

August 17, 2017

National Stock Exchange of India Limited
Exchange Plaza, C-1 Block G
Bandra Kurla Complex, Bandra (E)
Mumbai – 400051

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400001

Ref: Bharti Airtel Limited (532454 / BHARTIARTL)

Sub: Notice of the Tribunal Convened Meetings of the Bharti Airtel limited

Dear Sir/ Madam,

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, We wish to inform you that pursuant to an order of the Hon'ble Special Bench of the National Company Law Tribunal (NCLT) at New Delhi dated Friday, 28th day of July, 2017, a meeting of the equity shareholders and unsecured creditors of Bharti Airtel Limited (the Company) has been convened and will be held at Sri Sathya Sai International Centre, Pragati Vihar, Bhisham Pitamah Marg, Lodhi Road, New Delhi - 110003 on Tuesday, the 19th day of September, 2017 at 9:30 A.M. and 12:00 Noon respectively for the purpose of considering, and if thought fit, approving with or without modification, the proposed scheme of amalgamation between Telenor (India) Communications Private Limited and Bharti Airtel Limited and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013.

The Company is providing Postal Ballot / E-voting facility to enable the shareholders to vote on the resolutions proposed in the aforesaid notice of the NCLT Convened meeting of the equity shareholders. The Company has engaged Karvy Computershare Private Limited ("Karvy") for the purpose of providing e-voting facility to all its shareholders. The e-voting facility can be availed by logging on to Karvy's e-voting website <https://evoting.karvy.com>.

Postal Ballot / E-voting in connection with the resolutions proposed in the Notice, will commence on and from 09.00 a.m. on Sunday, August 20, 2017 and ends on 05.00 p.m. on Monday, September 18, 2017. The Company is also providing facility for voting by way of polling papers at the meeting for the members attending the meeting who have not cast their vote by postal ballot or e-voting.

We are enclosing herewith the copy of the notices of the aforesaid meetings are enclosed. The said notice is also available on the Company's website www.airtel.com.

Kindly take the same on record.

Thanking you,

Sincerely Yours

For Bharti Airtel Limited



Rohit Krishan Puri
Dy. Company Secretary



Bharti Airtel Limited
(a Bharti Enterprise)

Regd. & Corporate Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070
T.: +91-11-4666 6100, F.: +91-11-4166 6137, Email id: compliance.officer@bharti.in, www.airtel.com

CIN: L74899DL1995PLC070609



Bharti Airtel Limited

CIN: L74899DL1995PLC070609

Regd. & Corporate Office: Bharti Crescent, 1 Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110070, India

Phone: +91-11-4666 6100 | **Fax:** +91-11-4166 6137

Email: compliance.officer@bharti.in **Website:** www.airtel.com

MEETING OF THE EQUITY SHAREHOLDERS OF BHARTI AIRTEL LIMITED

(convened pursuant to the order dated July 28, 2017 passed by the Hon'ble Special Bench of the National Company Law Tribunal at New Delhi)

DETAILS OF THE MEETING:

Day	Tuesday
Date	September 19, 2017
Time	9:30 A.M. (i.e. 9:30 Hours) Indian Standard Time
Venue	Sri Sathya Sai International Centre, Pragati Vihar, Bhisham Pitamah Marg, Lodhi Road, New Delhi - 110003

DOCUMENTS ENCLOSED:

