
	Weighted average rate of interest	Total borrowings	Floating rate borrowings	Fixed rate borrowings
Currency				
INR	7.70%	967,019	42,422	924,596
USD	3.73%	342,655	37,945	304,710
Euro	2.79%	5,447	5,447	-
XAF	6.70%	8,905	-	8,905
XOF	7.17%	6,926	-	6,926
Others	7.5% - 16.64%	16,814	9,147	7,667
		1,347,766	94,961	1,252,804

18.2 Security details

The Group has taken borrowings in various countries mainly for working capital, capital expenditure and refinancing of existing borrowings. The details of security provided by the Group in various countries are as follows:

Entity	Relation	Outstanding loan amount		Security detail
		As of 31-Mar-23	As of 31-Mar-22	
Airtel Networks Limited	Subsidiary	82	3,796	Fixed & floating charge over all assets. First Pari-Passu security in form of fixed & floating charge over all assets, with certain agreed exclusions, for outstanding amount with a maximum amount of up to 125% of the facility.
Airtel Tanzania Plc	Subsidiary	3,539	-	
		3,621	3,796	

Africa operations acquisition related borrowing:

Borrowings include certain loans, which have been taken to refinance the Africa acquisition related borrowing. These loan agreements prevents the Group (excluding Bharti Airtel Africa B.V and their respective subsidiaries) to pledge any of its assets without prior written consent of the majority lenders except in certain agreed circumstances.

The USD bonds due in 2024 is guaranteed by the Company. Such guarantee is considered an integral part of the bonds and therefore accounted for as part of the same unit of account.

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

19 Other financial liabilities

	As of	
	March 31, 2023	March 31, 2022
Lease rent equalisation	-	-
Liabilities arising from capital reduction*	-	-
Payables against capital expenditure	154,171	82,598
Interest accrued	46,241	27,446
Payables against business / assets acquisition	4,104	4,104
Employees payables	5,962	6,322
Security deposits#	4,863	4,323
Mobile money wallet balance	47,879	37,638
Compulsory convertible preference shares@	-	17,706
Liabilities arising from capital reduction	90	97
Unpaid / Unclaimed dividend\$	18	10
Others**	29,328	60,541
Put option liability^	46,849	43,961
	339,504	284,746

@refer note 4(b)

**It mainly includes refund payable to inactive customers, unclaimed liability and other statutory dues payable.

#It pertains to deposits received from subscriber / channel partners, which are repayable on demand after adjusting the outstanding amount, if any.

^represents put option liability related to mobile money minority investment transactions (refer note 4(r))

\$No amount is due to transferred to Investor Education and Protection Fund (IEPF).

*The subsidiary of the Company had paid Rs.7 during the year ended March 31, 2023 (Rs. Nil during the year ended March 31, 2022) to certain of its shareholders and is in the process of locating shareholders and making the balance payments.

20 Provisions

	As of	
	March 31, 2023	March 31, 2022
Gratuity	4,195	3,597
Other employee benefit plans	1,634	1,825
Asset retirement obligation	1,179	1,155
Other	509	296
Sub-judice matters*	254,519	241,215
	262,036	248,088

*This majorly includes provision related to AGR matter reclassified to 'provisions', earlier it was disclosed under 'other non-financial liabilities' and 'trade payables'.

Refer note 29 for movement of provision towards various employee benefits.

The movement of provision towards asset retirement obligation is as below:

	For the year ended
	March 31, 2023
Opening balance	1,155
Net addition/(deletion)	(50)
Interest cost	74
Closing balance	1,179

The provision for asset retirement obligation is in relation to the site restoration related obligation arising from the land taken on leases and represent the management's best estimate of the costs, which will be incurred in the future to meet the Group's obligation under these lease arrangements.

The movement of provision towards subjudice matters is as below:

AGR matter (refer note 4(c))

	For the year ended
	March 31, 2023
Opening balance	238,288
Net addition during the year	26,181
Utilisation / reversal of provision	(12,452)
Closing balance	252,017

Net addition includes provision of Rs. 12,623 towards AGR pursuant to merger with TTSL / TTML and Rs. 4,134 towards AGR pertaining to merger with Telenor and closing balance includes Rs. 166,728 and Rs. 24,653 respectively for TTSL / TTML and Telenor. The subsidiary of the Company has recognised an indemnification asset towards the said provisions.

Other sub-judice matters

	For the year ended
	March 31, 2023
Opening balance	2,927
Addition during the year	563
Reversal during the year	(836)
Utilisation during the year	(402)
Exchange difference during the year	250
Closing balance	2,502

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

21 Other liabilities	As of	
	March 31, 2023	March 31, 2022
Income received in advance	1,029	1,363
Others		
-Taxes payable *	46,759	40,536
-Others#	4,405	626
	52,193	42,525

*Taxes payable mainly pertains to GST, TDS and payable towards sub-judice matters related to entry tax and entrainment tax.

#Others primarily include advance received from subscribers and advance received on sale of hardware/goods.

22 Equity Share Capital

Particulars	As of			
	March 31, 2023		March 31, 2022	
	No of Shares	Amount	No of Shares	Amount
Authorised capital				
Equity share of Rs. 10 each	5,000,000,000	50,000	5,000,000,000	50,000
	5,000,000,000	50,000	5,000,000,000	50,000
Issued subscribed and fully paid				
Equity share of Rs. 10 each	2,582,316,336	25,823	2,582,316,336	25,823
Outstanding at the end of the year	2,582,316,336	25,823	2,582,316,336	25,823

a) Reconciliation of the shares outstanding at the beginning and at the end of the year

	As of			
	March 31, 2023		March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	2,582,316,336	25,823	2,582,316,336	25,823
Outstanding at the end of the year	2,582,316,336	25,823	2,582,316,336	25,823

b) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	March 31, 2023		March 31, 2022	
	No. of shares	% holding	No. of shares	% holding
Bharti Enterprises (Holding)	1,305,663,494	50.56%	1,305,663,494	50.56%
Pastel Limited	828,434,416	32.08%	828,434,416	32.08%
Singtel International	261,600,408	10.13%	261,600,408	10.13%
Magenta Investment Limited	186,618,016	7.23%	186,618,016	7.23%

As per records of the company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

c) Terms/rights attached to equity shares

The company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

For the period of five year immediately, preceding March 31, 2023	No of Shares	Amount
* Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash;	-	-
* Aggregate number and class of shares allotted as fully paid up by way of bonus shares; and	-	-
* Aggregate number and class of shares bought back;	-	-

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Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

23 Other equity

a: Retained earnings: Retained earnings represent the amount of accumulated earnings of the Group, re-measurement differences on defined benefit plans, any transfer from general reserve and the reserves arising due to court scheme accounting and adjustments thereto (as explained below for significant scheme of arrangements).

The Scheme of Arrangement under Section 391 to 394 of the Companies Act, 1956 for transfer of all assets and liabilities at their respective fair values from Bharti Infratel Ventures Limited (erstwhile subsidiary company), Vodafone Infrastructure Limited, Idea Cellular Tower Infrastructure Limited to its joint venture Indus Towers Limited, was approved by the Hon'ble High Court of Delhi vide order dated April 18, 2013 and filed with the Registrar of Companies on June 11, 2013 with appointed date April 1, 2009 and hence was accounted retrospectively with effect from April 01, 2009. Similarly, pursuant to the Scheme of Arrangement under sections 391 to 394 of the Companies Act, 1956, the telecom infrastructure undertaking of the Group was transferred to one of its subsidiary Bharti Infratel Limited during the year ended March 31, 2008.

Further, pursuant to the said schemes, mainly the excess of the fair values over the original book values of the assets transferred to them and the periodic depreciation thereto is adjusted in retained earnings.

In absence of any specific provision under Ind AS with respect to court schemes, and the fact that the court schemes are part of the law, accounting prescribed therein (as explained above) will continue to prevail even in the Ind AS financial statements of the Group after being adjusted for intra-group eliminations / equity accounting, as required.

b: General reserve: The Group has transferred a portion of its profit before declaring dividend in respective prior years to general reserve, as stipulated under the erstwhile Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013 ('Act').

Further, on exercise of the stock options, the difference between the consideration (i.e. the exercise price and the related amount of share-based payment reserve) and the cost of the related treasury shares, is transferred to general reserve.

c: Debenture redemption reserve: The Company's subsidiary (Bharti Airtel Limited) had created debenture redemption reserve out of the profits in compliance with the erstwhile provisions of the Act, however in view of the exemption granted pursuant to the relevant amendments to the Act, the Company is not required to maintain debenture redemption reserve and accordingly, the amount of debenture redemption reserve created earlier has been transferred to retained earnings.

d: Capital reserve: It pertains to capital reserve acquired pursuant to the scheme of arrangement under the Companies Act accounted under pooling of interest method and excess of purchase consideration over fair value of net assets (for certain business combinations).

e. Securities premium: It is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

f. Statutory reserves : Statutory Reserves is a reserve fund created from transfer of profits for previous year disclosed in profit & loss account as per section 45-IC of the RBI Act. Transfer to statutory reserve pertains to the year ended March 31, 2019.

23 Other components of equity

	Foreign currency translation reserve	Cash flow hedge reserve	Fair value through OCI reserve	Treasury shares	Equity component of FCCB	Total
As of April 1, 2021	(45,689)	1	9	(705)	1,375	(45,009)
Purchase of treasury shares	-	-	-	(214)	-	(214)
Exercise of share options	-	-	-	212	-	212
As of March 31, 2022	(45,689)	1	9	(707)	1,375	(45,011)
As of April 1, 2022	(45,689)	1	9	(707)	1,375	(45,011)
Purchase of treasury shares	-	-	-	(192)	-	(192)
Exercise of share options	-	-	-	124	-	124
As of March 31, 2023	(45,688)	1	9	(776)	1,375	(45,080)

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24 Contingencies and commitments**(i) Contingent liabilities****Claims against the Group not acknowledged as debt:**

	As of	
	March 31, 2023	March 31, 2022
Taxes, duties and other demands (under adjudication / appeal / dispute)		
-Sales tax, service tax and GST	12,231	15,466
-Income tax	8,949	9,830
-Custom duty	1,477	1,727
-Entry tax	3,264	3,018
-Stamp duty	407	352
-DoT, other regularity demands and assessments	114,877	100,475
-Entertainment tax	281	425
-Other miscellaneous demands	571	562
(ii) Claims under legal cases including arbitration matters		
-Access charges/Port charges	299	299
-Others	7,233	6,723
	149,589	138,877

In addition to the above, the Group's share of joint ventures and associates contingent liabilities is Rs. 59,090 and Rs. 59,256 as of March 31, 2023 and March 31, 2022 respectively.

The category wise detail of the contingent liability has been given below:-

a) Sales tax, Service tax and GST

The claims for sales tax comprised of cases relating to the appropriateness of declarations made by the Group under relevant sales tax legislations, which were primarily procedural in nature and the applicable sales tax on disposals of certain property and equipment items, ITC eligibility and VAT on value added services. Pending final decisions, the Group has deposited amounts under protest with statutory authorities for certain cases.

The service tax demands relate to Cenvat claimed on tower and related material, levy of service tax on SMS termination and employee talk time, Cenvat credit disallowed for procedural lapses.

The GST demand relates to miscellaneous interest, differences between ITC claimed and as available over portal, claims related to transitional credit.

b) Income tax demand

Income tax demands mainly include the appeals filed by the Group before various appellate authorities against the disallowance by income tax authorities of certain expenses being claimed and non-deduction of tax at source with respect to pre-paid dealer's / distributor's margin. During the year, the subsidiary of the group has reassessed the existing possible obligations and accordingly disclosed for such amounts.

c) Customs duty

There are certain demands related to non-submission of export obligation discharge certificate, classification issue, valuation of goods imported and levy of anti-dumping duty on certain products.

Apart from them, there are certain demands related to non-submission of EODC Certificate, valuation of goods imported and levy of anti dumping duty on certain products. These demands are currently pending at Tribunal for disposal.

d) Entry tax

In certain states, an entry tax is levied on receipt of material from outside the state. This position has been challenged by the Group in the respective states, on the grounds that the specific entry tax is ultra vires the Constitution. Classification issues have also been raised, whereby, in view of the Group, the material proposed to be taxed is not covered under the specific category.

During the year ended March 31, 2017, the Supreme Court upheld the constitutional validity of entry tax levied by few States. However, Supreme Court did not conclude certain aspects such as present levies in each State is discriminatory in nature or not, leaving them open to be decided by regular benches of the Courts.

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e) Entertainment tax

The contingent liability for entertainment tax comprise of cases for levying entertainment tax on activation charges and interest on disputed dues.

f) DoT and other regulatory demands/ assessments includes

(i) DoT had enhanced the microwave rates by introducing slab-wise rates based on the number of carriers vide circulars issued in 2006 and 2008 from erstwhile basis being allocated frequency. The Group had challenged the matter in Telecom Disputes Settlement and Appellate Tribunal ("TDSAT") and it has set aside the respective circulars of DoT vide its Judgment dated April 22, 2010. Thereafter, DoT has challenged the order of TDSAT before the Supreme Court, which is pending for adjudication. An amount of Rs. 26,277 which pertains to pre-migration to Unified License ('UL') / Unified access service license ('UASL') is disclosed as contingent liability as of March 31, 2023.

(ii) In 2013, DoT introduced UL Regime and notified guidelines which mandates migration to new UL regime upon expiry of existing licenses. Accordingly, the Subsidiary company the migrated to UL regime in 2014. The subsidiary of the Company and Internet Service Provider ('ISP') Association challenged the Guidelines and provisions of UL on the ground that DoT has discriminated amongst ISP Licensees in violation of principle of level playing field amongst ISPs. TDSAT stayed the payment of license fee on revenue from Pure Internet Service. In October 2019, TDSAT delivered its judgment in the ISP Association case (ISPAI Judgment) and set aside the provision to pay license fee on the revenue from pure internet service under UL. TDSAT, following ISPAI judgment, allowed the petition filed by the subsidiary of the Company and set aside the demand notices.

DoT has filed appeal against ISPAI judgment before Supreme Court. On January 5, 2021, the Supreme Court admitted DoT's appeal, and also allowed subsidiary Company's intervention application, with a direction that DoT shall not be required to refund any amounts pursuant to TDSAT judgment and parties shall be bound by the final directions as may be passed by the Supreme Court.

On March 31, 2021, DoT issued amendment to the ISP Licenses granted under the old regime i.e. under 2002 and 2007 with immediate effect (April 1, 2021). Amongst others, DoT included the revenue from pure internet services in the AGR for the purposes of license fees in such contracts (which was earlier allowed as permissible deduction under old regime). Accordingly, demand up to March 31, 2021 has been assessed to be a contingent liability (March 31, 2023: Rs. 35,551 and March 31, 2022: Rs. 30,728).

(iii) Demands for the contentious matters in respect of subscriber verification norms and regulations including validity of certain documents allowed as proof of address / identity. TDSAT and High Courts have granted interim reliefs to the subsidiary Company and one of its subsidiaries and the matters are pending for adjudication.

(iv) Penalty for alleged failure to meet certain procedural requirements for EMF radiation self-certification compliance.

(v) Additional demand received for the period already covered by the AGR judgement which mainly pertains to spectrum usage charges.

The matters stated above are being contested by the Group and based on legal advice, the Group believes that it has complied with all license related regulations and does not expect any financial impact due to these matters.

In addition to the amounts disclosed in the table above, the contingent liability on DoT matters includes the following:

(i) In respect of levy of one-time spectrum charge ("OTSC"), the DoT has raised demand on the Group in January 2013. The Group challenged the OTSC demand and the High Court of Bombay vide its order dated January 28, 2013, stayed enforcement of the demand and directed DoT not to take any coercive action. The DoT has filed its reply and this matter is currently pending before High Court of Bombay. The DoT had issued revised demands on the Group aggregating to Rs. 84,140 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 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 TDSAT, vide its judgment dated July 4, 2019, has set aside the DoT order for levy of OTSC with retrospective effect. Accordingly, as per the said order of the TDSAT; DoT can levy allotted after July 1, 2008, only from the date of allotment of such spectrum and in case of Spectrum beyond 6.2 MHz allotted before July 1, 2008, only prospectively i.e. w.e.f. January 1, 2013.

Further, demand for OTSC on spectrum allotted beyond start-up and up-to the limit of 6.2 MHz has been set aside. The TDSAT has asked DoT to issue revise demands, if any, in terms of the above directions. The said telecom service providers filed an appeal before the Supreme Court against the judgement passed by TDSAT. On March 16, 2020, the Supreme Court dismissed the appeal of the telecom service provider and did not interfere with the TDSAT judgement. Thereafter, the Telecom service provider had filed a review petition against the judgment dated March 16, 2020. The Supreme Court allowed the review petition and restored the telecom service providers appeal. The matter is pending adjudication before the Supreme Court.

DoT's appeal against the said TDSAT Order for the levy on Spectrum below 6.2 MHz is pending. The Supreme Court vide order dated August 21, 2020, stayed the TDSAT judgment July 4, 2019 in a case of another telecom service provider. The Supreme Court, vide order dated December 7, 2020, directed status quo to be maintained in case of another telecom service provider.

On account of prudence, out of the total demands of Rs. 84,140, the Group had recorded a charge of Rs. 18,075 during the year ended March 31, 2020 and interest charge thereon till March 31, 2023 amounting to Rs. 67,638. Balance demand amount of Rs. 66,065 has continued to be contingent liability.

(ii) DoT had issued notices to the subsidiary Company (as well as other telecom service providers) to stop provision of 3G services to its customers (under 3G Intra Circle Roaming ('ICR') arrangements executed with other service providers) in such service areas where the service provider has not been allocated 3G spectrum, and levied a penalty of Rs. 3,500 on the subsidiary of the Company. The subsidiary of the Company contested the notices before TDSAT, which in 2014 held 3G ICR arrangements between service providers to be competent and compliant to the licensing conditions and quashed the notice imposing penalty. The DoT has challenged the order of TDSAT before the Supreme Court, which is yet to be listed for hearing.

Considering the nature of above disputes / litigations, it is difficult to reliably ascertain the amount or timing of outflow on settlement.

g) Others

Airtel Bangladesh Limited was amalgamated with Robi Axiata Limited vide merger agreement dated January 28, 2016 and as a result the Subsidiary of the Company acquired 25% shareholding in Robi via its step-down subsidiary, Bharti International (Singapore) Pte. Limited, which latterly has changed to 28.18%. On November 16, 2016, a 'Tax Offset' Agreement was entered into between Robi Axiata Limited, Axiata Investments (Labuan) Limited and Bharti International (Singapore) Pte. Limited. Based on the terms of the tax offset arrangement, if Robi Axiata Limited is able to effect any tax offset of an amount attributable to Airtel Bangladesh Limited's tax relief (in form of carried forward tax losses and unabsorbed depreciation) following the issuance of a final order by Bangladesh tax authorities, Robi Axiata Limited shall transfer an amount equal to 40% of the tax relief to the Group. The Group believes that at this stage, it is not possible to ascertain the probability of such future benefits considering uncertainties around timing and amount of future cash inflows.

