ANNEXURE IV

Report of the Audit & Risk Management Committee of the Bharti Airtel Limited

Members:

V. K. Viswanathan	- Chairman
Craig Ehrlich	- Member
Shishir Priyadarshi	- Member
Tan Yong Choo	- Member

Background:

Bharti Airtel Limited (Airtel / Transferee Company / Company) is a public limited company incorporated under the Companies Act, 1956 with its registered office at Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110070. The Company is engaged in the business of providing telecommunications services. The equity shares of the Company are listed on the BSE Limited and the National Stock Exchange of India Limited.

Telenor (India) Communications Private Limited is a Company incorporated under the Companies Act, 1956 with its registered office at DBS Business Centre, First Floor, World Trade Tower, Barakhamba Lane, Connaught Place, New Delhi - 110001 (Telenor / Transferor Company). The Transferor Company is engaged in the business of providing telecommunications services.

SEBI circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015, inter-alia provides *"Report from the Audit Committee recommending the Draft Scheme, taking into consideration, inert alia, the Valuation Report. The Valuation Report is required to be placed before the Audit Committee of the listed entity."*

In the light of the aforesaid, the Audit & Risk Management Committee considered the following documents:

(a) Proposed Scheme of Amalgamation;
(b) Valuation Report of Walker Chandiok & Co LLP, an Independent Chartered Accountant, in terms of SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015;
(c) Fairness opinion of RBSA Capital Advisors LLP, a merchant banker on the valuation of assets and shares; and
(d) Certificate as per Para 1(A)(5) of Annexure – I of SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 from M/s. S.R. Batliboi & Associates LLP, Chartered Accountants, Statutory Auditors of the Company, confirming that the accounting treatment contained in the Scheme is in compliance with the applicable Accounting norms.

Proposed Scheme of Amalgamation:

The Committee noted that the salient features of the Scheme are as under:

- The Scheme provides for merger of Telenor with the Company;
- "Appointed Date" shall be the Effective Date;
- Consideration - 5 (five) fully paid-up equity shares of face value of Rs. 5/- (rupees five only) of Bharti Airtel Limited to be issued to the shareholder of the Telenor under this Scheme;

BHARTI AIRTEL LIMITED NEW DELHI

- Upon the proposed merger becoming effective, all assets, liabilities, contracts, rights, obligations etc. of Telenor as at the effective date shall stand transferred to Airtel; and
- Upon Scheme coming into effect, Telenor shall stand dissolved without any further act or deed.

After reviewing the Scheme, Valuation Report and Fairness Opinion, the Audit & Risk Management Committee also noted the rationale and benefits of the Scheme, which inter-alia include the following:

- The Transferor Company is engaged in the business of providing cellular telecommunications services in 6 (six) telecom circles in India, namely, (i) Uttar Pradesh East, (ii) Uttar Pradesh West, (iii) Bihar and Jharkhand, (iv) Andhra Pradesh, (v) Gujarat and (vi) Maharashtra and additionally the Transferor Company has procured spectrum for the Assam circle (where it is yet to commence commercial operations).
- The scheme will further strengthen the market position of the Company in above seven circles with high population concentration and a high potential for growth.
- The scheme will also enable the Company to further bolster its strong spectrum foot-print in these seven circles, with the addition of 43.4 MHz spectrum in the 1800 MHz band.

Recommendation of the Audit & Risk Management Committee:

The Audit & Risk Management Committee recommends the draft scheme of amalgamation for favourable consideration by the Board of Directors of the Company, the Stock Exchanges and the SEBI.

Date: March 03, 2017
Place: Bengaluru

V. K. Viswanathan
Chairman, Audit & Risk Management Committee

BHARTI AIRTEL LIMITED NEW DELHI

31)