S. No.	Contents	Page Nos.
1	Notice of the meeting of the Equity Shareholders of Bharti Airtel Limited convened pursuant to the directions of the Hon'ble Special Bench of the National Company Law Tribunal at New Delhi (" Tribunal ").	
2	Statement under Section 230(3) of the Companies Act, 2013 read with Rule 6(3) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.	
3	Scheme of Amalgamation between Telenor (India) Communications Private Limited and Bharti Airtel Limited and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 as filed before the Tribunal, enclosed as ANNEXURE 1 .	
4	Valuation Report dated February 23, 2017 issued by Walker Chandiok & Co LLP, Chartered Accountants, to the Board of Directors of Bharti Airtel Limited and Telenor (India) Communications Private Limited, enclosed as ANNEXURE 2 .	
5	Fairness Opinion dated February 23, 2017 issued by RBSA Capital Advisors LLP, a SEBI registered Category I Merchant Banker, to the Board of Directors of Bharti Airtel Limited, enclosed as ANNEXURE 3 .	
6	Complaint Report dated April 4, 2017 submitted by Bharti Airtel Limited to BSE Limited and the National Stock Exchange of India Limited, enclosed as ANNEXURE 4 .	
7	Observation Letter dated May 31, 2017 issued by BSE Limited to Bharti Airtel Limited, enclosed as ANNEXURE 5 .	
8	Observation Letter dated May 31, 2017 issued by the National Stock Exchange of India Limited to Bharti Airtel Limited, enclosed as ANNEXURE 6 .	
9	Report adopted by the Board of Directors of Bharti Airtel Limited pursuant to Section 232(2)(c) of the Companies Act, 2013, enclosed as ANNEXURE 7 .	
10	Report adopted by the Board of Directors of Telenor (India) Communications Private Limited pursuant to Section 232(2)(c) of the Companies Act, 2013, enclosed as ANNEXURE 8 .	
11	Audited Financials of Bharti Airtel Limited as on March 31, 2017, enclosed as ANNEXURE 9 .	
12	Audited Supplemental Financials of Bharti Airtel Limited as on June 30, 2017, enclosed as ANNEXURE 10 .	
13	Audited Financials of Telenor (India) Communications Private Limited as on March 31, 2017, enclosed as ANNEXURE 11 .	
14	Pre and Post amalgamation shareholding pattern of Bharti Airtel Limited, enclosed as ANNEXURE 12 .	
15	Form of Proxy	
16	Attendance Slip	
17	Route Map	
18	Postal Ballot Form with instructions and self addressed postage prepaid Business Reply Envelope	Loose leaf

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
PRINCIPAL BENCH, AT NEW DELHI
COMPANY APPLICATION NO. CA (CAA)-81(PB)/2017 OF 2017
(under Sections 230-232 of the Companies Act, 2013)
IN THE MATTER OF THE COMPANIES ACT, 2013**

AND

IN THE MATTER OF THE SCHEME OF AMALGAMATION BETWEEN TELENOR (INDIA) COMMUNICATIONS PRIVATE LIMITED AND BHARTI AIRTEL LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

AND

IN THE MATTER OF:

Telenor (India) Communications Private Limited, (CIN: U64200DL2012PTC231991), a company incorporated under the Companies Act, 1956 and having its registered office at DBS Business Center, First Floor, World Trade Tower, Barakhamba Lane, Connaught Place, New Delhi – 110001

...Applicant Company 1 / Transferor Company

AND

Bharti Airtel Limited, (CIN: L74899DL1995PLC070609), a company incorporated under the Companies Act, 1956 and having its registered office at Bharti Crescent, 1 Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi – 110070

...Applicant Company 2 / Transferee Company

**NOTICE OF THE TRIBUNAL CONVENED MEETING OF THE EQUITY SHAREHOLDERS OF
BHARTI AIRTEL LIMITED**

Notice is hereby given that by an order dated the 28th day of July, 2017 ("**Order**"), the Hon'ble Special Bench of the National Company Law Tribunal at New Delhi ("**Tribunal**"), has directed a meeting to be held of the equity shareholders of Bharti Airtel Limited ("**Transferee Company**") for the purpose of considering, and if thought fit, approving with or without modification, the proposed scheme of amalgamation between Telenor (India) Communications Private Limited and Bharti Airtel Limited (i.e. the Transferee Company) and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 ("**Scheme**").