(ii) Commitments

Capital commitments

The Group has contractual commitments towards capital expenditure (net of related advance) of Rs. 263,035 and Rs. 143,958 as of March 31, 2023 and March 31, 2022 respectively.

In addition to the above, the Group's share of capital commitments of joint ventures and associates is Rs. 4,837 and Rs. 2,213 as of March 31, 2023 and March 31, 2022 respectively.

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(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

25 Revenue from operations	For the year ended	
	March 31, 2023	March 31, 2022
Service revenue	1,384,304	1,159,616
Sale of products	7,144	5,853
Financial assets designated at amortised cost:		
- Interest on loans	-	329
Net gain on FVTPL investments	91	11
	1,391,539	1,165,809

Disaggregation of sales

Revenue is disaggregated by primary geographical market, major products/service lines and timing of revenue recognition are as follows:

Particulars	Mobile Services		Airtel Business		Homes Services		Digital TV Services		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Geographical markets*										
India	739,373	614,036	119,450	101,562	40,430	30,348	29,315	31,456	928,568	777,402
South Asia	2,669	3,716	-	-	-	-	-	-	2,669	3,716
Africa	416,024	345,611	-	-	-	-	-	-	416,024	345,611
Others	-	-	44,187	38,740	-	-	-	-	44,187	38,740
	1,158,066	963,363	163,637	140,302	40,430	30,348	29,315	31,456	1,391,448	1,165,469
Major product/services lines										
Data and voice services	948,815	799,094	133,707	115,422	38,766	29,137	-	-	1,121,288	943,653
Others	209,251	164,269	29,930	24,880	1,664	1,211	29,315	31,456	270,160	221,816
	1,158,066	963,363	163,637	140,302	40,430	30,348	29,315	31,456	1,391,448	1,165,469
Timing of revenue recognition										
Products and service transferred at a point in time	3,761	2,907	5,361	3,845	778	530	-	-	9,900	7,282
Products and services transferred over time	1,154,305	960,456	158,276	136,457	39,652	29,818	29,315	31,456	1,381,548	1,158,187
	1,158,066	963,363	163,637	140,302	40,430	30,348	29,315	31,456	1,391,448	1,165,469

*Basis location of entity

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Contract balances

The following table provides information about unbilled revenue and deferred revenue from contract with customers:

	As of	
	March 31, 2023	March 31, 2022
Unbilled revenue (refer note 11)	20,923	19,051
Deferred revenue-current	84,995	75,929
Deferred revenue-non current	30,901	30,258

Significant changes in the unbilled revenue and deferred revenue balances during the year are as follows:

	For the year ended	
	March 31, 2023	
	Unbilled revenue	Deferred revenue
Revenue recognised that was included in deferred revenue at the beginning of the year		75,929
Increase due to cash received, excluding amounts recognised as the revenue during the year		85,638
Transfer from unbilled revenue recognised at the beginning of the year to receivables	19,051	

Reconciliation of costs to obtain or fulfil contracts with customers

	For the year ended	
	March 31, 2023	March 31, 2022
Cost to obtain a contract with the customer		
Opening balance	46,961	28,604
Cost incurred and deferred	52,377	38,429
Less: cost amortised	33,245	20,072
Closing balance	66,093	46,961

26	Other income	For the year ended	
		March 31, 2023	March 31, 2022
	Interest income	3,080	2,206
	Net gain on FVTPL investments and derivative financial instruments	2,474	120
	Government Grant	1,431	1,187
	Sale of Scrap	736	823
	Reversal of Impairment loss allowance on loans	-	52
	Miscellaneous Income	1,645	1,007
		9,366	5,395

27	Finance cost	For the year ended	
		March 31, 2023	March 31, 2022
	Interest on borrowing		
	-Banks, Financial Institutions and others	98,396	102,066
	-Commercial paper	2,907	21
	-Bank overdraft	-	-
	Interest on debt securities		
	Debentures	4,633	1,460
	Net foreign exchange loss	21,475	8,160
	Interest expenses-Lease Liabilities	44,912	29,855
	Other finance charges#	25,560	25,501
	Net loss on derivative financial instruments	3,013	-
		200,896	167,063

28	Network operating expenses	For the year ended	
		March 31, 2023	March 31, 2022
	Passive infrastructure charges^	55,637	51,925
	Power and fuel	130,882	104,898
	Repair and maintenance	55,930	52,195
	Internet, bandwidth and leased line charges	15,247	14,593
	Others*	27,737	26,594
		285,433	250,205

^ It includes short term and low value lease payments.

*It includes charges towards managed service, installation, insurance and security.

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29 Employee benefits expenses

	For the year ended	
	March 31, 2023	March 31, 2022
Salary and wages	39,711	37,227
Contribution to provident and other	2,271	2,086
Staff welfare expenses	2,661	2,403
Defined benefit plan/other long term benefits	1,543	958
Employee share based payment expense		
-Equity settled plans	1,115	776
-Cash settled plans	-	17
Others*	1,007	879
	48,308	44,346

*It mainly includes recruitment and training expenses.

29.1 Share based payment plans

The following table provides an overview of all existing share option plans of the Group:

Scheme	Plan	Vesting period	Contractual term
Equity settled plans			
Scheme I	2006 Plan	1-5	7
Scheme 2005	Long Term Investment (LTI plan)	1-3	7
Scheme 2021	Nxtra Employee Stock Option Plan	1-4	7
Africa plan	Replacement stock awards	1-2	2
Africa plan	IPO Awards	1-3	3
Africa plan	IPO Share options	1-3	10
Africa plan	IPO executive share options	1-3	10
Africa plan	Restricted share awards	3	3
Africa plan	One-off awards	1-3	3
Africa plan	Performance share awards	3	3
Africa plan	Replacement awards	1-2	2
Africa plan	Deferred bonus shares	2	2
Cash settled plans			
Africa plan	Shadow stock plan	1-2	2

The stock options vesting is subject to service and certain performance conditions mainly pertaining to certain financial parameters.

The movement in the number of stock options and the related weighted average exercise prices are given in the table below:

	For the year ended			
	March 31, 2023		March 31, 2022	
	Number of share options	Weighted average exercise price (Rs.)	Number of share options	Weighted average exercise price (Rs.)
2006 Plan				
Outstanding at beginning of year	-	-	113	5
Granted	-	-	-	-
Exercised	-	-	(113)	5
Outstanding at end of year	-	-	-	-
Exercisable at end of year	-	-	-	-
LTI plans				
Outstanding at beginning of year	3,223	5	3,048	5
Granted	3,283	5	1,956	5
Exercised	(648)	5	(1,297)	5
Forfeited / expired	(347)	5	(484)	5
Outstanding at end of year	5,511	5	3,223	5
Exercisable at end of year	1,395	5	904	5
Nxtra Employee Stock Option Plan				
Outstanding at beginning of year	15	5,780	-	-
Granted	24	5,780	16	5,780
Exercised	-	-	-	-
Forfeited / expired	(1)	5,780	(1)	5,780
Outstanding at end of year	38	5,780	15	5,780
Exercisable at end of year	3	5,780	-	-
Replacement stock awards*				
Outstanding at beginning of year	-	-	299	-
Granted during the year	-	-	135	-
Exercised	-	-	(434)	-
Outstanding at end of year	-	-	-	-
Exercisable at end of year	-	-	-	-

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IPO Awards*				
Outstanding at beginning of year	80	-	566	-
Granted during the year	53	-	63	-
Exercised	(133)	-	(511)	-
Forfeited / expired	-	-	(38)	-
Outstanding at end of year	-	-	80	-
Exercisable at end of year	-	-	-	-
IPO share option*				
Outstanding at beginning of year	751	77	3,132	75
Forfeited / expired	-	-	(2,381)	-
Outstanding at end of year	751	84	751	77
Exercisable at end of year	751	84	250	77
IPO executive share option*				
Outstanding at beginning of year	8,842	77	10,594	75
Exercised	(2,187)	-	(717)	-
Forfeited / expired	(265)	-	(1,035)	-
Outstanding at end of year	6,390	84	8,842	77
Exercisable at end of year	6,390	84	2,815	77
Shadow stock plan				
Outstanding at beginning of year	-	-	688	-
Granted during the year	-	-	261	-
Exercised	-	-	(884)	-
Forfeited / expired	-	-	(65)	-
Outstanding at end of year	-	-	-	-
Exercisable at end of year	-	-	-	-
Performance share awards				
Outstanding at beginning of year	1,523	-	1,373	-
Granted during the year	788	-	1,126	-
Exercised	-	-	(299)	-
Forfeited / expired	-	-	(677)	-
Outstanding at end of year	2,311	-	1,523	-
Exercisable at end of year	-	-	-	-
Restricted share awards				
Outstanding at beginning of year	708	-	633	-
Granted during the year	356	-	509	-
Exercised	-	-	(133)	-
Forfeited / expired	-	-	(301)	-
Outstanding at end of year	1,064	-	708	-
Exercisable at end of year	-	-	-	-
One-off award				
Outstanding at beginning of year	301	-	361	-
Granted during the year	-	-	-	-
Exercised	(60)	-	(60)	-
Outstanding at end of year	241	-	301	-
Exercisable at end of year	-	-	-	-
Replacement awards				
Outstanding at beginning of year	661	-	-	-
Granted during the year	-	-	661	-
Exercised	(330)	-	-	-
Outstanding at end of year	331	-	661	-
Exercisable at end of year	-	-	-	-
Deferred Bonus Shares				
Outstanding at beginning of year	-	-	-	-
Granted during the year	271	-	-	-
Exercised during the year	-	-	-	-
Outstanding at end of year	271	-	-	-
Exercisable at end of year	-	-	-	-

*On IPO in one of subsidiary company, these PUPs have been replaced with 'shadow stock plan' awards and replacement stock awards' and the benefits under the new replaced plans are based on share price of Airtel Africa plc. For IPO awards, Replacement Stock Awards and Shadow Stock awards, vesting is subject to service, total shareholder return ('TSR') and financial performance conditions while for IPO share options and IPO executive share options, vesting is subject to service condition only.

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The fair value of options is measured using Black-Scholes / Binomial valuation model. The key inputs used in the measurement of the grant date fair valuation of equity settled plans and fair value of cash settled plans are given in the table below:

	March 31, 2023	March 31, 2022
Risk free interest rate	2.1% to 7.1%	0.1% to 6.2%
Expected life	24 to 66 months	24 to 84 months
Volatility	28.7% to 58.4%	23.9% to 35.6%
Dividend yield	0.0% to 3.0%	0.0% to 3.7%
Exercised price (Rs.)	5.00 to 5780	5.00 to 5780
Share price on the date of grant (Rs.)	133.46 to 4,574.84	80.60 to 4,231.81

The expected life of the stock options is based on the Group's expectations and is not necessarily indicative of exercise patterns that may actually occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the expected life of the options is indicative of future trends, which may not necessarily be the actual outcome. Further, the expected volatility is based on the weighted average volatility of the comparable benchmark companies.

For details as to exercise price, refer table above.

The details of weighted average remaining contractual life, weighted average fair value and weighted average share price for the options are as follows:-

Weighted average	For the year ended	
	March 31, 2023	March 31, 2022
Remaining contractual life for the option outstanding as of (years)	0 to 6	0 to 7
Fair value for the options granted during the year ended (Rs)	98.9 to 1,466.9	52.05 to 990.5
Share price of the options granted during the year ended (Rs)	125 to 851.2	112.67 to 716.6

The carrying value of cash settled plans liability is Rs. Nil as of March 31, 2023 and March 31, 2022.

29.2 Employee benefits

The details of significant employee benefits are as follows:

	For the year ended			
	March 31, 2023		March 31, 2022	
	Retirement benefits	Compensated absence	Retirement benefits	Compensated absence
Obligation:				
Balance as at beginning of the year	3,602	1,794	3,685	1,645
Current service cost	676	442	203	384
Interest cost	324	132	296	126
Benefits paid	(676)	(362)	(588)	(417)
Transfers	(6)	(1)	(14)	(3)
Remeasurements	176	(30)	44	(52)
Exchange difference	105	40	(24)	111
Present value of funded obligation	4,201	2,015	3,602	1,794
Assets:				
Balance as at beginning of year	5	-	5	-
Interest income	1	-	-	-
Fair value of plan assets	6	-	5	-
Liability recognized in the balance sheet	4,195	2,015	3,597	1,794
Current portion	1,394	1,418	872	1,273
Non-current portion	2,801	597	2,725	521

As of March 31, 2023, expected contributions for defined benefit plans for the next annual reporting period is Rs. 1,020.

Amount recognised in other comprehensive income for the above plans

	For the year ended	
	March 31, 2023	March 31, 2022
Experience losses	247	92
Gains / loss from change in financial demographic assumptions	(13)	23
Gains from change in financial assumptions	(58)	(71)
Remeasurements on liability	176	44
Return on plan assets, excluding interest income	-	-
Remeasurements on plan assets	-	-
Net remeasurements recognized in Other comprehensive income	176	44

The above mentioned plan assets are entirely represented by funds invested with LIC.

BHARTI TELECOM LIMITED
Notes to Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

Due to its defined benefit plans, the Group is exposed to the following significant risks:

Changes in bond yields - A decrease in bond yields will increase plan liability.

Salary risk - The present value of the defined benefit plans liability is calculated by reference to the future salaries of the plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The financial (per annum rates) and demographic assumptions used to determine defined benefit obligations are as follows:

	As of	
	March 31, 2023	March 31, 2022
Discount rate	9.39%	9.46%
Rate of return on plan assets	7.20%	3.40%
Rate of salary increase	6.50%	5.65%
Rate of attrition	5.40%-43%	5.20%-23%
Retirement age	58 to 60	58 to 60

The Group regularly assesses these assumptions with the projected long-term plans and prevalent industry standards.

The impact of sensitivity due to changes in the significant actuarial assumptions on the defined benefit obligations is given in the table below:

	Change in assumption	As of	
		March 31, 2023	March 31, 2022
		Effect on defined benefits obligation for retirement benefits	
Discount rate	+1%	(185)	(127)
	-1%	33	118
Salary growth rate	+1%	30	116
	-1%	(185)	(127)

The above sensitivity analysis is determined based on a method that extrapolates the impact on the net defined benefit obligations, as a result of reasonable possible changes in the significant actuarial assumptions. Further, the above sensitivity analysis is based on a reasonably possible change in a particular under-lying actuarial assumption, while assuming all other assumptions to be constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The table below summarizes the maturity profile and duration of the gratuity liability:

	For the year ended	
	March 31, 2023	March 31, 2022
Within one year	1,389	858
Within one-three years	1,378	1,320
Within three-five years	1,129	987
above five years	2,374	2,258
	6,270	5,423
Weighted average duration (in years)	5.69	5.35

30	Sales and marketing expenses	For the year ended	
		March 31, 2023	March 31, 2022
	Sales commission and distribution	47,398	37,238
	Advertisement and marketing	12,539	10,274
	Business promotion	2,062	1,699
	Other ancillary expenses	10,455	3,824
		72,454	53,035
31	Depreciation and amortization	For the year ended	
		March 31, 2023	March 31, 2022
	Depreciation on Property, Plant and Equipments (refer note 5)	206,839	191,646
	Depreciation on Right of Use Assets (refer note 36)	78,474	64,336
	Amortisation on Intangible Assets (refer note 6)	79,005	74,925
		364,318	330,907

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Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

32	Other expenses	For the year ended	
		March 31, 2023	March 31, 2022
	Rent, taxes and energy costs		
	Content cost	8,557	7,247
	Cost of sales*	33,569	25,597
	Repairs and maintenance		
	IT expenses	6,579	5,358
	Customer care expenses	4,827	5,106
	Legal and professional charges	4,277	4,073
	Allowance for doubtful debts	4,262	1,869
	Collection and recovery expenses	2,563	1,814
	Travelling and conveyance	2,654	1,681
	Bad debts written off	1,402	1,179
	Charity and donation	483	640
	Others#	9,653	9,758
		78,826	64,322

*It includes cost of goods sold, mobile money distribution and gateway charges.

#It includes short term and low value lease payments, printing and stationery, security, repair and maintenance expenses, etc. Further, it includes political contributions amounting to Rs. 300 and Rs. 1,025 made under Section 182 of the Act, during the year ended March 31, 2023 and March 31, 2022 respectively.

BHARTI TELECOM LIMITED**Notes to Consolidated Financial Statements for the year ended March 31, 2023****(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)****33 Exceptional items**

Exceptional items comprise of the following:

(i) For the year ended March 31, 2023:

- a. Charge on account of provision for license fee related to earlier periods in one of group wholly- owned subsidiary of Rs. 6,698.

(ii) For the year ended March 31, 2022:

- a. Gain of Rs. 9,923 on account of settlement with a strategic vendor.
b. Net gain of Rs. 7,221 on account of transfer of spectrum rights to another telecom operator.
c. Gain of Rs. 8,296 on account of sale of telecommunication tower assets.
d. Charge of Rs. 1,428 on account of prepaying bonds.
e. Charge of Rs. 3,216 on account of provision of levies.
f. Charge of Rs. 3,810 on account of impairment of property, plant and equipment.

Tax expense / (credit) include:

- a. Net credit of Rs. 14,825 relating to above exceptional item and due to deferred tax asset recognised on account of carried forward losses, temporary differences and trued up of deferred tax assets in Group's subsidiary which was not recognised in the past during the year ended March 31, 2023.
b. Net charge of Rs. 1,033 relating to above exceptional items and gain due to deferred tax asset recognised on account of carried forward losses in a subsidiary recognised during the year ended March 31, 2022

The net impact for NCI is charge and benefit of Rs. 6,222 and Rs. 8,681 during the year ended March 31, 2023 and March 31, 2022 respectively, relating to the above exceptional items.

34 Earning per share (EPS)

The details used in the computation of basic and diluted EPS:

	For the year ended	
	March 31, 2023	March 31, 2022
Profit/(Loss) attributable to equity shareholders as per statement of Profit and Loss	26,806	14,178
Weighted Average number of shares outstanding during the year (in absolute)	2,582,316,336	2,582,316,336
Earning per share		
Equity shares of face value Rs. 5 per share		
Basic	10.38	5.49
Diluted	10.38	5.49

35 Segment reporting

The Group's operating segments are organised and managed separately through the respective business managers, according to the nature of products and services provided and geographies in which services are provided, with each segment representing a strategic business unit. These business units are reviewed by the Chairman of the Group (Chief Operating Decision Maker - 'CODM').

The amounts reported to CODM are based on the accounting principles used in the preparation of Financial Statements as per Ind AS. Segment's performance is evaluated based on segment revenue and segment result viz. profit or loss from operating activities before exceptional items and tax, after excluding charity and donation cost but including share of result of joint ventures and associates. Accordingly, finance costs / income, non-operating (income) / expenses and exceptional items are not allocated to individual segment.

Inter-segment pricing and terms are reviewed and changed by the management to reflect changes in market conditions and changes to such terms are reflected in the period in which the changes occur. Inter-segment revenues are eliminated upon consolidation of segments / Group accounting policy alignments are reflected in the 'Eliminations / Adjustments' column.

Segment assets / liabilities comprise assets / liabilities directly managed by each segment. Segment assets primarily includes receivables, ROU, PPE, capital work-in-progress, intangible assets, IAUD, non-current investments, inventories and cash and cash equivalents. Segment liabilities primarily include operating and lease liabilities. Segment capital expenditure comprises of additions to PPE, CWIP, intangible assets, and IAUD, ROU and capital advances.

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

The reporting segments of the Group are as below:

Mobile Services India: These services cover voice and data telecom services provided through wireless technology (2G / 4G / 5G) in India. This includes the captive national long distance networks which primarily provide connectivity to the mobile services business in India. This also includes intra-city fibre networks.

Mobile Services Africa: These services cover provision of voice and data telecom services provided through wireless technology (2G / 3G / 4G) in Africa. This also includes corporate headquarter costs of the Group's Africa operations.

Mobile Services South Asia: These services cover voice and data telecom services provided through wireless technology (2G / 3G / 4G) in Sri Lanka.

Airtel Business: These services cover end-to-end telecom solutions being provided to large Indian and global corporations by serving as a single point of contact for all telecommunication needs across data and voice (domestic as well as international long distance), network integration and managed services.

Tower Infrastructure Services: These services include setting up, operating and maintaining wireless communication towers in India.

Homes Services: These services cover voice and data communications through fixed-line network and broadband technology for homes.

Digital TV Services: This includes digital broadcasting services provided under the direct-to-home platform.

Others: It includes certain other strategic investment in joint venture / associates, and administrative / support services provided to other segments.

Unallocated: It includes expenses / results, assets and liabilities primarily of corporate headquarters of the Group, non-current investment, current taxes, deferred taxes, borrowings and certain financial assets and liabilities, not allocated to the operating segments.

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Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

Summary of the segmental information for the year end as of March 31, 2023 is as follows.

	Mobile Services India	Mobile Services Africa	Mobile Services South Asia	Airtel Business	Tower Infrastructure Services	Homes Services	Digital TV Services	Others	Unallocated	Eliminations/ Adjustments	Total of continuing operations
Revenue from external customers	739,373	416,024	2,669	163,637	-	40,430	29,315	92	-	-	1,391,540
Inter-segment revenue	19,873	6,640	275	22,294	-	42	135	855	-	(50,114)	-
Total revenue	759,246	422,664	2,944	185,931	-	40,472	29,450	947	-	(50,114)	1,391,540
Share of results of joint ventures and associates*	1	26	-	(90)	7,365	5	-	214	-	-	7,521
Segment results	148,452	141,471	(1,782)	54,324	7,365	8,901	3,996	292	(1,912)	(515)	360,592
Less:											
Net finance costs*											195,342
Charity and donation											783
Exceptional items (net)											6,698
Profit before tax											157,769
Other segment items											
Capital expenditure	644,936	60,400	1,059	34,435	-	21,826	13,555	-	-	-	776,211
Addition to ROU	251,446	62,958	78	396	-	491	-	-	-	-	315,369
Depreciation and amortisation expenses	252,300	65,836	1,264	19,407	-	11,599	13,348	-	866	(302)	364,318
As of March 31, 2023											
Segment assets	2,757,708	886,068	8,530	227,093	250,201	56,329	48,524	42,089	251,453	(61,122)	4,466,872
Segment liabilities	1,107,945	394,369	4,356	113,712	-	43,238	59,778	163,301	1,748,172	(70,511)	3,564,361
Investment in joint ventures and associates (included in segment assets above)	82	358	-	847	250,201	60	-	30,290	-	-	281,838

*This is net of income/ gain from dividend, interest, FVTPL investments and derivative financial instruments.

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Notes to Consolidated Financial Statements for the year ended March 31, 2023
(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

Summary of the segmental information for the year end as of March 31, 2022 is as follows.

	Mobile Services India	Mobile Services Africa	Mobile Services South Asia	Airtel Business	Tower Infrastructure Services	Homes Services	Digital TV Services	Others	Unallocated	Eliminations/ Adjustments	Total of continuing operations
Revenue from external customers	614,036	345,611	3,716	140,302	-	30,348	31,456	341	-	-	1,165,810
Inter-segment revenue	15,113	5,001	153	20,400	-	42	82	355	-	(41,146)	-
Total revenue	629,149	350,612	3,869	160,702	-	30,390	31,538	696	-	(41,146)	1,165,810
Share of results of joint ventures and associates*	2	21	-	(18)	24,242	14	-	(29)	-	-	24,232
Segment results*	79,578	116,769	(2,422)	44,996	24,242	5,841	8,923	1,104	(2,002)	(1,496)	275,533
Less:											
Net finance costs*											165,475
Non-operating expenses (net)											1,082
Charity and Donation											1,665
Exceptional items (net) (refer note 32)											(16,986)
Profit before tax											124,297
Other segment items											
Capital expenditure	267,538	48,891	3,408	28,507	-	17,217	13,073	-	-	-	378,634
Additions to ROU	56,008	40,387	318	1,698	-	763	1,116	-	-	-	100,290
Depreciation and amortisation	233,215	55,323	1,801	17,459	-	10,174	12,083	-	1,014	(162)	330,907
Donation											
Preoperative expenses											
Deferred tax (expense) / benefit	2,757,708	886,068	8,530	227,093	250,201	56,329	48,524	41,548	251,453	(61,122)	4,466,332
As of March 31, 2022											
Segment assets	2,098,755	764,965	9,313	211,548	248,791	41,588	41,308	35,618	235,794	(50,580)	3,637,100
Segment liabilities	804,125	307,299	3,497	151,993	-	26,212	47,325	15,642	1,425,399	(49,049)	2,732,443
Investment in joint ventures and associates (included in segment assets above)	76	442	-	998	248,791	53	-	33,908	-	-	284,268

*This is net of income/ gain from dividend, interest, FVIPL investments and derivative financial instruments.

Geographical information*:

(a) Revenue from external Customers

	For the year ended	
	March 31, 2023	March 31, 2022
India	928,659	777,742
Africa	416,024	345,611
Others	46,857	42,456
	1,391,540	1,165,809

(b) Non-current assets#:

	As of	
	31-Mar-23	31-Mar-22
India and rest of the world	2,521,224	1,873,498
Africa	719,964	606,507
Others	32,865	21,919
	3,274,053	2,501,924

*Basis location of entity

#Non-current operating assets for the purpose consist of PPE, CWIP, ROU, intangible assets, intangible assets under development, capital advances and goodwill.

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

36 Related party disclosures

a) List of related parties

i. Parent/Ultimate controlling entity

Bharti Enterprises (Holding) Private Limited. It is held by private trusts of Bharti family, with Mr. Sunil Bharti Mittal's family trust effectively controlling the said company.

iii. For list of subsidiaries, joint venture and associates refer note no. 44.

iv. Other entities with whom transactions have taken place during the reporting periods

- Entities having significant influence over the Company ('Significant influence entities')

Pastel Limited
Singapore Telecommunications Limited

- Fellow companies (subsidiaries / joint ventures / associates other than that of the Company)

a) Subsidiaries

Bharti Enterprises Limited
Bharti Management Services Limited (Formerly known as Bharti AXA General Insurance Company Limited) (w.e.f. March 31, 2023)

b) Associates

Bharti Life Ventures Private Limited

-Subsidiary of Associate

Bharti Axa Life Insurance Company Limited

Bharti Management Services Limited (formerly known as Bharti Axa General Insurance Company Limited) (upto March 30, 2023)

- Others related parties*

a) Entities where Key Management Personnel and their relatives exercise significant influence

Bharti Foundation
Hike Private Limited
Bharti RBM Holdings Private Limited

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

b) Others

Del Monte Foods Private Limited
Bharti Land Limited
Alborz Developers Limited
Vinta Realty Limited
Populus Realty Limited
Bharti Realty Limited
Beetel Teletech Limited
Centum Learning Limited
IFFCO Kisan Sanchar Limited
Bharti Global Limited
Bharti Real Estates Limited
Aban Green Power Private Limited
Greenergy Wind Corporation Private Limited
Deber Technologies Private Limited
Oak Infrastructure Developers Limited
Indian School of Business
Guernsey Airtel Limited
CA Cloud Investments
Gourmet Investments Private Limited
Jersey Airtel Limited
Century Metal Recycling Private Limited
Urbanclap Technologies India Private Limited
Indian Continent Investment Limited
Viridian Limited
Dixon Electro Appliances Private Limited
Ampsolar Evolution Private Limited

* 'Other related parties' though not 'Related Parties' as per the definition under Ind AS 24, Related party disclosures have been included by way of a voluntary disclosure, following the best corporate governance practices.

In the ordinary course of business, there are certain transactions among the Group entities, and all these transactions are on arm length basis. However, the intra-group transactions and balances, and the income and expenses arising from such transactions, are eliminated on consolidation.

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

(b) The summary of transactions with the above mentioned parties is as follows:

	For the year ended									
	March 31, 2023					March 31, 2022				
	Controlling entity	Significant influence/ other related parties	Associates	Joint ventures	ORP/FC*	Controlling entity	Significant influence/ other related parties	Associate	Joint ventures	ORP/FC*
Purchase of assets	-	(32)	-	404	14,642	-	106	-	-	6,020
Sale / rendering of services	-	771	916	168	278	-	602	357	223	140
Purchase of goods / receiving of services	-	747	4,916	33,620	519	-	807	4,245	27,132	679
Reimbursement of energy expenses	-	-	-	61,157	389	-	-	-	52,506	376
Purchase of investments	-	-	-	8,106	-	-	-	1,148	27,077	-
Loans taken	-	2,050	-	-	-	-	-	-	-	5,360
Repayment of loan taken	-	2,050	-	-	3,820	-	-	-	-	1,540
Receiving of assets (related to ROU)#	-	-	-	182,316	(1,507)	-	-	-	24,985	2,733
Dividend paid	-	2,319	-	-	1,050	-	-	-	-	-
Dividend received/ income	-	-	255	13,852	-	-	-	388	-	-
Sale of fixed assets/ IRU	-	-	-	-	-	-	-	-	-	1,258
Fund transferred / Expenses incurred on behalf of others	-	-	251	9	-	-	-	283	9	0
Fund received/ Expenses incurred on behalf of Company	-	-	123	-	-	-	-	64	-	245
Security deposit given	-	-	-	-	72	-	-	-	-	113
Loans given	-	-	-	-	2,050	-	-	-	-	1,750
Repayment of loans given	-	-	-	-	2,050	-	-	-	8	5,200
Interest received	-	-	-	-	-	-	-	-	-	328
Refund of security deposit given	-	-	-	36	61	-	-	-	-	321
Interest charged by others	-	3	-	-	90	-	-	-	42	154

*Other related parties/fellow companies

Amount disclosed is net of termination

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

The significant related party transaction are summarised below:

	For the year ended	
	March 31 ,2023	March 31 ,2022
(i) Purchase of fixed assets		
Other related parties		
Beetel Teletech Limited	7,819	5,955
Bharti Realty Limited*	5,800	-
Dixon Electro Appliances Private Limited	1,023	-
(ii) Rendering of services		
Entities having control over company / entities having significant influence over the company		
Singapore Telecommunications Limited	771	602
Associates		
Airtel Payments Bank Limited	880	343
(iii) Receiving of services		
Entities having significant influence over the company		
Singapore Telecommunications Limited	747	807
Associates		
Airtel Payment Bank Limited	4,706	4,224
Joint venture#		
Indus Tower Limited	33,464	26,975
(iv) Sale of fixed assets/IRU		
Other related party		
Beetel Teletech Limited	-	1,258

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Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

(v) Reimbursement of energy expenses paid

Joint venture		
Indus Tower Limited	61,157	52,499
(vi) Receiving / (termination) of assets (ROU)#**		
Joint venture		
Indus Towers Limited ^	182,316	24,985
Other related party		
Bharti Realty Limited	(1,507)	2,733
(vii) Dividend received/income		
Joint ventures		
Indus Towers Limited	13,852	-
Associate		
Robi Axiata Limited	255	383
(viii) Dividend paid		
Entities having control over the Company / entities having significant influence over the Company		
Pastel Limited	2,319	-
Other related party		
Indian Continent Investment Limited	1,012	-
(ix) Investment made		
Joint venture		
Indus Towers Limited	8,106	24,378

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Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

Associates		
Lavelle Networks Private Limited	-	150
Hughes Communications India Pvt. Ltd	-	998
(x) Loans taken		
Other related parties		
Alborz Developers Limited	-	2,150
Populus Realty Limited	-	1,450
Vinta Realty Limited	-	1,760
(vii) Loans repayment		
Entity having control over the Company		
Bharti Telecom Limited	-	9,650
Other related parties		
Alborz Developers Limited	1,240	910
Populus Realty Limited	820	630
Vinta Realty Limited	1,760	-

#Amount does not include GST

*During the year ended March 31, 2023, the Company has acquired business undertaking as a going concern on a slump sale basis comprising of certain immovable property in Chennai and Manesar along with related assets and liabilities under a business transfer agreement for a consideration of Rs. 5,800.

**Amount disclosed is net of termination.

^During the year ended March 31, 2023, the Group has made payment of Rs. 46,324 and Rs. 43,825 in respect of the lease liabilities.

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

c) The outstanding balances of the above mentioned parties are as follows:-

Nature of Transaction	Controlling entity	Significant influence entities	Associates	Joint ventures	ORP / FC*
As at March 31, 2023					
Trade payable	-	410	5	37,710	1,149
Trade receivable	-	-	794	-	130
Other financial assets	-	1	90	1,557	956
Loans	-	-	-	-	-
Lease liability#	-	-	-	277,885	4,304
Other financial liabilities	-	-	-	-	-
	-	-	-	-	-
As at March 31, 2022					
Trade payable	-	393	73	28,224	1,859
Trade receivable	-	-	401	-	53
Other financial assets	-	1	117	1,609	1,059
Loans	-	-	-	-	3,820
Lease liability#	-	-	-	124,038	4,156
Other financial liabilities	-	-	-	-	17,879

*Other related parties/fellow companies

It include discounted value of future cash payouts

(1) Outstanding balances at period end are un-secured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

(2) In addition to the above, Rs. 56 and Rs. 236 donation has been given to Bharti Foundation during the year ended March 31, 2023 and March 31, 2022 respectively.

BHARTI TELECOM LIMITED**Notes to Consolidated Financial Statements for the year ended March 31, 2023****(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)****a) Transactions and balances with KMPs of Subsidiary of the Company**

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director, whether executive or otherwise. Remuneration to key management personnel were as follows:

	For the year ended	
	March 31, 2023	March 31, 2022
Short-term employees benefits	369	295
Performance linked incentives ('PLI')#	183	164
Post-employment benefits	22	21
Other long-term benefits	24	22
Other awards	290	300
Share-based payments	202	174
	1,090	976

#Value of PLI, as shown above, represents incentive at 100% performance level except PLI to one of the KMPs, for which actual amount of PLI is considered. PLI provided for during the current year will be paid in the next year on the basis of actual performance parameters. During the year ended March 31, 2023 and 2022, PLI of Rs. 186 and Rs. 236 respectively has been paid.

As the liabilities for the gratuity and compensated absences are provided on an actuarial basis, and calculated for the Company as a whole rather than each of the individual employees, the said liabilities pertaining specifically to KMP are not known and hence, not included in the above table.

In addition to above,

a) Rs. Nil and Rs. 28 has been paid to one of the key managerial personnel during the year ended March 31, 2023 and March 31, 2022 respectively towards post-employment benefits, upon his resignation from the Company.

b) Rs. 4 and Rs. Nil have been paid as dividend to key management personnel during the year ended March 31, 2023 and March 31, 2022 respectively.

"Other awards & benefits" include commission to Non-Executive Directors (including Independent Directors) and sitting fees paid to the Independent Directors.

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

37 Leases**Group as a lessee****ROU**

The following table presents the reconciliation of changes in the carrying value of ROU assets for the year ended March 31, 2023 and March 31, 2022:

	Bandwidth	Plant and equipment	Building	Land	Transponder	Vehicle	Total
Balance at April 1, 2021	45463	213995	10155	18117	320	67	288,117
Additions	6195	79,157	3,952	8,556	2,235	195	100,290
Depreciation	(4,564)	(53,297)	(2,417)	(2,830)	(1,181)	(47)	(64,336)
Termination / other adjustments	(77)	2,418	(1,065)	(3,887)	(149)	-	(2,760)
Exchange differences	(24)	1,127	(6)	(115)	-	(7)	975
Balance at March 31, 2022	46993	243400	10619	19841	1225	208	322286
Balance at April 1, 2022	46,993	243,400	10,619	19,841	1,225	208	322,286
Additions	4,679	298,559	5,464	4,197	2,470	-	315,369
Depreciation	(4,298)	(66,939)	(2,448)	(2,987)	(1,772)	(30)	(78,474)
Termination / other adjustments	(9)	(6,238)	(3,077)	(1,962)	-	-	(11,286)
Exchange differences	(64)	(1,379)	(4)	8	-	10	(1,429)
Balance at March 31, 2023	47,301	467,403	10,554	19,097	1,923	188	546,466

Bandwidth

The Group's leases of bandwidth comprise of dark fiber taken on lease.

Plant and equipment

The Group leases passive infrastructure for providing telecommunication services under composite contracts that include lease of passive infrastructure and land on which the passive infrastructure is built as well as maintenance, security, provision of energy and other services.

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

Building

The Group's leases of building comprise of lease of offices, warehouses and shops.

Land

The Group's leases of land comprise of land taken on lease on which passive infrastructure and office is built.

Transponder

The Group's leases comprise of capacity in the space segment in satellite system in DTH business.

Amounts recognised in Statement of Profit and Loss

	For the year ended	
	March 31, 2023	March 31, 2022
Interest on lease liabilities	44,912	29,855
Expenses relating to short-term leases	210	731
Expenses relating to leases of low-value assets, excluding short-term leases of low-assets	265	236

Amounts recognised in Statement of Cash Flows

	For the year ended	
	March 31, 2023	March 31, 2022
Principle payment of lease liabilities	75,986	76,427

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be paid after the reporting date.