In pursuance of the said Order and as directed therein, further notice is hereby given that a meeting of the equity shareholders of the Transferee Company will be held at Sri Sathya Sai International Centre, Pragati Vihar, Bhisham Pitamah Marg, Lodhi Road, New Delhi - 110003 on Tuesday, the 19th day of September, 2017 at 9:30 A.M. ("**Meeting**"), at which place, day, date and time, the said equity shareholders of the Transferee Company are requested to attend.

Copies of the said Scheme and of the statement under Section 230 of the Companies Act, 2013 read with Rule 6(3) of the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016 can be obtained free of charge on any day (except Saturday, Sunday and public holidays) from the registered office of the Transferee Company at Bharti Crescent, 1 Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110070 and / or from the office of its advocates, M/s. AZB & Partners situated at Plot No. A8, Sector 4, Noida - 201301, Uttar Pradesh.

Persons entitled to attend and vote at the Meeting, may vote in person, by proxy, through postal ballot or through electronic means, provided that all proxies in the prescribed form, duly completed, stamped and signed or authenticated by the concerned person, are deposited at the registered office of the Transferee Company not later than 48 hours before the scheduled time of the Meeting. Form of Proxy can be obtained free of charge on any day (except Saturday, Sunday and public holidays) from the registered office of the Transferee Company and / or from the office of its advocates as mentioned above.

The Hon'ble Tribunal has appointed Mr. S. Balasubramanian, former Chairman, Company Law Board, as the Chairperson of the Meeting, including for any adjournment(s) thereof and failing him, Mr. Virender Ganda, Senior Advocate, as the Alternate Chairperson of the Meeting, including for any adjournment(s) thereof. The Tribunal has also appointed Mr. Sanjay Grover, a practicing Company Secretary, as the Scrutinizer for the Meeting, including for any adjournment(s) thereof. The Scheme, if approved by the Meeting, will be subject to the subsequent approval of the Tribunal.

TAKE NOTICE that the following resolutions are proposed under Section 230(3) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (“**Act**”) and the provisions of the Memorandum of Association and the Articles of Association of Bharti Airtel Limited (“**Transferee Company**”), for the purpose of considering, and if thought fit, approving, with or without modification, the proposed scheme of amalgamation between Telenor (India) Communications Private Limited (“**Transferor Company**”) and Bharti Airtel Limited (i.e. the Transferee Company) and their respective shareholders and creditors under Sections 230 to 232 of the Act (“**Scheme**”).

“RESOLVED THAT pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“**Act**”), the applicable rules, circulars and notifications made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the provisions of Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 and Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, both issued by the Securities and Exchange Board of India (to the extent applicable), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (to the extent applicable), the observation letters issued by each of the BSE Limited and the National Stock Exchange of India Limited, both dated May 31, 2017 and subject to the provisions of the Memorandum of Association and the Articles of Association of Bharti Airtel Limited (“**Transferee Company**”) and subject to the approval of the Hon’ble National Company Law Tribunal, New Delhi (“**Tribunal**”) and subject to such other approvals, permissions and sanctions of any regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Tribunal or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Transferee Company (“**Board**”, which term shall be deemed to mean and include one or more committee(s) constituted / to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), the scheme of amalgamation between Telenor (India) Communications Private Limited (“**Transferor Company**”) and Bharti Airtel Limited (i.e. the Transferee Company) and their respective shareholders and creditors under Sections 230 to 232 of the Act (“**Scheme**”) as enclosed to the notice of the Tribunal convened meeting of the equity shareholders of the Transferee Company and placed before this meeting and initialed by the Chairperson or the Alternate Chairperson of the meeting, as the case may be, for the purpose of identification, be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to the preceding resolution and effectively implement the amalgamation embodied in the Scheme and to accept such modifications, amendments, limitations and / or conditions, if any, which may be required and / or imposed by the Tribunal while sanctioning

the Scheme or by any authorities under applicable law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and/or making such adjustments in the books of accounts of the Transferee Company as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper.”