	For the year ended	
	March 31, 2023	March 31, 2022
Not later than one year	143,637	103,893
Later than one year but not later than five years	393,853	239,513
Later than five years	261,121	134,059
	798,611	477,465

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

Group as a lessor- operating lease

Amounts recognised in Statement of Profit and Loss

	For the year ended	
	March 31, 2023	March 31, 2022
Lease income	901	2,527

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

Operating leases under Ind AS 116	For the year ended	
	March 31, 2023	March 31, 2022
Less than one year	491	693
One to two years	387	451
Two to three years	168	357
Three to four years	118	143
Four to five years	78	96
More than five years	240	302
Total	1,482	2,042

The Group has entered into non-cancellable lease arrangements to provide dark fiber on IRU basis and tower assets on site-sharing basis. Due to the nature of these transactions, it is impractical to segregate & compute gross carrying amount, depreciation for the year and accumulated depreciation of the asset given on operating lease as of March 31, 2023 and March 31, 2022 and accordingly, the related disclosures are not provided.

38 Financial and capital risk**1. Financial risk**

The business activities of the Group expose it to a variety of financial risks, namely market risks (that is, foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's risk management strategies focus on the unpredictability of these elements and seek to minimise the potential adverse effects on its financial performance. Further, the Group uses certain derivative financial instruments to mitigate some of these risk exposures (as discussed below in this note).

The financial risk management for the Group is driven by the Group's senior management ('GSM'), in close co-ordination with the operating entities and internal / external experts subject to necessary supervision. The Group does not undertake any speculative transactions either through derivatives or otherwise. The GSM are accountable to the Board of Directors ('the BoD') of subsidiary company and its Audit Committee. They ensure that the Group's financial risk-taking activities are governed by appropriate financial risk governance frame work, policies and procedures. The BoD of subsidiary of the respective operating entities periodically reviews the exposures to financial risks, and the measures taken for risk mitigation and the results thereof.

The Group policy requires for material translation exposure to be established under effective hedge relationships by ensuring that the critical terms of the hedging instruments match with the terms of the hedged item so as maintain the hedge ratio to be 1:1. The Group uses prospective effectiveness assessment (dollar offset / hypothetical derivative method) to ensure that an economic relationship exists between the hedged item and hedging instrument.

BHARTI TELECOM LIMITED**Notes to Consolidated Financial Statements for the year ended March 31, 2023****(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)****(i) Foreign currency risk**

Foreign exchange risk arises on all recognised monetary assets and liabilities, and any highly probable forecasted transactions, which are denominated in a currency other than the functional currency of the transacting Group entity. The Group, through the Parent, several intermediary entities and subsidiaries; operates across multiple geographies in the Africa and Asia continent. Accordingly, the Group is exposed to translation risk on the net investment in foreign subsidiaries. The Group has foreign currency trade payables, receivables and borrowings (internal as well as external). However, foreign exchange exposure mainly arises from borrowings and trade payables denominated in foreign currencies and certain net investment in foreign currency. Consequently, the Group is mainly exposed to foreign exchange risks related to USD / Euro vis-à-vis the functional currencies and the translation risk related to USD to INR and USD to XAF - XOF (pegged to Euro).

The foreign exchange risk management policy of the Group requires it to manage the foreign exchange risk either through derivatives or reducing the exposure by transacting as far as possible in the functional currency. Moreover, the Group monitors the movements in currencies in which the borrowings / capex vendors are payable and manage any related foreign exchange risk, which inter-alia include entering into foreign exchange derivative contracts - as considered appropriate and whenever necessary. For further details as to foreign currency borrowings, refer note 18. Further, for the details as to the fair value of various outstanding derivative financial instruments designated in a hedge relationship or otherwise.

As per the Group's hedging policy certain foreign currency liability, highly probable forecast transactions and material net investment of the Group in foreign subsidiaries have been designated under cash flow hedge and net investment hedge respectively. The following table analyses the movement in the cash flow hedge reserve / net investment hedging in FCTR due to said hedges and details thereto.

a) Net investment hedge

	March 31, 2023		March 31, 2022	
Currency exchange risk hedged	-	USD to INR	Euro to USD	USD to INR
Nominal amount hedged as at the end of the year	-	USD 1910 Mn	Nil	USD 2778 Mn
Nominal amount hedged during the year	-	USD 1910 Mn	Euro 160 Mn	USD 2778 Mn
Maturity date	-	February 2025 - June 2031	May-21	June 2025- February 2028
Carrying value of hedging instruments (borrowings)	-	157,194	14,827	211,651
Change in fair value during the year				
:				
Hedged item		17,075	567	5,834
Hedging instrument		(17,075)	(567)	(5,834)
FCTR loss for continuing hedge (net of tax and NCI)		(40,331)	(2,727)	(28,510)
Hedging gain/(loss) recognized during the year		(17,075)	(567)	(5,834)
Loss reclassification during the year to P&L under exceptional items		-	-	-

BHARTI TELECOM LIMITED**Notes to Consolidated Financial Statements for the year ended March 31, 2023****(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)****Foreign currency sensitivity**

The impact of foreign exchange sensitivity on profit for the year and other comprehensive income is given in the table below:

For the year ended March 31, 2023	Change in currency exchange rate	Effect on profit before tax	Effect on equity (OCI)
US Dollar	+5%	(1,622)	(10,900)
	-5%	1,622	10,900
Euro	+5%	37	-
	-5%	(37)	-
Others	+5%	14	-
	-5%	(14)	-
For the year ended March 31, 2022			
US Dollar	+5%	(2,086)	(13,163)
	-5%	2,086	13,163
Euro	+5%	1	-
	-5%	(1)	-
Others	+5%	(54)	-
	-5%	54	-

The sensitivity disclosed in the above table is mainly attributable to, in case of to foreign exchange gains / (losses) on translation of USD / Euro / CHF denominated borrowings, derivative financial instruments, trade and other payables, and trade receivables.

The above sensitivity analysis is based on a reasonably possible change in the underlying foreign currency against the respective functional currency while assuming all other variables to be constant.

Based on the movements in the foreign exchange rates historically and the prevailing market conditions as at the reporting date, the Group's Management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

BHARTI TELECOM LIMITED**Notes to Consolidated Financial Statements for the year ended March 31, 2023****(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)****(ii) Interest rate risk**

As the Group does not have exposure to any floating-interest bearing assets, or any significant long-term fixed-interest bearing assets, its interest income and related cash inflows are not affected by changes in market interest rates. Consequently, the Group's interest rate risk arises mainly from borrowings.

Borrowings

Borrowings with floating and fixed interest rates expose the Group to cash flow and fair value interest rate risk respectively. However, the short-term borrowings of the Group do not have a significant fair value or cash flow interest rate risk due to their short tenure. Accordingly, the components of the debt portfolio are determined by the GSM in a manner which enables the Group to achieve an optimum debt-mix basis its overall objectives and future market expectations.

The Group monitors the interest rate movement and manages the interest rate risk based on its risk management policies, which inter-alia include entering into interest swaps contracts - as considered appropriate and whenever necessary.

The Group has designated the interest rate components (which is separately identifiable from other components) of certain fixed interest rate bonds under the hedge relationship since historically it accounts for substantial portions of the total fair value change of the bonds.

The following table analyses the financial impact of fair value hedge and details thereto.

	For the year ended	
	March 31, 2023	March 31, 2022
Interest rate risk covered for currency	-	-
Nominal amount of hedging instruments	-	-
Maturity date	-	-
Carrying value of hedging instruments (derivative assets)	-	-
Carrying value of hedging instruments (derivative liabilities)	-	-
Carrying value of hedged item (borrowings)	-	-
Change in fair value during the year		
Hedged item	-	-
Hedging instrument	-	-
Hedge ineffectiveness recognized in finance income/cost during the year		
Cumulative change in fair value of hedged item	-	-
Unamortized portion of fair value hedge adjustment	(1,465)	(3,229)

#During the year, the derivatives designated for fair value hedges has been cancelled.

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

Interest rate sensitivity of borrowings

The impact of the interest rate sensitivity on profit before tax is given in the table below:

Interest rate sensitivity	Increase / decrease (basis	Effect on profit before tax
For the year ended March 31, 2023		
INR - borrowings	+100	(793)
	-100	793
USD -borrowings	+25	(153)
	-25	153
Other currency -borrowings	+100	(339)
	-100	339
For the year ended March 31, 2022		
INR - borrowings	+100	(424)
	-100	424
USD -borrowings	+25	(95)
	-25	95
Other currency -borrowings	+100	(146)
	-100	146

The sensitivity disclosed in the above table is attributable to floating-interest rate borrowings and the interest swaps.

The above sensitivity analysis is based on a reasonably possible change in the underlying interest rate of the Group's borrowings in INR, USD and Euro (being the significant currencies in which it has borrowed funds), while assuming all other variables (in particular foreign currency rates) to be constant.

Based on the movements in the interest rates historically and the prevailing market conditions as at the reporting date, the Group's management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

(iii) Price risk

The Group invests its surplus funds in various fixed income products, including but not limited to debt mutual funds, short term debt funds, corporate debt, government securities and fixed deposits. In order to manage its price risk arising from investments, the Group diversifies its portfolio in accordance with the limits set by the risk management policies. The Group has exposure across debt securities, mutual fund and money market instruments.

Debt investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However due to the very short tenure of money market instruments and the underlying portfolio in liquid schemes, these do not pose any significant price risk. On the duration investment balance, an increase / decrease of 25 basis points in market yields (parallel shift of the yield curves), will result in decrease / increase in the mark to market value of the investments by Rs. Nil and Rs. Nil as on March 31, 2023 and March 31, 2022.

(iv) Credit risk

Credit risk refers to the risk of default on its obligation by the counter-party, the risk of deterioration of credit-worthiness of the counter-party as well as concentration risks of financial assets, and thereby exposing the Group to potential financial losses.

The Group is exposed to credit risk mainly with respect to trade receivables, investment in bank deposits, debt securities, mutual funds and derivative financial instruments.

Trade receivables

The Trade receivables of the Group are typically non-interest bearing unsecured and derived from sales made to a large number of independent customers. As the customer base is widely distributed both economically and geographically, there is no concentration of credit risk.

As there is no independent credit rating of the customers available with the Group, the management reviews the credit-worthiness of its customers based on their financial position, past experience and other factors.

Credit risk related to the trade receivables is managed / mitigated by each business unit, basis the Group's established policy and procedures, by setting appropriate payment terms and credit period, and by setting and monitoring internal limits on exposure to individual customers. The credit period provided by the Group to its customers generally ranges from 14-30 days except Airtel business segment wherein it ranges from 7-90 days.

The Group uses a provision matrix to measure the expected credit loss of trade receivables, which comprise a very large numbers of small balances. Refer note 14 for details on the impairment of trade receivables.

Based on the industry practices and the business environment in which the entity operates, Management considers that the trade receivables are impaired if the payments are more than 270 days past due in case of interconnect debtors in Africa Mobile Segment and 90/120 days from due/invoice date in all other cases.

BHARTI TELECOM LIMITED**Notes to Consolidated Financial Statements for the year ended March 31, 2023****(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)**

The ageing analysis of trade receivables as of the reporting date is as follows:

Particulars	Neither past due nor impaired	Past due but not impaired				Total
		Less than 30 days	30 to 60 Days	60 to 90 days	Above 90 days	
March 31, 2023	9,492	13,076	6,683	4,950	5,614	39,815
March 31, 2022	8,894	9,325	5,607	3,980	12,756	40,562

The Group performs on-going credit evaluations of its customers' financial condition and monitors the credit worthiness of its customers to which it grants credit in its ordinary course of business. The gross carrying amount of a financial asset is written of (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amount due. Where the financial asset has been written-of, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in statement of profit and loss.

Financial instruments and cash deposits

The Group's treasury, in accordance with the board approved policy, maintains its cash and cash equivalents, deposits and investment in mutual funds & debt securities, and enters into derivative financial instruments with banks, financial and other institutions, having good reputation and past track record, and high / sovereign credit rating. Similarly, counter-parties of the Group's other receivables carry either no or very minimal credit risk. Further, the Group reviews the credit-worthiness of the counter-parties (on the basis of its ratings, credit spreads and financial strength) of all the above assets on an on-going basis, and if required, takes necessary mitigation measures.

(v) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. Accordingly, as a prudent liquidity risk management measure, the Group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including bilateral loans, debt, and overdraft from both domestic and international banks at an optimised cost. It also enjoys strong access to domestic and international capital markets across debt and equity.

Moreover, the GSM regularly monitors the rolling forecasts of the entities' liquidity reserve (comprising of the amount of available undrawn credit facilities and cash and cash equivalents) and the related requirements, to ensure they have sufficient cash on an on-going basis to meet operational needs while maintaining sufficient headroom at all times on its available undrawn committed credit facilities, so that there is no breach of borrowing limits or relevant covenants on any of its borrowings. For details as to the borrowings, refer note 18.

Based on past performance and current expectations, the Group believes that the cash and cash equivalents, cash generated from operations and available undrawn credit facilities, will satisfy its working capital needs, capital expenditure, investment requirements, commitments and other liquidity requirements associated with its existing operations, through at least the next twelve months.

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:-

Particulars	As of March 31, 2023						Total
	Carrying amount	On demand	Less than 6 months	6 to 12 months	1 to 2 years	> 2 years	
Interest bearing borrowings*#	1,817,648	32,309	68,670	93,166	248,690	2,461,225	2,904,060
Lease liabilities*	604,755	-	82,757	60,886	117,878	537,063	798,584
Other financial liabilities#^	293,264	55,679	176,306	3,319	2,075	63,685	301,064
Trade payables	328,954	8	328,946	-	-	-	328,954
Financial liabilities (excluding derivatives)	3,044,621	87,996	656,679	157,371	368,643	3,061,973	4,332,662
Derivative liabilities	4,640	-	934	183	3,405	118	4,640

Particulars	As of March 31, 2022						Total
	Carrying amount	On demand	Less than 6 months	6 to 12 months	1 to 2 years	> 2 years	
Interest bearing borrowings*#	1,376,574	22,294	154,592	60,299	130,961	1,818,938	2,187,084
Lease liabilities*	367,634	-	62,228	41,665	74,561	299,017	477,471
Other financial liabilities#	239,714	46,928	138,726	3,784	1,969	52,240	243,647
Trade payable	292,765	23	292,741	-	-	-	292,764
Financial liabilities (excluding derivatives)	2,276,687	69,245	648,287	105,748	207,491	2,170,195	3,200,966
Derivative liabilities	995	-	385	610	-	-	995

*It includes contractual interest payment based on interest rate prevailing at the end of the reporting period after adjustment for the impact of interest swaps, over the tenor of the borrowings.

#Interest accrued but not due has been included in interest bearing borrowings and excluded from other financial liabilities.

^Compulsorily convertible preference shares are excluded from other financial liabilities.

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

vi) Reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities in the statement of cash flows:

Balance sheet caption	Statement of cash flow line item	April 1, 2022	Cash flows	Non-cash movements			FCTR	Others	March 31, 2023
				Interest expense	Foreign exchange	Fair value changes			
Borrowings*	Proceeds / repayments of borrowings	614,333	28,974	-	16,884	(887)	2,029	5,047	666,380
Interest accrued/ Derivate instrument	Interest and other finance charges	27,446	(66,893)	168,544	-	-	(4,772)	(78,084)	46,241
Lease liabilities	Payment of lease liabilities	367,634	(75,986)	-	-	-	16,516	296,591	604,755

Balance sheet caption	Statement of cash flow line item	April 1, 2021	Cash flows	Non-cash movements			FCTR	Others	March 31, 2022
				Interest expense	Foreign exchange	Fair value changes			
Borrowings*	Proceeds / repayments of borrowings	607,185	(12,162)	-	9,210	(380)	6,685	3,795	614,333
Interest accrued/ Derivate instrument	Interest and other finance charges	109,926	(131,588)	158,121	670	48	(454)	(109,277)	27,446
Lease liabilities	Payment of lease liabilities	329,953	(76,427)	-	-	-	2,567	111,541	367,634

*It does not include deferred payment liabilities and bank overdraft.

vii) Disclosure of non-cash transactions

	For the year ended	
	March 31, 2023	March 31, 2022
ROU additions during the year by means of lease	315,369	100,290
Acquisition of intangible assets and IAUD acquired by means of deferred payment liability	345,951	117,160
Allotment of 11,930,543 equity shares against the conversion request of FCCBs	6,931	-

2. Capital risk

The Group's objective while managing capital is to safeguard its ability to continue as a going concern (so that it is enabled to provide returns and create value for its shareholders, and benefits for other stakeholders), support business stability and growth, ensure adherence to the covenants and restrictions imposed by lenders and / or relevant laws and regulations, and maintain an optimal and efficient capital structure so as to reduce the cost of capital. However, the key objective of the Group's capital management is to, ensure that it maintains a stable capital structure with the focus on total equity, uphold investor; creditor and customer confidence, and ensure future development of its business activities. In order to maintain or adjust the capital structure, the Group may issue new shares, declare dividends, return capital to shareholders, etc.

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements.

The Group monitors capital using a gearing ratio calculated as below:

	As of	
	March 31 ,2023	March 31 ,2022
Borrowings	1,817,648	1,349,249
Less: Cash and cash equivalents	71,890	61,059
Less: Term deposits with bank	9,595	22,319
Net debt (A)	1,736,163	1,265,871
Equity	25,823	25,823
Total capital	25,823	25,823
Capital and net debt (B)	1,761,986	1,291,695
Gearing ratio (A/B)	98.5%	98.0%

39 Fair value of financial assets and liabilities

The category wise details as to the carrying value, fair value and the level of fair value measurement hierarchy of the Group's financial instruments are as follows:

Particulars	Level	As of			
		Carrying value		Fair value	
		March 31 ,2023	March 31 ,2022	March 31 ,2023	March 31 ,2022
Financial assets					
Fair value through profit and loss					
Derivatives					
- Currency swaps, Forward and option contracts	Level 2	1,406	498	1,406	498
- Interest swaps	Level 2	731	218	731	218
- Cross currency swap	Level 3	-	63	-	63
Other bank balances	Level 2	327	1,210	327	1,210
Investments - quoted	Level 1	37,153	8,832	37,153	8,832
Investments - unquoted	Level 2	587	540	587	540

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

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Investments - unquoted	Level 2	69	69	69	69
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Amortized cost

Investments - quoted		10,292	-	10,292	-
Trade receivables		39,815	40,562	39,815	40,562
Cash and cash equivalents		71,890	61,059	71,890	61,059
Other bank balances		62,065	72,774	62,065	72,774
Other financial assets		246,828	237,213	246,828	237,213
		471,163	423,038	471,163	423,038

Financials liabilities

Fair value through profit and loss

Derivatives

- Currency swaps, forward and option contracts	Level 2	1,048	676	1,048	676
- Cross currency swap	Level 3	3,569	269	3,569	269
- Embedded derivatives	Level 2	23	224	23	224

Amortized cost

Borrowing-fixed rate	Level 1	455,862	489,988	451,324	505,620
Borrowing-fixed rate	Level 2	1,176,891	729,498	1,238,052	765,466
Other financial liabilities-Put option liability		46,849	43,961	46,849	43,961
Borrowing-fixed rate		44,796	7,855	44,796	7,855
Borrowing-floating rate		140,099	121,907	140,099	121,907
Trade payable		328,954	292,764	328,954	292,764
Other financial liabilities		292,655	240,786	292,655	240,786
		2,490,746	1,927,928	2,547,369	1,978,359

BHARTI TELECOM LIMITED**Notes to Consolidated Financial Statements for the year ended March 31, 2023****(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)**

The following methods / assumptions were used to estimate the fair values:

- i. The carrying value of other bank balances, trade receivables, trade payables, short-term borrowings, floating-rate long-term borrowings, other current financial assets and liabilities approximate their fair value mainly due to the short-term maturities of these instruments / being subject to floating-rates.
- ii. Fair value of quoted financial instruments is based on quoted market price at the reporting date.
- iii. The fair value of non-current financial assets, other long-term borrowings and other financial liabilities is estimated by discounting future cash flows using current rates applicable to instruments with similar terms, currency, credit risk and remaining maturities.
- iv. The fair values of derivatives and other bank balance (measured at FVTPL) are estimated by using pricing models, wherein the inputs to those models are based on readily observable market parameters. The valuation models used by the Group reflect the contractual terms of the derivatives (including the period to maturity), and market-based parameters such as interest rates, foreign exchange rates, volatility etc. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgement and inputs thereto are readily observable.
- v. The fair value of the put option liability (included in other financial liabilities) to buy back the stake held by non-controlling interest in AMC BV is measured at the present value of the redemption amount (i.e. expected cash outflows). Since, the liability will be based on fair value of the equity shares of AMC BV (subject to a cap) at the end of 48 months, the expected cash flows are estimated by determining the projected equity valuation of the AMC BV at the end of 48 months and applying cap thereon.

The following table describes the key inputs used in the valuation (basis discounted cash flow technique) of level 2 financial assets / liabilities as of March 31, 2023 and March 31, 2022:

Financial assets / liabilities	Inputs used
- Currency swaps, forward and options contracts and other bank balances	Forward currency exchange rates, interest rates
- Interest swaps	Prevailing / forward interest rates in market, interest rates
- Embedded derivatives	Prevailing interest rates in market, inflation rates
- Investments	Prevailing interest rates in market, future cashflows
- Other financial assets / Fixed rate borrowings / other financial liabilities	Prevailing interest rates in market, future payouts, Interest rates

During the year ended March 31, 2023 and March 31, 2022 there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

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Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

Level 3 financial instruments

The following table provides the details as to changes in value of financial instruments categorized within level 3 of the fair value hierarchy:

Cross currency swaps ('CCS')	For the year ended	
	March 31, 2023	March 31, 2022
Opening balance	(206)	(201)
Increase in fair value (net): recognised in finance costs / other income (1)	(5,402)	(5)
Derivative Settled during the period	2,451	-
Exchange difference	(412)	-
Closing balance	(3,569)	(206)

(1) These amounts represent the amounts recognised in the financial statements during the year excluding the initial recognition deferment impact.

Put option liability	For the year ended	
	March 31, 2023	March 31, 2022
Opening balance	43961	0
Liability recognised by debiting NCI reserve	0	42704
Recognised in finance costs in Statement of Profit and Loss (unrealised)	521	306
Liability de-recognised by crediting transaction with NCI reserve following dividend payment to put option holders	(1,319)	0
Exchange difference	3686	951
Closing balance	46,849	43,961

The Group engages external, independent and qualified valuers to determine the fair value of the Group's embedded derivative categorised within level 3.

40 Other matters

In 1996, the subsidiary of the Company had obtained the permission from DoT to operate its Punjab license through one of its wholly owned subsidiary. However DoT cancelled the permission to operate in April, 1996 and subsequently reinstated in March, 1998. Accordingly, for the period from April 1996 to March, 1998 ('blackout period') the license fee was disputed and not paid by the group.

Subsequently, basis the demand from DoT in 2001, the subsidiary of the company paid the disputed license fee of Rs. 4,856 for blackout period under protest. Consequently, the license was restored subject to arbitrator's adjudication on the dispute. The arbitrator adjudicated the matter in favour of DoT, which was challenged by the subsidiary of the Company before Delhi High Court. In 2012, Delhi High Court passed an order setting aside the arbitrator's award, which was challenged by DoT and is pending before its division bench. Meanwhile, the subsidiary of the Company had filed a writ petition for recovery of the disputed license fee and interest thereto. However, the single bench, despite taking the view that the subsidiary of the Company is entitled to refund, dismissed the writ petition. The subsidiary of the Company therefore has filed appeal against the said order with division bench and the appeal is currently pending adjudication. DoT had also filed an appeal against the single judge order. Both these appeals are tagged together and are listed for final hearing.

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

Note 43 of Airtel: Relationship with stuck off Companies ?

41 Jointly controlled operations

The Group has participated in various consortium towards supply, construction, maintenance and providing long term technical support with regards to following Cables Systems. The details of the same are as follows and already included in property, plant and equipment and capital work in progress. Refer note 5:

Cable project	March 31, 2023		March 31, 2022	
	Net block	Share %	Net block	Share %
AAG-Project	1,555	7.86	1,577	7.88
EASSY Project	116	1.15	116	1.19
Unity Project	937	10.00	873	10.00
EIG Project	2,698	8.43	2,312	8.43
IMEWE Project	3,378	14.31	2,748	14.31
SMW-4 Project	1,332	9.68	1,109	9.68
SMW-6 Project-Core	3,914	10.00	795	10.00
SMW-6 Co-Build	5,324	100.00	938	100.00

42 Compliance with approved Schemes of Arrangement

All the Schemes of Arrangements, approved by the Competent Authority under the relevant provisions of the Act, have been accounted for in the consolidated books of account of the Group in accordance with the Scheme and in accordance with accounting standards.

43 Events after the reporting period

i. Subsequent to the year ended March 31, 2023, the subsidiary of the Company has entered into a binding term-sheet to combine operations of Bharti Airtel Lanka (Private) Limited, its wholly-owned steo down subsidiary, with Dialog Axiata Plc ('Dialog'). The proposed transaction envisages the subsidiary of the company will be granted a stake in Dialog which is subject to signing of definitive agreements and necessary closing conditions including applicable regulatory and shareholder approvals.

ii. Subsequent to the year ended March 31, 2023, the subsidiary of the Company has, in accordance with the terms of the Offering Circular dated January 14, 2020 w.r.t FCCBs, allotted 844,407 equity shares of the face value of Rs. 5 each fully paid up at a conversion price of Rs. 521 per equity share, against the conversion request of FCCBs of USD 6.1 million.

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

44 Table 1 - Details pertaining to share in net assets, profit or loss and total comprehensive income

S. No.	Name of the entity / Principal activities	Net Assets ('N A'), i.e., total		March 31, 2023 Share in profit or loss		Share in total	
		As % of consolidated N A	Amount	As % of consolidated P&L	Amount	As % of TCI	Amount
	Parent						
	- Telecommunication services						
1	Bharti Telecom Limited	9.15%	82,600	-11.36%	(3,045)	-19.06%	(3,045)
	Subsidiaries						
	A. Indian						
	- Telecommunication services						
1	Bharti Airtel Limited	87.53%	789,934	-3.34%	(896)	-6.18%	(988)
2	Bharti Hexacom Limited	4.66%	42,095	20.49%	5,492	34.36%	5,490
3	Airtel Limited	0.00%	(0)	0.00%	(0)	0.00%	(0)
4	OneWeb India Communications Private Limited	0.01%	86	-0.01%	(4)	-0.03%	(4)
	- Data Center and Managed Services						
1	Nxtra Data Limited	2.81%	25,323	8.21%	2,201	13.76%	2,199
	Content Procurement						
1	Airtel Digital Limited	0.38%	3,446	0.48%	129	0.74%	119
	Direct To Home services						
1	Bharti Telemedia Limited	-0.42%	(3,817)	-13.03%	(3,494)	-21.90%	(3,499)
	Other						
1	Bharti Airtel Services Limited	0.07%	603	3.05%	817	5.10%	815
2	Airtel International LLP	0.04%	329	0.35%	94	0.59%	94
	Uplinking channels for broadcasters						
1	Indo Teleports Limited	0.01%	106	-0.12%	(33)	-0.21%	(33)
	Employees Trust						
1	Bharti Airtel Employees' Welfare Trust	0.01%	48	0.02%	5	0.03%	5
	B. Foreign						
	- Infrastructure sharing services						
1	Congo RDC Towers S.A.	-0.09%	(813)	-0.06%	(16)	-0.10%	(16)
2	Gabon Towers S.A. #	0.00%	(3)	0.00%	-	0.00%	-
	Investment Company						
1	Airtel Mobile Commerce B.V.	0.93%	8,405	46.71%	12,521	78.37%	12,521
2	Airtel Mobile Commerce Holdings B.V.	0.01%	54	0.15%	40	0.25%	40
3	Airtel Africa Mauritius Limited	15.07%	135,993	28.96%	7,764	48.60%	7,764
4	Airtel Africa Plc	32.99%	297,774	69.78%	18,704	117.07%	18,704
5	Airtel Mobile Commerce Nigeria B.V.	-0.02%	(172)	0.00%	-	0.00%	-
6	Airtel Mobile Commerce (Seychelles) B.V.	0.00%	-	0.00%	-	0.00%	-
7	Airtel Mobile Commerce Congo B.V.	0.00%	-	0.00%	-	0.00%	-
8	Airtel Mobile Commerce Kenya B.V.	0.00%	-	0.00%	-	0.00%	-
9	Airtel Mobile Commerce Madagascar B.V.	0.00%	1	0.68%	181	1.13%	181
10	Airtel Mobile Commerce Malawi B.V.	0.00%	-	0.00%	-	0.00%	-
11	Airtel Mobile Commerce Rwanda B.V.	0.00%	-	0.00%	-	0.00%	-
12	Airtel Mobile Commerce Tchad B.V.	0.00%	-	0.00%	-	0.00%	-
13	Airtel Mobile Commerce Uganda B.V.	0.09%	799	17.48%	4,687	29.34%	4,687
14	Airtel Mobile Commerce Zambia B.V.	0.00%	-	0.00%	-	0.00%	-
15	Bharti Airtel Africa B.V.	10.93%	98,667	-20.70%	(5,549)	-34.73%	(5,549)
16	Bharti Airtel Chad Holdings B.V.	-0.11%	(956)	0.00%	-	0.00%	-
17	Bharti Airtel Congo Holdings B.V.	0.52%	4,697	1.45%	390	2.44%	390
18	Bharti Airtel Developers Forum Limited	0.00%	-	0.00%	-	0.00%	-
19	Bharti Airtel Holding (Mauritius) Limited	0.00%	(0)	-0.32%	(87)	-0.54%	(87)
20	Bharti Airtel Overseas (Mauritius) Limited	0.00%	10	0.00%	(1)	-0.01%	(1)
21	Bharti Airtel Gabon Holdings B.V.	1.12%	10,126	0.00%	-	0.00%	-
22	Bharti Airtel International (Mauritius) Limited	2.44%	22,036	2.74%	735	4.60%	735
23	Bharti Airtel International (Netherlands) B.V.	31.28%	282,325	114.44%	30,676	192.01%	30,676
24	Bharti Airtel Kenya B.V.	-5.58%	(50,403)	-18.67%	(5,004)	-31.32%	(5,004)
25	Bharti Airtel Kenya Holdings B.V.	-0.45%	(4,078)	-0.77%	(206)	-1.29%	(206)
26	Bharti Airtel Madagascar Holdings B.V.	-0.62%	(5,566)	0.03%	7	0.04%	7
27	Bharti Airtel Malawi Holdings B.V.	0.21%	1,895	6.56%	1,759	11.01%	1,759
28	Bharti Airtel Mali Holdings B.V.	-0.02%	(141)	-0.13%	(34)	-0.21%	(34)
29	Bharti Airtel Niger Holdings B.V.	2.07%	18,678	0.88%	236	1.48%	236
30	Bharti Airtel Nigeria B.V.	-9.32%	(84,108)	117.57%	31,517	197.27%	31,517

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

44 Table 1 - Details pertaining to share in net assets, profit or loss and total comprehensive income

S. No.	Name of the entity / Principal activities	March 31, 2023					
		Net Assets ('N A'), i.e., total		Share in profit or loss		Share in total	
		As % of consolidated N A	Amount	As % of consolidated P&L	Amount	As % of TCI	Amount
31	Bharti Airtel Nigeria Holdings II B.V.	-0.01%	(129)	35.25%	9,448	59.14%	9,448
32	Bharti Airtel RDC Holdings B.V.	0.03%	227	0.00%	1	0.01%	1
33	Bharti Airtel Rwanda Holdings Limited	0.00%	(38)	-0.04%	(11)	-0.07%	(11)
34	Bharti Airtel Services B.V.	0.04%	360	-0.06%	(17)	-0.11%	(17)
35	Bharti Airtel Tanzania B.V.	-1.15%	(10,344)	1.84%	492	3.08%	492
36	Bharti Airtel Uganda Holdings B.V.	0.20%	1,784	27.67%	7,418	46.43%	7,418

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(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)
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S. No.	Name of the entity / Principal activities	March 31, 2023					
		Net Assets ('N A'), i.e., total		Share in profit or loss		Share in total	
		As % of consolidated N A	Amount	As % of consolidated P&L	Amount	As % of TCI	Amount
37	Bharti Airtel Zambia Holdings B.V.	1.30%	11,753	13.16%	3,527	22.08%	3,527
38	Celtel (Mauritius) Holdings Limited	0.35%	3,182	-0.11%	(30)	-0.19%	(30)
39	Channel Sea Management Company (Mauritius) Limited	0.00%	-	0.00%	(1)	-0.01%	(1)
40	Indian Ocean Telecom Limited	0.13%	1,175	1.34%	358	2.24%	358
41	Montana International*	0.00%	(1)	0.00%	-	0.00%	-
42	Partnership Investments Sarl	0.00%	-	0.00%	-	0.00%	-
43	Société Malgache de Téléphone Cellulaire S.A. *	0.00%	-	0.00%	(1)	-0.01%	(1)
44	Bharti Airtel International (Mauritius) Investments Limited	0.00%	(1)	-0.01%	(1)	-0.01%	(1)
45	Airtel Mobile Commerce DRC B.V.	0.27%	2,452	8.85%	2,373	14.85%	2,373
46	Airtel Mobile Commerce Gabon B.V.	0.01%	73	3.07%	823	5.15%	823
47	Airtel Mobile Commerce Niger B.V.	0.00%	-	0.00%	-	0.00%	-
48	Airtel Digital Services Holdings B.V.	0.00%	1	0.00%	-	0.00%	-
49	Airtel Africa Telesonic Holdings Limited	0.00%	(1)	0.00%	(1)	-0.01%	(1)
50	Airtel Tchad Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	0.00%	(1)	0.00%	(1)	-0.01%	(1)
51	Airtel Madagascar Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	0.00%	-	0.00%	-	0.00%	-
52	Airtel DRC Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	-	-	0.00%	-	0.00%	-
53	Airtel Uganda Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	-	-	0.00%	-	0.00%	-
54	Airtel Zambia Telesonic Holdings (UK) Ltd (Incorporated on April 11, 2022)	-	-	0.00%	-	0.00%	-
55	Airtel Nigeria Telesonic Holdings (UK) Ltd (Incorporated on April 11, 2022)	-	-	0.00%	-	0.00%	-
56	Airtel Kenya Telesonic Holdings (UK) Ltd (Incorporated on April 11, 2022)	-	-	0.00%	-	0.00%	-
57	Airtel (M) Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	-	-	0.00%	-	0.00%	-
58	Airtel Congo Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	-	-	0.00%	-	0.00%	-
59	Airtel Gabon Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	-	-	0.00%	-	0.00%	-
60	Airtel Niger Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	-	-	0.00%	-	0.00%	-
61	Airtel Rwanda Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	-	-	0.00%	-	0.00%	-
62	Airtel Seychelles Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	-	-	0.00%	-	0.00%	-
63	Airtel Tanzania Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	-	-	0.00%	-	0.00%	-
64	Airtel Mobile Commerce Tanzania B.V. (Incorporated on November 3, 2022)	-	-	0.00%	-	0.00%	-
65	Nxtra Africa Data Holdings Limited (Incorporated on November 24, 2022)	-	-	0.00%	-	0.00%	-
66	Nxtra Nigeria Data Holdings (UK) Limited (Incorporated on November 28, 2022)	-	-	0.00%	-	0.00%	-
67	Nxtra Kenya Data Holdings (UK) Limited (Incorporated on November 28, 2022)	-	-	0.00%	-	0.00%	-
68	Nxtra DRC Data Holdings (UK) Limited (Incorporated on November 28, 2022)	-	-	0.00%	-	0.00%	-
69	Nxtra Gabon Data Holdings (UK) Limited (Incorporated on November 28, 2022)	-	-	0.00%	-	0.00%	-
70	Nxtra Congo Data Holdings (UK) Limited (Incorporated on November 28, 2022)	-	-	0.00%	-	0.00%	-
	- Mobile commerce services						
1	Airtel Mobile Commerce (Kenya) Limited	0.00%	-	0.00%	-	0.00%	-
2	Airtel Mobile Commerce (Seychelles) Limited	0.00%	(36)	0.00%	1	0.01%	1
3	Airtel Mobile Commerce (Tanzania) Limited	0.00%	-	0.00%	-	0.00%	-
4	Airtel Mobile Commerce Limited	0.26%	2,368	7.38%	1,978	12.38%	1,978
5	Airtel Mobile Commerce Madagascar S.A.	0.04%	342	0.42%	113	0.71%	113
6	Airtel Mobile Commerce Rwanda Limited	-0.01%	(93)	-0.09%	(23)	-0.14%	(23)
7	Airtel Mobile Commerce Tchad S.A (formerly known as Airtel Mobile Commerce Tchad S.a.r.l.)	0.00%	(3)	-0.22%	(59)	-0.37%	(59)

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Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

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S. No.	Name of the entity / Principal activities	Net Assets ('N A'), i.e., total		March 31, 2023 Share in profit or loss		Share in total	
		As % of consolidated N A	Amount	As % of consolidated P&L	Amount	As % of TCI	Amount
8	Airtel Mobile Commerce Uganda Limited	0.17%	1,507	17.91%	4,800	30.04%	4,800
9	Airtel Mobile Commerce Zambia Limited	0.18%	1,583	20.63%	5,530	34.61%	5,530
10	Airtel Money (RDC) S.A.	0.45%	4,043	8.77%	2,351	14.72%	2,351
11	Airtel Money Niger S.A.	0.06%	569	0.31%	84	0.53%	84
12	Airtel Money S.A.	0.24%	2,177	5.12%	1,372	8.59%	1,372

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(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