TAKE FURTHER NOTICE that pursuant to the provisions of Sections 108 and 110 of the Act read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable laws and regulations, if any, the Transferee Company has also provided the facility of postal ballot and e-voting. Accordingly, the equity shareholders may cast votes through the postal ballot form or electronically (i.e. e-voting). The Transferee Company has engaged the services of M/s. Karvy Computershare Private Limited (“**Karvy**”) for the purpose of providing e-voting facility to all its equity shareholders. The equity shareholders desiring to exercise their votes by postal ballot are requested to carefully read the instructions printed in the enclosed Postal Ballot Form and in the notice and return the Postal Ballot Form duly completed in the attached self-addressed, postage pre-paid Business Reply Envelope, so as to reach the scrutinizer not later than 5:00 P.M. on Monday, September 18, 2017. If any postal ballot is received after 5:00 P.M. on Monday, September 18, 2017, it will be considered that no reply from the equity shareholder has been received. The equity shareholders desiring to exercise their vote by using e-voting facility are requested to carefully follow the instructions set out in the notes below under the heading “*Voting through electronic means*”.

A copy of the statement under Section 230(3) of the Act read with Rule 6(3) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (“**Merger Rules**”) (“**Explanatory Statement**”), the Scheme and other enclosures including the Form of Proxy and the Attendance Slip are enclosed and form part of the notice.

Dated this 11th day of August, 2017.

For Bharti Airtel Limited

Sd/-
Gopal Vittal
Managing Director & CEO (India & South Asia)
(Authorized Signatory)

Registered Office: Bharti Crescent, 1 Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110070, India.

CIN: L74899DL1995PLC070609

Email: compliance.officer@bharti.in

Notes:

1. **ONLY AN EQUITY SHAREHOLDER OF THE TRANSFEREE COMPANY (I.E. BHARTI AIRTEL LIMITED) (HEREINAFTER REFERRED TO AS "EQUITY SHAREHOLDER(S)") IS ENTITLED TO VOTE IN PERSON, BY PROXY, THROUGH POSTAL BALLOT OR THROUGH ELECTRONIC MEANS.**
2. **AN EQUITY SHAREHOLDER IS ENTITLED TO ATTEND AND VOTE AT THE TRIBUNAL CONVENED MEETING OF THE EQUITY SHAREHOLDERS ("MEETING"), EITHER IN PERSON OR BY PROXY OR THROUGH AN AUTHORIZED REPRESENTATIVE, AS THE CASE MAY BE. WHERE A BODY CORPORATE WHICH IS AN EQUITY SHAREHOLDER AUTHORISES ANY PERSON TO ACT AS ITS REPRESENTATIVE AT THE MEETING, A COPY OF THE RESOLUTION OF THE BOARD OF DIRECTORS OR OTHER GOVERNING BODY OF SUCH BODY CORPORATE AUTHORISING SUCH PERSON TO ACT AS ITS REPRESENTATIVE AT THE MEETING, AND CERTIFIED TO BE A TRUE COPY BY A DIRECTOR, THE MANAGER, THE SECRETARY, OR OTHER AUTHORISED OFFICER OF SUCH BODY CORPORATE SHALL BE LODGED WITH THE TRANSFEREE COMPANY AT ITS REGISTERED OFFICE NOT LATER THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.**
3. **AN EQUITY SHAREHOLDER IS ENTITLED TO ATTEND AND VOTE AT THE MEETING, EITHER IN PERSON OR BY PROXY OR THROUGH AN AUTHORIZED REPRESENTATIVE (IN CASE THE EQUITY SHAREHOLDER IS A BODY CORPORATE), AS THE CASE MAY BE. SUCH EQUITY SHAREHOLDER IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING INSTEAD AND ON BEHALF OF SUCH EQUITY SHAREHOLDER AND SUCH PROXY NEED NOT BE AN EQUITY SHAREHOLDER. PROXIES TO BE VALID AND EFFECTIVE SHOULD BE IN THE PRESCRIBED FORM OF PROXY, DULY COMPLETED, STAMPED AND SIGNED OR AUTHENTICATED BY THE CONCERNED PERSON AND SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE TRANSFEREE COMPANY NOT LATER THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.**
4. **PURSUANT TO SECTION 105 OF THE COMPANIES ACT, 2013 ("ACT") READ WITH RULE 19 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014 ("MANAGEMENT AND ADMINISTRATION RULES"), A PERSON CAN ACT AS PROXY ON BEHALF OF THE EQUITY SHAREHOLDERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL EQUITY SHARE CAPITAL OF THE TRANSFEREE COMPANY CARRYING VOTING RIGHTS. AN EQUITY SHAREHOLDER HOLDING MORE THAN 10% OF THE TOTAL EQUITY SHARE CAPITAL OF THE TRANSFEREE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR EQUITY SHAREHOLDER.**
5. An Equity Shareholder / its proxy, attending the Meeting, is requested to bring the Attendance Slip duly completed, signed or authenticated by the concerned person along with a copy of the deposited Form of Proxy (in case of a proxy). Equity Shareholders holding shares in dematerialized form are requested to bring their Client Master List / Depository Participant Statement / Delivery Instruction Slip reflecting their Client ID and DP ID Number for easier identification of attendance at the Meeting.
6. In case of joint holders attending the Meeting, only such joint holder whose name appears at the top in the hierarchy of names shall be entitled to vote.
7. An Equity Shareholder (in case such Equity Shareholder is an individual) or the authorized representative of the Equity Shareholder (in case such Equity Shareholder is a body corporate) or the proxy should carry their valid and legible identity proof (i.e. a PAN Card / Aadhaar Card / Passport / Driving License / Voter ID Card).
8. Equity Shareholders may avail the nomination facility as provided under Section 72 of the Act.
9. The notice, the Explanatory Statement together with the documents accompanying the same, are being sent through registered post to all those Equity Shareholders who have not registered their email ID's with the Transferee Company and the Depository Participants and/or electronically by email to those Equity Shareholders who have registered their email ID's with the Transferee Company and/or the Depository Participants, whose names appear in the register of members / list of beneficial owners as received from Karvy on August 4, 2017.
10. The Tribunal has appointed Mr. Sanjay Grover, a practicing Company Secretary, as the scrutinizer for the Meeting.
11. In terms of the directions contained in the order dated 28 July, 2017, the quorum for the Meeting shall be 40,000 equity shareholders in number or 20% in value in terms of the total equity share capital of the Transferee Company. Further, in case the aforesaid quorum for the Meeting is not present, then the Meeting shall be adjourned by 30 minutes and thereafter, the equity shareholders present and voting shall be deemed to constitute the quorum. For the purposes of computing the quorum, the valid proxies shall also be considered.
12. In terms of Sections 230 to 232 of the Act, the Scheme shall be considered approved by the Equity Shareholders of the Transferee Company if the resolutions mentioned in the notice have been approved at the Meeting by a majority of persons representing three-fourths in value of the equity shareholding of the Transferee Company, voting in person, by proxy, through postal ballot or through electronic means.
13. In terms of the directions contained in the Order, the advertisement of the Meeting will be / has been published in the Indian Express (Daily edition in English) and Jansatta (Daily edition in Hindi) indicating the day, date, place and time of the Meeting and stating that the copies of the Scheme, the Explanatory Statement and the Form of Proxy can be obtained free of charge on any day (except Saturday, Sunday and public holidays) from the registered

office of the Transferee Company or / and from the office of its advocates, M/s. AZB & Partners situated at Plot No. A8, Sector 4, Noida - 201301, Uttar Pradesh.