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S. No.	Name of the entity / Principal activities	March 31, 2023					
		Net Assets ('N A'), i.e., total		Share in profit or loss		Share in total	
		As % of consolidated N A	Amount	As % of consolidated P&L	Amount	As % of TCI	Amount
13	Airtel Money Transfer Limited	0.00%	31	0.02%	5	0.03%	5
14	Mobile Commerce Congo S.A.	0.00%	6	-0.14%	(37)	-0.23%	(37)
15	Airtel Money Tanzania Limited	0.06%	541	8.01%	2,147	13.44%	2,147
16	Airtel Mobile Commerce Nigeria Limited	0.00%	8	0.00%	1	0.01%	1
17	Airtel Money Kenya Limited (incorporated on June 29, 2020)	0.07%	675	0.15%	39	0.24%	39
18	Airtel Money Trust Fund	0.00%	-	0.00%	-	0.00%	-
19	The Registered Trustees of Airtel Money Trust Fund	0.00%	-	0.00%	-	0.00%	-
20	Smartcash Payment Service Bank Limited	0.00%	-	0.00%	-	0.00%	-
	- Submarine Cable System						
1	Network i2i Limited	23.27%	209,989	29.25%	7,840	49.07%	7,840
2	Network I2I (Kenya) Limited##	0.00%	(0)	0.00%	(0)	0.00%	(0)
	Others						
1	Network i2i (UK) Limited	0.00%	41	0.03%	8	0.05%	8
2	Airtel Africa Services (UK) Limited	-0.16%	(1,477)	-1.25%	(334)	-2.09%	(334)
3	Airtel Africa Telesonic Limited	0.01%	71	0.26%	69	0.43%	69
4	Airtel Mobile Commerce Services Limited	0.00%	(15)	0.12%	33	0.21%	33
	- Telecommunication services						
1	Airtel (Seychelles) Limited	0.06%	569	1.72%	462	2.89%	462
2	Airtel Congo (RDC) S.A.	-3.86%	(34,798)	33.64%	9,018	56.45%	9,018
3	Airtel Congo S.A.	-0.93%	(8,362)	-12.77%	(3,423)	-21.43%	(3,423)
4	Airtel Gabon S.A.	-0.24%	(2,138)	4.81%	1,290	8.07%	1,290
5	Airtel Madagascar S.A.	-1.47%	(13,310)	-7.95%	(2,132)	-13.34%	(2,132)
6	Airtel Malawi Public Limited Company	0.38%	3,424	10.28%	2,756	17.25%	2,756
7	Airtel Networks Kenya Limited ®	-0.21%	(1,896)	33.22%	8,905	55.74%	8,905
8	Airtel Networks Limited	4.17%	37,620	84.59%	22,674	141.92%	22,674
9	Airtel Rwanda Limited	-3.34%	(30,131)	-17.73%	(4,752)	-29.74%	(4,752)
10	Airtel Tanzania Public Limited Company	1.35%	12,178	21.27%	5,701	35.68%	5,701
11	Airtel Tchad S.A.	-0.25%	(2,300)	7.52%	2,015	12.61%	2,015
12	Airtel Uganda Limited	0.19%	1,703	24.49%	6,564	41.09%	6,564
13	Bharti Airtel (France) SAS	0.19%	1,720	1.08%	290	1.82%	290
14	Bharti Airtel (Hong Kong) Limited	0.06%	567	2.12%	567	3.55%	567
15	Bharti Airtel (Japan) Private Limited	0.00%	2	-0.03%	(9)	-0.06%	(9)
16	Bharti Airtel (UK) Limited	0.32%	2,906	5.25%	1,407	8.81%	1,407
17	Bharti Airtel (USA) Limited	0.10%	888	-0.01%	(4)	-0.03%	(4)
18	Bharti Airtel Lanka (Private) Limited	-1.44%	(12,984)	-12.89%	(3,455)	-21.63%	(3,455)
19	Bharti International (Singapore) Pte. Ltd.	2.02%	18,187	10.77%	2,888	18.08%	2,888
20	CelTel Niger S.A.	-0.32%	(2,849)	6.13%	1,644	10.29%	1,644
21	Airtel Networks Zambia Plc	0.08%	694	17.65%	4,732	29.62%	4,732
22	Airtel Telesonic Uganda Limited (Incorporated on September 9, 2022)	0.00%	11	0.00%	-	0.00%	-
23	Airtel Congo RDC Telesonic S.A.U. (Incorporated on January 31, 2023)	0.00%	2	0.00%	-	0.00%	-
24	Airtel Nigeria Telesonic Limited (Incorporated on August 26, 2022)	0.00%	-	0.00%	-	0.00%	-
25	Airtel Kenya Telesonic Limited (Incorporated on July 22, 2022)	0.00%	-	0.00%	-	0.00%	-
26	Airtel Zambia Telesonic Limited (Incorporated on September 22, 2022)	0.00%	-	0.00%	-	0.00%	-
27	Airtel (M) Telesonic Limited (Incorporated on August 25, 2022)	0.00%	-	0.00%	-	0.00%	-
28	Airtel Rwanda Telesonic Limited (Incorporated on August 30, 2022)	0.00%	-	0.00%	-	0.00%	-
29	Airtel (Seychelles) Telesonic Limited (Incorporated on September 21, 2022)	0.00%	-	0.00%	-	0.00%	-
30	Nxtra Africa Data (Nigeria) Limited (Incorporated on March 16, 2023)	0.00%	-	0.00%	-	0.00%	-
	Employees Trust						

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

44 Table 1 - Details pertaining to share in net assets, profit or loss and total comprehensive income

S. No.	Name of the entity / Principal activities	Net Assets ('N A'), i.e., total		March 31, 2023 Share in profit or loss		Share in total	
		As % of consolidated N A	Amount	As % of consolidated P&L	Amount	As % of TCI	Amount
1	The Airtel Africa Employee Benefit Trust	-0.03%	(268)	-1.68%	(450)	-2.82%	(450)
	Minority Interests in all subsidiaries Associates (Investment as per the equity method)	80.13%	723,167	338.39%	90,709	-66.93%	(10,692)
	A. Indian						

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

44 Table 1 - Details pertaining to share in net assets, profit or loss and total comprehensive income

S. No.	Name of the entity / Principal activities	Net Assets ('N A'), i.e., total		March 31, 2023 Share in profit or loss		Share in total	
		As % of consolidated N A	Amount	As % of consolidated P&L	Amount	As % of TCI	Amount
1	- Mobile commerce services Airtel Payments Bank Limited	0.94%	8,509	-0.75%	(200)	-1.14%	(182)
	- Others						
1	Juggernaut Books Private Limited	0.00%	-	0.00%	-	0.00%	-
2	Hughes Communication India Private Limited%	0.08%	734	-0.21%	(56)	-0.35%	(56)
3	Lavelle Networks Private Limited	0.01%	113	-0.13%	(34)	-0.21%	(34)
	B. Foreign						
	- Submarine cable system						
1	Seychelles Cable Systems Company Limited	0.04%	358	0.10%	26	0.16%	26
	- Telecommunication services						
1	Robi Axiata Limited	2.41%	21,784	1.54%	414	2.79%	445
	Joint Ventures (Investment as per the equity method)						
	A. Indian						
	- Passive infrastructure services						
1	Indus Towers Limited (Formerly known as Bharti Infratel Limited)\$	27.72%	250,201	27.47%	7,364	46.07%	7,360
	- Telecommunication services						
1	FireFly Networks Limited	0.01%	59	0.02%	6	0.04%	6
	B. Foreign						
	- Provision of regional mobile services						
1	Bridge Mobile Pte Limited	0.01%	81	0.00%	-	0.00%	-
	- Investment Company						
1	Bharti Airtel Ghana Holdings B.V.	0.00%	-	0.00%	-	0.00%	-
	Telecommunication services						
	Mawezi RDC S.A.	0.00%	1	0.00%	-	0.00%	-
	Inter-company eliminations / adjustments on consolidation	-219.69%	(1,982,723)	-1037.04%	(277,991)		(187,351)
	Total	100%	902,511	100%	26,806	100%	15,976

Notes:
1 - Others

The subsidiary is under dissolution as at March 31, 2023.

Dissolved subsequent to the year ended March 31, 2023.

* Under removal from the register of Registrar of Companies as at March 31, 2023.

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

^ Robi Axiata Limited has a subsidiary, namely RedDot Digital Limited.

\$ Indus Towers Limited has two subsidiaries, namely Smartx Services Limited and Indus Towers Employees' Welfare Trust.

% Hughes Communications India Private Limited has two subsidiaries, namely, Hughes Global Education India Private Limited and HCIL Comtel Private Limited.

The figures which are appearing as '0' are result of rounding off.

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

44 Table 1 - Details pertaining to share in net assets, profit or loss and total comprehensive income

S. No.	Name of the entity / Principal activities	Net Assets ('N A'), i.e., total		March 31, 2023 Share in profit or loss		Share in total	
		As % of consolidated N A	Amount	As % of consolidated P&L	Amount	As % of TCI	Amount
S. No.	Name of the entity					Share in total	
						As % of OCI	Amount
1	Parent Bharti Telecom Limited					0%	0
	Subsidiaries						
	Indian						
	Telecommunication services						
	Bharti Airtel Limited					1%	(92)
	Bharti Hexacom Limited					0%	(2)
	Nxtra Data Limited					0%	(2)
	Airtel Digital Limited					0%	(10)
	Direct To Home services						
	Bharti Telemedia Limited					0%	(5)
	Other						
	Bharti Airtel Services Limited					0%	(2)
	Foreign						
	Telecommunication services						
	Bharti Airtel Lanka (Private) Limited					0%	(2)
	Minority Interests in all subsidiaries					61%	(6,578)
	Associates (Investment as per the equity method)						
	A. Foreign						
	Telecommunication services						
	Robi Axiata Limited ^					0%	31
	Mobile commerce services						
	Airtel Payments Bank Limited					0%	18
	Joint Ventures (Investment as per the equity method)						
	A. Indian						
	Passive infrastructure services						
	Indus Towers Limited (Formerly known as Bharti Infratel Limited) \$					0%	-4
	Inter-company eliminations / adjustments on consolidation					39%	(4,182)
	Total					100%	(10,830)

BHARTI TELECOM LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2023

(All amounts are in millions of Indian Rupees - "Rs" unless stated otherwise)

45. Relationship with struck off Companies

Nature of transactions	Name of struck off company	Balance	Balance
		outstanding as of March 31, 2023	outstanding as of March 31, 2022
Payable	Ainee Infratel And Construction Private Limited; Aswanthh Sivanandham Engineering Private Limited; Atharv Infocom Private Limited; Cpc Net Private Limited; Kanishk Wealth Management Private Limited; Mars Skyways Marketing And Consultancy Private Limited; Nit-Man Multi Services Private Limited; Octel Cloud Solutions Private Limited; Shiri Sai Balaji Multimedia Private Limited; Indus Software Technologies Private Limited; Implore Infosolutions Pvt Ltd; Ainee Infratel & Construction Pvt Ltd; United Telecom E Services Pvt Ltd; Mars Skyways Marketing & Consultancy Pvt Ltd; Shri Sai Balaji Multimedia Pvt Ltd; Daksh Finman Consulting Pvt Ltd; Octel Cloud Solutions Pvt Ltd; Corporate Solutions And Marketing Services India Private Limited; Kanishk Wealth Management Pvt Ltd; Glittek Granites Ltd; I P A Private Limited; Impact Agencies Pvt Ltd; Invest Propmart Private Limited; Metro Fab Engineers Pvt Ltd; Peeraj Internat Enterprises Pvt Ltd; Pooja Castings Private Limited; Rainbow Packaging Pvt Ltd; Rushi Herbal Pvt Ltd; Space Worx Services Pvt Ltd; Unique Compusoft P Ltd; Vani Pvt Ltd; Kurtis Technologies Private Limited; Amba Auto Industries Pvt Ltd; Nature Conservancy Consultancy Private limited; Alpha Gateway It Solutions Pvt. Ltd.	3	2
Companies with Nil Outstanding Balance			
Receivable	A V Chiptroniks Technology Private Limited; Abhinav Awas Private Limited; Acecov Private Limited; Achiever World Cars Private Limited; Ad Worldwide-Tech Co Private Limited; Adysoft Developers And Edutech Private Limited; Aibi Technology Private Limited; Alacare Private Limited; Alertx Intelligence Private Limited; Amisan Solutions Private Limited; Andi Madam Housing Promoters Private Limited; Aone Vehicles Private Limited; Ar Trans India Logistics Private Limited; Arth Niti Sallagar Private Limited; Ascentium Management Services Private Limited; Bcc Fuba India Limited; Bhalchandray Infraengineers Private Limited; Bilmo Solutions Private Limited; Boons Tech Private Limited; Bye Pass Swimming & Resort Ltd; Caliph Foods Private Limited; Cassiopeia Consultants Private Limited; Cinema Cinema Sale And Service Private Limited; Ckon It Services Private Limited; Claim Easy Policy (Opc) Private Limited; Coalchem Tradelink Private Limited; Connectwell Network Private Limited; Creative Kawach Studio Private Limited; Credency Enterprises Private Limited; Dentistree Dental Care Private Limited; Dynamicatlastechnologies Private Limited; Edwind Software Private Limited; Elewell Private Limited; Faynix Technologies Private Limited; Fifthridge Technology Private Limited; Fivza Trading Private Limited; Fleetkart Logistics Private Limited; Genesys Technovation Private Limited; Gometel Technology Private Limited; Graphic Box Private Limited; Halsana Infotech Private Limited; Hmpl Consulting Private Limited; Hpz Network Private Limited; Hwcc India Private Limited; Icube Business Solutions Private Limited; Intellec Tech Private Limited; Ishgouri Foods Private Limited; Jiffy Services (India) Private Limited; Kanika Investment Ltd; Kans Builders Private Limited; Karm Events And Management Private Limited; Key Retail Shopping Private Limited; Koretelecom Technology India Private Limited; Ktel Solutions Private Limited; Kumar Broadband Services Private Limited; M.N. Consultancy Services Private Limited; Manaswi Minerals Private Limited; Manikya Spirits & Breweries Private Limited; Marques Automotive Private Limited; Mturn Automotive Private Limited; New Gurgaon Consultancy Private Limited; P C Patel Agro Farm Pvt Ltd ; Pioneer Securities Pvt Ltd; Premiji Hotels Private Limited; Prm Automotives Private Limited; Qathan And Engineering (Opc) Private Limited; Quadratic Consultants Private Limited; Requisite Development Services Private Limited; Risinglane Consulting Private Limited; Rk Maurya Industries International India Limited; Rmp Infotec Private Limited; Rushi Herbal Pvt Ltd ; S V Electronics Limited; Saar Infratech Private Limited; Saar Chem-Trade Private Limited; Sahayog Security And Manpower Services Private Limited; Shivashrit Engineers Private Limited; Shriyam Manufacturers Private Limited; Spaceworx Services Private Limited; Springfield Forestry Private Limited; Spunk Indo Marketings Private Limited; Sri Chandra Parcel Service Private Limited; Sri Sadhguru Sai Corporate Services Private Limited; Stonlane Private Limited; Super Sound And Vision Pvt Ltd; Tackle Box Private Limited; Techno Tarts Solutions Private Limited; Technophile (India) Insurance Surveyors & Loss Assessors Private Limited; Trade4Asia Private Limited; Transmit Telecom Call Center Private Limited; Trinetra Gold Private Limited; Tvmserver Hosting Solutions Private Limited; Unichack Analytical Laboratories Private Limited; Unique Compusoft Private Limited; Varsha Logistics Private Limited; Ved Plus Impex Private Limited; Winmax Leathers Private Limited;		
Receivable	Zentian Digi Sol Private Limited; Zintol Fair Price Private Limited; Technoble Solutions India Private Limited; Aequom Ventures Pvt Ltd; Ankur Mercantile Pvt Ltd; Bajaj Brothers Pvt Ltd; Bc To Ad Hyperlink Limited; Bookcab Travels India Private Limited; Boss Agro Chemicals P Ltd; Cassiopeia Cosultants Pvt Ltd; Cmi Limited; Discom Sales Private Limited; Downtown Technologies Private Limited; Express Network Private Ltd; Good Guys Ventures Pvt Ltd; Gupta Roadlines Private Limited; Icube Business Solutions Pvt Ltd; Inani Textiles Private Limited; Ironite Company Of India Lt.; Jiffy Services India Pvt Ltd; Jr Exports Pvt Ltd; Jvs Exports Private Limited; Keld Ellentoft India Pvt Ltd; M/S Prometric Testing Pvt Ltd; Mas Technocreate Pvt Ltd; Pioneer Securites Pvt Ltd; Premiji Hotels Pvt Ltd; Pyxis Advisory Services Private Limited; R A Agencies Private Limited; Rmp Infotec Pvt Ltd; Saar Chem Trade Private Limited; Seeds And Grains India Pvt Ltd; Shahi Brothers Private Limited; Shivam Hotels Private Limited; Sri Vijayaram Chit Funds Pvt Ltd; Stering Enterprises Private Limited; Super Gems India Pvt Ltd; Suviron Products Private Limited; Sv Electronics Ltd; Fairdeal Motors & Workshop Pvt Ltd.; Opg Securities (Ifsc) Private Limited; M S Option Matrix Infotech Pvt Ltd; Shakun & Company Services Private Limited; Thermadyne Pvt Ltd; Umang Trading Private Limited; Bengal Stores Ltd; B K Infrastructure Pvt Ltd; Webgo Technologies Private Ltd-Jammu-Aeo; Commscope Solutions India Pvt Ltd; Rainbow Childrens Medicare Pvt Ltd (Cn-1); Crown Agents (India) Private Limited; Crs Technologies India Private Limited; Dillinger India Steel Service Centre Private Limited; Elinx Software Private Limited		
Payable	; Flumenlogix Solutions Private Limited; Hlt Realty (OPC) Private Limited; Laxmifin Advisors Pvt Ltd; C Gate Builders - And Developers Private Limited; Enffie Technologies Private Limited; Gaheli Center Of Researchand Developement Pvt Ltd; Nonagon Trading Private Limited; Rsr India Mercantiles Limited; Sketch And Build Consultants Pvt Limited; Vinn Bpo Services India Private Ltd-T Dst-Coimbatore; Chanson Hospitality Private Limited; Griebis Web Solutions Private Ltd; Assent Reference & Direction Pvt Ltd; Gvn Holdings Pvt Limited; M/S Right Doctors Healthcare Technologies Pvt Ltd; Regatta Solution Pvt Ltd; Print Express Pvt Ltd; Right Drugs Pvt Ltd; Sumangalam Propmart; Panihee Kitchen Pvt Ltd; Phillip Agri Commodities Pvt Ltd; Sterling Cryo Gases Pvt Ltd; Ak Enterprises Private Limited; Amba Auto Industries Pvt Ltd; Germ Busters Private Limited; Pacific Intelligence Security Private Limited; Chemene Bombay Private Limited; Cream Packs Private Limited; G I Technology Private Limited; Germ Busters Private Limited; Jwt Mindset Advertising Private Limited; One World Enterprise Private Limited; Climax Technologies Private Limited; Sarvcon Training And Consultants Private Limited; Shree Sanware Organic Private Limited; Solars4u Infratech Private Limited; Helpsure Multi-Trade Pvt Ltd; MS Svhtech Pvt. Ltd.; One World Enterprise Private Limited; Climax Technologies Private Limited; Sarvcon Training And Consultants Private Limited; Shree Sanware Organic Private Limited; Solars4u Infratech Private Limited; Kinden India Private Limited		
Payable	Daksh Finman Consulting Private Limited; Deed Technologies India Private Limited; Earl Grey Hotels Private Limited; Galaxy Mercantile Limited; Innomark Solutions Private Limited; J.S.P. Mobile Solutions Private Limited; Knorr Bremse Systems (Commercial vehicles) India Pvt. Ltd.; Magus Estates and Hotels Private Limited; Microland Limited; Multivision Infotech (India) Private Limited; Piccadily Holiday Resorts Ltd; United- Telecoms E-Services Private Limited; Acube Promotion House Pvt Ltd.; Multivision Infotech India Pvt Ltd; One Management and Entertainment Private Limited; V Multiply Solutions Pvt Limited		

Salient features of the financial statements of subsidiaries, associates and joint ventures for the year ended March 31, 2023, pursuant to Section 129 (3) of the Companies Act 2013

Part A - Subsidiaries

INR in Million

S. No.	Name of the Subsidiary	Date on which subsidiary was acquired/ incorporated	Country of Registration	Reporting Currency	Reporting Period	Financial Year End	Exchange Rate as of March 31, 2023	Share Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover	Profit / (Loss) Before Taxation	Provision for Taxation	Profit / (Loss) After Taxation	Proposed Dividend	% of shareholding
1	Bharti Airtel Limited	7-Jul-95	India	INR	Apr'22 to Mar'23	31-Mar-23	1.00	28,366.00	761,568.00	3,355,772.00	2,565,838.00	35,764.00	847,201.00	12,693.00	-	(896.00)	22,696.00	38.54%
2	Bharti Airtel (France) SAS	9-Jun-10	France	EUR	Apr'22 to Mar'23	31-Mar-23	89.72	1	1,719	3,343	1,623	-	2,821	387	97	290	-	100.00%
3	Bharti Airtel (Hong Kong) Limited	12-Oct-06	Hong Kong	HKD	Apr'22 to Mar'23	31-Mar-23	10.48	52	517	873	304	-	598	82	8	74	296	100.00%
4	Bharti Airtel (Japan) Private Limited	5-Apr-10	Japan	JPY	Apr'22 to Mar'23	31-Mar-23	0.62	0	1	18	17	-	22	(10)	(1)	(9)	-	100.00%
5	Bharti Airtel Services Limited	26-Mar-01	India	INR	Apr'22 to Mar'23	31-Mar-23	1.00	1	602	15,365	14,762	-	12,745	877	60	817	-	100.00%
6	Bharti Airtel (UK) Limited	29-Aug-06	United Kingdom	GBP	Apr'22 to Mar'23	31-Mar-23	101.82	34	2,883	20,105	17,188	-	42,548	1,928	391	1,537	-	100.00%
7	Bharti Airtel (USA) Limited	12-Sep-06	United States of America	USD	Apr'22 to Mar'23	31-Mar-23	82.30	0	888	1,601	713	-	1,127	(12)	(12)	0	-	100.00%
8	Bharti International (Singapore) Pte. Ltd.	18-Mar-10	Singapore	USD	Apr'22 to Mar'23	31-Mar-23	82.30	161,615	(136,904)	50,303	25,592	32,521	16,421	3,770	912	2,858	-	100.00%
9	Bharti Airtel International (Mauritius) Limited	6-Apr-10	Mauritius	USD	Apr'22 to Mar'23	31-Mar-23	82.30	296,693	(274,656)	22,046	9	-	-	768	23	745	-	100.00%
10	Bharti Airtel Lanka (Private) Limited	29-Mar-07	Sri Lanka	LKR	Apr'22 to Mar'23	31-Mar-23	0.25	23,117	(36,100)	8,530	21,513	-	2,944	(3,455)	-	(3,455)	-	100.00%
11	Bharti Hexacom Limited	18-May-04	India	INR	Apr'22 to Mar'23	31-Mar-23	1.00	2,500	39,595	182,529	140,434	10,460	65,790	7,338	1,846	5,492	750	70.00%
12	Indo Teleports Limited	4-Mar-09	India	INR	Apr'22 to Mar'23	31-Mar-23	1.00	826	(719)	470	363	132	214	(33)	-	(33)	-	100.00%
13	Bharti Telemedia Limited	30-Nov-06	India	INR	Apr'22 to Mar'23	31-Mar-23	1.00	5,102	(8,919)	55,971	59,788	-	29,450	(4,604)	(1,110)	(3,494)	-	100.00%
14	Network i2i Limited	28-Sep-07	Mauritius	USD	Apr'22 to Mar'23	31-Mar-23	82.30	226,982	18,842	319,583	73,759	10	14,275	8,276	301	7,975	-	100.00%
15	Nstra Data Limited	2-Jul-13	India	INR	Apr'22 to Mar'23	31-Mar-23	1.00	119	25,204	34,103	8,780	739	16,011	2,960	759	2,201	-	75.96%
16	Airtel Digital Limited	13-Jan-15	India	INR	Apr'22 to Mar'23	31-Mar-23	1.00	2	3,444	10,359	6,913	546	10,622	129	-	129	-	100.00%
17	Bharti Airtel International (Mauritius) Investments Limited	26-Mar-18	Mauritius	USD	Apr'22 to Mar'23	31-Mar-23	82.30	7	(8)	-	1	-	-	(1)	-	(1)	-	100.00%
18	Bharti Airtel Holding (Mauritius) Limited	27-Jun-18	Mauritius	USD	Apr'22 to Mar'23	31-Mar-23	82.30	16,763	(16,763)	0	(0)	-	-	(87)	-	(87)	-	100.00%
19	Bharti Airtel Overseas (Mauritius) Limited	28-Jun-18	Mauritius	USD	Apr'22 to Mar'23	31-Mar-23	82.30	16,757	(16,746)	11	(0)	-	-	(1)	-	(1)	-	100.00%
20	Airtel Africa Mauritius Limited	28-Jun-18	Mauritius	USD	Apr'22 to Mar'23	31-Mar-23	82.30	173,258	(9,389)	185,254	21,385	-	-	8,066	66	8,000	-	100.00%
21	Network i2i (Kenya) Limited ***	3-Jul-19	Kenya	KES	Apr'22 to Mar'23	31-Mar-23	0.62	0	(0)	0	(0)	-	-	(0)	-	(0)	-	100.00%
22	Network i2i (UK) Limited	19-May-20	United Kingdom	GBP	Apr'22 to Mar'23	31-Mar-23	101.82	0	55	67	12	-	313	30	6	24	-	100.00%
23	OneWeb India Communications Private Limited	4-Feb-20	India	INR	Apr'22 to Mar'23	31-Mar-23	1.00	95	(9)	88	2	41	2	(4)	-	(4)	-	100.00%
24	Airtel Limited	16-Mar-21	India	INR	Apr'22 to Mar'23	31-Mar-23	1.00	0	(0)	0	0	-	-	(0)	-	(0)	-	100.00%
25	Bharti Airtel Employees' Welfare Trust	31-Mar-01	India	INR	Apr'22 to Mar'23	31-Mar-23	1.00	-	48	1,766	1,718	-	-	8	3	5	-	-
26	Bharti Airtel International (Netherlands) B.V.	19-Mar-10	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	194,183	150,652	454,074	109,239	-	-	31,493	(11)	31,504	-	56.01%
27	Bharti Airtel Africa B.V.	8-Jun-10	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	46	100,272	348,826	248,508	-	-	(4,810)	4	(4,814)	-	56.01%
28	Bharti Airtel Chad Holdings B.V.	8-Jun-10	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	1	557	9,442	8,884	-	-	-	-	-	-	56.01%
29	Airtel Tchad S.A.	8-Jun-10	Chad	XOF	Jan'22 to Dec'22	31-Dec-22	0.14	3,802	(6,102)	12,155	14,455	-	13,939	3,442	1,309	2,133	-	56.01%
30	Bharti Airtel Gabon Holdings B.V.	8-Jun-10	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	2	11,162	11,258	94	-	-	-	-	-	-	56.01%
31	Airtel Gabon S.A.	8-Jun-10	Gabon	XAF	Jan'22 to Dec'22	31-Dec-22	0.14	821	(2,958)	16,414	18,551	-	12,209	2,254	858	1,396	-	56.01%
32	Bharti Airtel Congo Holdings B.V.	8-Jun-10	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	2	8,568	12,942	4,372	-	-	419	-	419	-	56.01%
33	Airtel Congo S.A.	8-Jun-10	Congo Brazzaville	XAF	Jan'22 to Dec'22	31-Dec-22	0.14	11,516	(19,879)	12,982	21,345	-	8,068	(3,700)	-	(3,700)	-	50.41%
34	Bharti Airtel RDC Holdings B.V.	8-Jun-10	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	1	281	35,258	34,976	-	-	1	-	1	-	56.01%
35	Airtel Congo RDC S.A.	8-Jun-10	Democratic Republic of Congo	USD	Jan'22 to Dec'22	31-Dec-22	82.30	28	(34,826)	59,700	94,498	-	39,928	7,741	(1,481)	9,222	-	55.17%
36	Bharti Airtel Mali Holdings B.V.	8-Jun-10	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	1	131	817	685	-	-	(35)	-	(35)	-	56.01%
37	Bharti Airtel Kenya Holdings B.V.	8-Jun-10	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	1	(4,079)	101,184	105,262	-	-	(210)	-	(210)	-	56.01%
38	Bharti Airtel Kenya B.V.	8-Jun-10	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	2	(25,789)	77,157	102,944	-	-	(5,055)	29	(5,084)	-	56.01%

Salient features of the financial statements of subsidiaries, associates and joint ventures for the year ended March 31, 2023, pursuant to Section 129 (3) of the Companies Act 2013

Part A - Subsidiaries

INR in Million

S. No.	Name of the Subsidiary	Date on which subsidiary was acquired/ incorporated	Country of Registration	Reporting Currency	Reporting Period	Financial Year End	Exchange Rate as of March 31, 2023	Share Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover	Profit / (Loss) Before Taxation	Provision for Taxation	Profit / (Loss) After Taxation	Proposed Dividend	% of shareholding
39	Airtel Networks Kenya Limited *	8-Jun-10	Kenya	KES	Jan'22 to Dec'22	31-Dec-22	0.62	249	(2,149)	48,360	50,260	-	26,023	(794)	(9,204)	8,410	-	56.01%
40	Bharti Airtel Malawi Holdings B.V.	8-Jun-10	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	2	2,086	2,345	257	-	-	2,097	244	1,853	-	56.01%
41	Airtel Malawi Public Limited Company	8-Jun-10	Malawi	MWK	Jan'22 to Dec'22	31-Dec-22	0.08	-	3,423	16,595	13,172	6	13,007	4,022	1,189	2,833	-	44.81%
42	Bharti Airtel Niger Holdings B.V.	8-Jun-10	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	1	19,337	19,325	(13)	-	-	301	60	241	-	56.01%
43	Celtel Niger S.A.	8-Jun-10	Niger	XOF	Jan'22 to Dec'22	31-Dec-22	0.14	205	(3,054)	20,134	22,983	-	14,381	2,911	1,217	1,694	-	50.41%
44	Airtel Networks Zambia Plc	8-Jun-10	Zambia	ZMW	Jan'22 to Dec'22	31-Dec-22	3.85	4	690	18,701	18,007	-	17,992	5,952	2,089	3,863	-	53.97%
45	Bharti Airtel Uganda Holdings B.V.	8-Jun-10	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	2	2,434	2,436	-	-	-	7,639	-	7,639	-	56.01%
46	Airtel Uganda Limited	8-Jun-10	Uganda	UGX	Jan'22 to Dec'22	31-Dec-22	0.02	31	1,672	44,800	43,097	-	35,442	9,631	3,005	6,626	-	56.01%
47	Bharti Airtel Tanzania B.V.	8-Jun-10	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	2	619	33,443	32,822	-	-	544	54	490	-	56.01%
48	Airtel Tanzania Public Limited Company	8-Jun-10	Tanzania	TZS	Jan'22 to Dec'22	31-Dec-22	0.04	1,696	10,481	47,032	34,855	-	21,219	5,108	(664)	5,772	-	28.57%
49	Bharti Airtel Madagascar Holdings B.V.	8-Jun-10	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	2	(2,850)	14,196	17,044	-	-	7	-	7	-	56.01%
50	Channel Sea Management Company (Mauritius) Limited	8-Jun-10	Mauritius	USD	Jan'22 to Dec'22	31-Dec-22	82.30	1	(1)	-	-	-	-	(1)	-	(1)	-	56.01%
51	Bharti Airtel Rwanda Holdings Limited	8-Jun-10	Mauritius	USD	Jan'22 to Dec'22	31-Dec-22	82.30	3	(40)	20,953	20,990	-	-	(11)	-	(11)	-	56.01%
52	Montana International *	8-Jun-10	Mauritius	USD	Jan'22 to Dec'22	31-Dec-22	82.30	-	-	3	3	-	-	-	-	-	-	56.01%
53	Airtel Madagascar S.A.	8-Jun-10	Madagascar	MGA	Jan'22 to Dec'22	31-Dec-22	0.02	56	(13,366)	6,079	19,389	-	2,589	(2,115)	-	(2,115)	-	56.01%
54	Bharti Airtel Nigeria Holdings II B.V.	8-Jun-10	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	2	(131)	172,631	172,760	-	-	9,876	-	9,876	-	56.01%
55	Bharti Airtel Nigeria B.V.	8-Jun-10	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	1	(47,195)	128,538	175,732	-	-	37,744	3,780	33,964	-	56.01%
56	Bharti Airtel Services B.V.	8-Jun-10	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	2	359	948	587	-	-	(17)	-	(17)	-	56.01%
57	Airtel Networks Limited	8-Jun-10	Nigeria	NGN	Jan'22 to Dec'22	31-Dec-22	0.18	2,370	34,365	209,803	173,068	-	166,409	32,078	10,058	22,020	-	55.99%
58	Bharti Airtel Zambia Holdings B.V.	8-Jun-10	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	2	17,611	17,613	-	-	-	3,767	191	3,576	-	56.01%
59	Airtel Mobile Commerce Limited	8-Jun-10	Malawi	MWK	Jan'22 to Dec'22	31-Dec-22	0.08	4	2,365	8,375	6,006	-	5,755	2,806	843	1,963	-	41.58%
60	Airtel Mobile Commerce (Kenya) Limited	8-Jun-10	Kenya	KES	Jan'22 to Dec'22	31-Dec-22	0.62	-	-	877	877	-	-	-	-	-	-	41.58%
61	Celtel (Mauritius) Holdings Limited	8-Jun-10	Mauritius	USD	Jan'22 to Dec'22	31-Dec-22	82.30	1	3,300	9,285	5,984	-	-	(30)	-	(30)	-	56.01%
62	Airtel Mobile Commerce Zambia Limited	8-Jun-10	Zambia	ZMW	Jan'22 to Dec'22	31-Dec-22	3.85	8	1,576	14,085	12,501	-	12,045	6,524	1,950	4,574	-	41.58%
63	Airtel Mobile Commerce Tchad S.A	8-Jun-10	Chad	XOF	Jan'22 to Dec'22	31-Dec-22	0.14	68	(71)	1,020	1,023	-	60	(62)	-	(62)	-	41.58%
64	Airtel Mobile Commerce B.V.	8-Jun-10	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	2	8,450	10,819	2,367	-	-	13,475	660	12,815	-	41.58%
65	Airtel Money S.A.	26-Oct-10	Gabon	XAF	Jan'22 to Dec'22	31-Dec-22	0.14	68	2,109	7,611	5,434	-	5,066	2,099	631	1,468	-	41.58%
66	Airtel Money Niger S.A.	8-Jun-10	Niger	XOF	Jan'22 to Dec'22	31-Dec-22	0.14	179	390	1,080	511	-	365	228	135	93	-	37.42%
67	Société Malgache de Téléphone Cellulaire S.A. *	8-Jun-10	Mauritius	USD	Jan'22 to Dec'22	31-Dec-22	82.30	3	(3)	-	-	-	-	(1)	-	(1)	-	56.01%
68	Airtel Mobile Commerce Holdings B.V.	8-Jun-10	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	2	52	-	(54)	-	-	48	7	41	-	41.58%
69	Indian Ocean Telecom Limited	19-Oct-10	Jersey	USD	Jan'22 to Dec'22	31-Dec-22	82.30	206	1,373	1,580	1	-	-	383	-	383	-	56.01%
70	Airtel (Seychelles) Limited	27-Aug-10	Seychelles	SCR	Jan'22 to Dec'22	31-Dec-22	5.90	212	357	3,085	2,516	358	2,060	658	190	468	-	56.01%
71	Airtel Mobile Commerce (Tanzania) Limited	11-Nov-10	Tanzania	TZS	Jan'22 to Dec'22	31-Dec-22	0.04	-	-	-	-	-	-	-	-	-	-	41.58%
72	Airtel Mobile Commerce Uganda Limited	7-Oct-10	Uganda	UGX	Jan'22 to Dec'22	31-Dec-22	0.02	218	1,289	15,150	13,643	-	14,224	6,868	2,016	4,852	-	41.58%
73	Mobile Commerce Congo S.A.	8-Jun-10	Congo Brazzaville	XAF	Jan'22 to Dec'22	31-Dec-22	0.14	68	(63)	1,009	1,004	-	-	(40)	-	(40)	-	41.58%
74	Airtel Money RDC S.A.	8-Jun-10	Democratic Republic of Congo	USD	Jan'22 to Dec'22	31-Dec-22	82.30	730	3,313	12,928	8,885	-	6,217	3,485	1,079	2,406	-	41.58%
75	Congo RDC Towers S.A.	5-Apr-11	Democratic Republic of Congo	USD	Jan'22 to Dec'22	31-Dec-22	82.30	8	(820)	321	1,133	-	-	(16)	-	(16)	-	56.01%
76	Gabon Towers S.A. **	17-May-11	Gabon	XAF	Jan'22 to Dec'22	31-Dec-22	0.14	1	(4)	-	3	-	-	-	-	-	-	56.01%
77	Airtel Mobile Commerce Madagascar S.A.	5-Apr-11	Madagascar	MGA	Jan'22 to Dec'22	31-Dec-22	0.02	9	334	1,750	1,407	-	713	181	69	112	-	41.58%
78	Airtel Rwanda Limited	2-Sep-11	Rwanda	RWF	Jan'22 to Dec'22	31-Dec-22	0.07	7	(30,138)	7,832	37,963	-	3,246	(4,632)	-	(4,632)	-	56.01%
79	Airtel Africa Plc	12-Jul-18	United Kingdom	USD	Apr'22 to Mar'23	31-Mar-23	82.30	281,464	56,767	335,589	(2,642)	-	-	19,330	-	19,330	10,123	56.01%
80	Airtel Mobile Commerce Rwanda Limited	22-Feb-13	Rwanda	RWF	Jan'22 to Dec'22	31-Dec-22	0.07	15	(108)	866	959	-	377	(23)	-	(23)	-	41.58%
81	Airtel Mobile Commerce (Seychelles) Limited	9-Aug-13	Seychelles	SCR	Jan'22 to Dec'22	31-Dec-22	5.90	6	(43)	24	61	-	3	1	-	1	-	41.58%
82	Airtel Money Tanzania Limited	10-Jun-16	Tanzania	TZS	Jan'22 to Dec'22	31-Dec-22	0.04	-	540	1,532	992	-	7,666	3,115	921	2,194	-	28.57%
83	Airtel Mobile Commerce Nigeria B.V.	5-Dec-18	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	0	(172)	968	1,140	-	-	0	-	0	-	41.58%
84	Airtel Mobile Commerce Nigeria Limited	31-Aug-17	Nigeria	NGN	Jan'22 to Dec'22	31-Dec-22	0.18	9	(1)	10	2	-	-	1	-	1	-	55.99%

Salient features of the financial statements of subsidiaries, associates and joint ventures for the year ended March 31, 2023, pursuant to Section 129 (3) of the Companies Act 2013

Part A - Subsidiaries

INR in Million

S. No.	Name of the Subsidiary	Date on which subsidiary was acquired/ incorporated	Country of Registration	Reporting Currency	Reporting Period	Financial Year End	Exchange Rate as of March 31, 2023	Share Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover	Profit/ (Loss) Before Taxation	Provision for Taxation	Profit/ (Loss) After Taxation	Proposed Dividend	% of shareholding
85	Airtel Mobile Commerce (Seychelles) B.V.	29-Jan-19	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	0	(0)	0	0	-	-	0	-	0	-	41.58%
86	Airtel Mobile Commerce Congo B.V.	29-Jan-19	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	0	(0)	72	72	-	-	0	-	0	-	41.58%
87	Airtel Mobile Commerce Kenya B.V.	29-Jan-19	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	0	(0)	707	707	-	-	(0)	-	(0)	-	41.58%
88	Airtel Mobile Commerce Madagascar B.V.	29-Jan-19	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	0	1	642	641	-	-	204	21	184	-	41.58%
89	Airtel Mobile Commerce Malawi B.V.	29-Jan-19	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	0	(0)	0	(0)	-	-	0	-	0	-	41.58%

Salient features of the financial statements of subsidiaries, associates and joint ventures for the year ended March 31, 2023, pursuant to Section 129 (3) of the Companies Act 2013

Part A - Subsidiaries

INR in Million

S. No.	Name of the Subsidiary	Date on which subsidiary was acquired/ incorporated	Country of Registration	Reporting Currency	Reporting Period	Financial Year End	Exchange Rate as of March 31, 2023	Share Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover	Profit/ (Loss) Before Taxation	Provision for Taxation	Profit/ (Loss) After Taxation	Proposed Dividend	% of shareholding
90	Airtel Mobile Commerce Rwanda B.V.	29-Jan-19	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	0	(0)	18	18	-	-	(0)	-	(0)	-	41.58%
91	Airtel Mobile Commerce Tchad B.V.	29-Jan-19	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	0	(0)	70	70	-	-	0	-	0	-	41.58%
92	Airtel Mobile Commerce Uganda B.V.	29-Jan-19	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	0	797	224	(573)	-	-	4,797	-	4,797	-	41.58%
93	Airtel Mobile Commerce Zambia B.V.	29-Jan-19	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	0	(0)	0	(0)	-	-	0	-	0	-	41.58%
94	Airtel Money Transfer Limited	20-Jul-15	Kenya	KES	Jan'22 to Dec'22	31-Dec-22	0.62	25	6	29	(2)	-	7	7	2	5	-	56.01%
95	Airtel International LLP	27-Mar-19	India	INR	Apr'22 to Mar'23	31-Mar-23	1.00	33	297	2,977	2,647	-	-	227	133	94	-	56.01%
96	Airtel Money Kenya Limited	29-Jun-20	Kenya	KES	Jan'22 to Dec'22	31-Dec-22	0.62	638	37	963	288	-	194	52	15	37	-	41.58%
97	Airtel Mobile Commerce DRC B.V.	9-Apr-20	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	0	2,452	5,686	3,234	-	-	3,170	669	2,501	-	41.58%
98	Airtel Mobile Commerce Gabon B.V.	9-Apr-20	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	0	73	73	0	-	-	1,114	233	881	-	41.58%
99	Airtel Mobile Commerce Niger B.V.	9-Apr-20	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	0	0	181	181	-	-	0	-	0	-	41.58%
100	The Registered Trustees of Airtel Money Trust Fund	13-Apr-21	Tanzania	TZS	Jan'22 to Dec'22	31-Dec-22	0.04	-	-	8,913	8,913	-	3	-	-	-	-	28.57%
101	Airtel Digital Services Holdings B.V.	12-Nov-20	Netherlands	USD	Apr'22 to Mar'23	31-Mar-23	82.30	0	0	1	1	-	-	0	-	0	-	56.01%

Salient features of the financial statements of subsidiaries, associates and joint ventures for the year ended March 31, 2023, pursuant to Section 129 (3) of the Companies Act 2013

Part A - Subsidiaries

INR in Million

S. No.	Name of the Subsidiary	Date on which subsidiary was acquired/ incorporated	Country of Registration	Reporting Currency	Reporting Period	Financial Year End	Exchange Rate as of March 31, 2023	Share Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover	Profit / (Loss) Before Taxation	Provision for Taxation	Profit / (Loss) After Taxation	Proposed Dividend	% of shareholding
102	Airtel Mobile Commerce Services Limited	24-Mar-21	Kenya	USD	Jan'22 to Dec'22	31-Dec-22	82.30	0	(14)	169	183	-	-	33	-	33	-	41.58%
103	Airtel Africa Telesonic Holdings Limited	6-Oct-21	United Kingdom	USD	Apr'22 to Mar'23	31-Mar-23	82.30	0	(1)	20	21	-	-	(1)	-	(1)	-	56.01%
104	Airtel Africa Telesonic Limited	6-Oct-21	United Kingdom	USD	Apr'22 to Mar'23	31-Mar-23	82.30	-	70	2,545	2,475	-	1,168	71	-	71	-	56.01%
105	Airtel Africa Services (UK) Limited	2-Nov-20	United Kingdom	USD	Apr'22 to Mar'23	31-Mar-23	82.30	0	(1,477)	13,910	15,387	-	-	1,130	1,471	(341)	-	56.01%
106	The Airtel Africa Employee Benefit Trust	14-May-20	St Helier, Jersey	USD	Apr'22 to Mar'23	31-Mar-23	82.30	0	(268)	917	1,185	-	-	(459)	-	(459)	-	-
107	Smartcash Payment Service Bank Limited	30-Nov-21	Nigeria	NGN	Jan'22 to Dec'22	31-Dec-22	0.18	892	(917)	1,637	1,662	-	39	(893)	-	(893)	-	55.99%
108	Partnership Investments Sarlu	26-Jun-01	Democratic Republic of Congo	USD	Jan'22 to Dec'22	31-Dec-22	82.30	-	-	-	-	-	-	-	-	-	-	56.01%
109	Bharti Airtel Developers Forum Limited **	11-Feb-10	Zambia	ZMW	Jan'22 to Dec'22	31-Dec-22	3.85	-	-	-	-	-	-	-	-	-	-	53.97%
110	Airtel Money Trust Fund	18-Jun-21	Uganda	UGX	Jan'22 to Dec'22	31-Dec-22	0.02	-	-	-	-	-	-	-	-	-	-	41.58%
111	Airtel Tchad Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	11-Apr-22	United Kingdom	USD	Apr'22 to Mar'23	31-Mar-23	82.30	0	(1)	2	3	-	-	(1)	-	(1)	-	56.01%
112	Airtel Madagascar Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	11-Apr-22	United Kingdom	USD	Apr'22 to Mar'23	31-Mar-23	82.30	0	(1)	0	1	-	-	(0)	-	(0)	-	56.01%
113	Airtel DRC Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	11-Apr-22	United Kingdom	USD	Apr'22 to Mar'23	31-Mar-23	82.30	0	(0)	2	2	-	-	(0)	-	(0)	-	56.01%
114	Airtel Uganda Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	11-Apr-22	United Kingdom	USD	Apr'22 to Mar'23	31-Mar-23	82.30	0	(0)	12	12	-	-	(0)	-	(0)	-	56.01%
115	Airtel Telesonic Uganda Limited (Incorporated on September 9, 2022)	9-Sep-22	Uganda	UGX	Jan'22 to Dec'22	31-Dec-22	0.02	11	-	11	-	-	-	-	-	-	-	56.01%
116	Airtel Congo RDC Telesonic S.A.U. (Incorporated on January 31, 2023)	31-Jan-23	Democratic Republic of Congo	USD	Jan'22 to Dec'22	31-Dec-22	82.30	2	(0)	2	-	-	-	(0)	-	(0)	-	56.01%
117	Airtel Zambia Telesonic Holdings (UK) Ltd (Incorporated on April 11, 2022)	11-Apr-22	United Kingdom	USD	Apr'22 to Mar'23	31-Mar-23	82.30	-	-	-	-	-	-	-	-	-	-	56.01%
118	Airtel Nigeria Telesonic Holdings (UK) Ltd (Incorporated on April 11, 2022)	11-Apr-22	United Kingdom	USD	Apr'22 to Mar'23	31-Mar-23	82.30	-	-	-	-	-	-	-	-	-	-	56.01%
119	Airtel Kenya Telesonic Holdings (UK) Ltd (Incorporated on April 11, 2022)	11-Apr-22	United Kingdom	USD	Apr'22 to Mar'23	31-Mar-23	82.30	-	-	-	-	-	-	-	-	-	-	56.01%
120	Airtel (M) Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	11-Apr-22	United Kingdom	USD	Jan'22 to Dec'22	31-Dec-22	82.30	-	-	-	-	-	-	-	-	-	-	56.01%
121	Airtel Nigeria Telesonic Limited (Incorporated on August 26, 2022)	26-Aug-22	Nigeria	NGN	Jan'22 to Dec'22	31-Dec-22	0.18	-	-	-	-	-	-	-	-	-	-	56.01%
122	Airtel Kenya Telesonic Limited (Incorporated on July 22, 2022)	22-Jul-22	Kenya	KES	Jan'22 to Dec'22	31-Dec-22	0.62	-	-	-	-	-	-	-	-	-	-	56.01%
123	Airtel Zambia Telesonic Limited (Incorporated on September 22, 2022)	22-Sep-22	Zambia	ZMW	Jan'22 to Dec'22	31-Dec-22	3.85	-	-	-	-	-	-	-	-	-	-	56.01%
124	Airtel (M) Telesonic Limited (Incorporated on August 25, 2022)	25-Aug-22	Malawi	MWK	Jan'22 to Dec'22	31-Dec-22	0.08	-	-	-	-	-	-	-	-	-	-	56.01%
125	Airtel Congo Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	11-Apr-22	United Kingdom	USD	Apr'22 to Mar'23	31-Mar-23	82.30	-	-	-	-	-	-	-	-	-	-	56.01%
126	Airtel Gabon Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	11-Apr-22	United Kingdom	USD	Apr'22 to Mar'23	31-Mar-23	82.30	-	-	-	-	-	-	-	-	-	-	56.01%
127	Airtel Niger Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	11-Apr-22	United Kingdom	USD	Apr'22 to Mar'23	31-Mar-23	82.30	-	-	-	-	-	-	-	-	-	-	56.01%
128	Airtel Rwanda Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	11-Apr-22	United Kingdom	USD	Apr'22 to Mar'23	31-Mar-23	82.30	-	-	-	-	-	-	-	-	-	-	56.01%
129	Airtel Seychelles Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	11-Apr-22	United Kingdom	USD	Apr'22 to Mar'23	31-Mar-23	82.30	-	-	-	-	-	-	-	-	-	-	56.01%
130	Airtel Tanzania Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	11-Apr-22	United Kingdom	USD	Apr'22 to Mar'23	31-Mar-23	82.30	-	-	-	-	-	-	-	-	-	-	56.01%

Notes:

1. The above financial information is basis audited / unaudited financial statements / financial information considered for the purpose of consolidated audited Ind AS financial statements.

2. The figures which are appearing as '0' are result of rounding off.

3. All particulars has been converted using closing exchange rate as on March 31, 2023.

4. Financial information has been extracted from the submission considered for the purpose of consolidated audited Ind AS financial statements.

* Share capital includes preference share capital.

** The subsidiary is under dissolution as at March 31, 2023.

*** Dissolved subsequent to the year ended March 31, 2023.

§ Under removal from the register of Registrar of Companies as at March 31, 2023.

* Investments exclude investments in subsidiaries.

Other details:

Salient features of the financial statements of subsidiaries, associates and joint ventures for the year ended March 31, 2023, pursuant to Section 129 (3) of the Companies Act 2013

Part A - Subsidiaries

INR in Million

S. No.	Name of the Subsidiary	Date on which subsidiary was acquired/ incorporated	Country of Registration	Reporting Currency	Reporting Period	Financial Year End	Exchange Rate as of March 31, 2023	Share Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover	Profit/ (Loss) Before Taxation	Provision for Taxation	Profit/ (Loss) After Taxation	Proposed Dividend	% of shareholding
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I. Subsidiaries yet to commence operations:

S.No.	Name of the Subsidiary Company	Date of incorporation
1	Airtel Limited	16-Mar-21
2	OneWeb India Communications Private Limited	13-Apr-21
3	Airtel Rwanda Telesonic Limited	30-Aug-22
4	Airtel (Seychelles) Telesonic Limited	21-Sep-22
5	Airtel Mobile Commerce Tanzania B.V.	3-Nov-22
6	Nxtra Africa Data Holdings Limited	24-Nov-22
7	Nxtra Nigeria Data Holdings (UK) Limited	28-Nov-22
8	Nxtra Kenya Data Holdings (UK) Limited	28-Nov-22
9	Nxtra DRC Data Holdings (UK) Limited	28-Nov-22
10	Nxtra Gabon Data Holdings (UK) Limited	28-Nov-22
11	Nxtra Congo Data Holdings (UK) Limited	28-Nov-22
12	Nxtra Africa Data (Nigeria) Limited	16-Mar-23

II. Subsidiaries that have been merged during the year:

S.No.	Transferor Company	Transferee Compa	Effective Date of Merger
1	Nettle Infrastructure Investments Limited	Bharti Airtel Limite	1-Feb-23
2	Telesonic Networks Limited	Bharti Airtel Limite	1-Feb-23

Salient features of the financial statement of subsidiaries, associates and joint ventures for the year ended March 31, 2023, pursuant to Section 129 (3) of the Companies Act 2013

Part B - Associates and Joint Ventures

INR in Million

S. No.	Name of the Associate / Joint Venture	Date on which Associate / Joint Venture was associated or acquired	Latest audited Balance Sheet date	Share of Associates / Joint Ventures held by the company as of March 31, 2023			Description of how there is significant influence / joint control	Net Worth attributable to shareholders as per latest audited Balance Sheet	Profit / (loss) for the year ended March 31, 2023	
				Number of shares	Amount of Investment in Associate / Joint Venture	Extent of holding %			Considered in consolidation	Not Considered in consolidation
Associates										
1	Robi Axiata Limited [@]	November 16, 2016	December 31, 2022	1,475,834,961	21,784	28.18%		15,189	414	-
2	Seychelles Cable Systems Company Limited	June 8, 2010	June 30, 2022	260	358	14.56%	By virtue of shareholding	171	26	-
3	Hughes Communications India Private Limited%	January 4, 2022	March 31, 2022	7,524,808	734	33.33%		1,734	(56)	-
4	Lavelle Networks Private Limited	February 10, 2022	March 31, 2022	37,414	113	25.00%		46	(34)	-
5	Airtel Payments Bank Limited*	October 25, 2018	March 31, 2023	1,724,025,128	8,509	72.61%	By virtue of shareholder agreement	2,935	(200)	-
6	Juggernaut Books Private Limited	November 26, 2017	March 31, 2022	2,100,471	-	18.75%		2	-	(4)
Joint Ventures										
1	Bridge Mobile Pte Limited	November 3, 2004	March 31, 2023	800,000	81	10%	By virtue of shareholding	82	0	-
2	Indus Towers Limited (Formerly known as Bharti Infratel Limited) [§]	November 19, 2020	March 31, 2023	1,292,261,364	250,201	47.95%		101,220	7,364	-
3	FireFly Networks Limited	February 4, 2014	March 31, 2023	1,000,000	59	50%		58	6	-
4	Bharti Airtel Ghana Holdings B.V. #	October 12, 2017	March 31, 2017	18,000	0.000001 [^]	50%		NA	- [^]	-
5	Mawezi RDC S.A.	March 1, 2023	-	50	1	27.58%		NA	NA	-

[@]RedDot Digital Limited is incorporated on November 5, 2019 and is subsidiary of Robi Axiata Limited.

[#] The group has acquired stake in joint venture during the year ended March 31, 2018. However, the latest audited balance sheet is pertaining to the period prior to the acquisition date.

[^] Amount considered for Ghana entities are consolidated number.

[§] The group has increased its shareholding to 47.95% (46.49% as of March 31, 2022) during the year ended March 31, 2023.

^{*} The group has decreased its shareholding to 72.61% (73.41% as of March 31, 2022) during the year ended March 31, 2023.

[~] Smartx Services Limited (incorporated on September 21, 2015) and Indus Towers Employees' Welfare Trust are subsidiaries of Indus Towers Limited.

[%] Hughes Global Education India Private Limited (incorporated on March 10, 2011) and HCIL Comtel Private Limited (incorporated on September 13, 2007) are subsidiaries of Hughes Communications India Private Limited.

Notes :

Amount of investment in joint venture / associate is based on the carrying value of investments in the consolidated financial statements of Bharti Airtel Limited.



BHARTI TELECOM LIMITED

Registered Office :

Airtel Centre, Plot No. 16,
Udyog Vihar, Phase - IV, Gurgaon,
Haryana - 122 001, India.

Corporate Office :

Bharti Crescent,
1, Nelson Mandela Road,
Vasant Kunj, Phase - II,
New Delhi - 110 070, India.

BHARTI TELECOM LIMITED

Bharti Crescent, 1, Nelson Mandela Road,
Vasant Kunj, Phase - II, New Delhi - 110 070,
India.