14. It may be noted that the voting facility through ballot / polling paper will be provided at the Meeting venue.
15. Pursuant to the provisions of Section 108 and Section 110 of the Act read with Rule 20 and Rule 22 of the Management and Administration Rules (as amended from time to time), Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations ("SEBI Listing Regulations") and other applicable provisions, if any, of the Act and of SEBI Listing Regulations, the Transferee Company will be offering postal ballot and e-voting facility to the shareholders to cast their votes (for or against) on the resolutions set forth in the notice.
16. The voting rights of an Equity Shareholder shall be in proportion to such Equity Shareholder's equity shareholding in the Transferee Company as on August 4, 2017.
17. Kindly note that each Equity Shareholder can opt for only one mode for voting i.e. either by Postal Ballot or by E-voting. If you opt for E-voting, then please do not vote by Postal Ballot and vice versa. In case Equity Shareholders do cast their vote, via both modes i.e. Postal Ballot as well as E-voting, then voting done through E-voting shall prevail and Postal Ballot of that member shall be treated as invalid.
18. The E-Voting Event Number, User ID and Password along with the detailed instruction are set out below under the section "*Voting through electronic means*".
19. The voting rights for the purposes of e-voting and postal ballot shall be reckoned on the basis of the paid up value of the equity shares registered in the name of the Equity Shareholders as on August 4, 2017 and a person who is not an Equity Shareholder on such date should treat the notice for information purposes only.
20. It is clarified that casting of votes by e-voting or postal ballot does not disentitle an Equity Shareholder from attending the Meeting. However, any Equity Shareholder who has voted through e-voting or postal ballot cannot vote at the Meeting.
21. The scrutinizer will submit his report to the Chairperson or the Alternate Chairperson (as the case may be) after completion of the scrutiny of the postal ballots, e-votes and the polling / ballot paper submitted by the Equity Shareholders. The scrutinizer's decision on the validity of the votes shall be final. The results of the voting on the resolutions set out in the notice shall be announced on or before Thursday, September 21, 2017. The results of the voting along with the Scrutinizer's Report shall be displayed at the registered office of the Transferee Company situated at Bharti Crescent, 1 Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi – 110070 and its website (www.airtel.com) and Karvy's website (<https://evoting.karvy.com>), besides being communicated to the stock exchanges where the equity shares of the Transferee

Company are listed, namely, the National Stock Exchange of India Limited and BSE Limited.

22. Kindly note that an Equity Shareholder can opt to vote either by physical ballot or postal ballot or e-voting. If you are opting to vote through any one of the aforesaid modes, then do not vote by any of the other modes.
23. The voting period for postal ballot and e-voting commences on Sunday, August 20, 2017 at 9:00 A.M. and ends on Monday, September 18, 2017 at 5:00 P.M. During this period, the Equity Shareholders holding equity shares either in physical form or in dematerialized form, as on August 4, 2017, being the cut-off date, may cast their vote (for or against) electronically. Once the vote on the resolutions is cast by an Equity Shareholder, such Equity Shareholder will not be allowed to change it subsequently.
24. The Transferee Company is offering e-voting facility as an alternate, for all Equity Shareholders to enable them to cast their vote electronically instead of dispatching Postal Ballot. In case a member desires to exercise his vote by using e-voting facility then he has to carefully follow the instructions under the heading "Voting through Electronic Means".
25. Any queries / grievances in relation to notice may be addressed to the Company Secretary of the Transferee Company through e-mail (e-mail id: compliance.officer@bharti.in). The Company Secretary of the Transferee Company can also be contacted at +91-11-4666 6100.

VOTING THROUGH POSTAL BALLOT

26. A Postal Ballot Form along with self-addressed postage Business Reply Envelope is provided in loose leaf form. The Equity Shareholders voting in physical form are requested to carefully read the instructions printed in the enclosed Postal Ballot Form. The Equity Shareholders who have received the notice by e-mail and who wish to vote through Postal Ballot Form can download the Postal Ballot Form from the Transferee Company's website (www.airtel.com) or seek duplicate a Postal Ballot Form from the Transferee Company. The Equity Shareholders who have not received the postal ballot form may apply to the Transferee Company and obtain a duplicate copy. Equity Shareholders shall fill in the requisite details and send the duly completed and signed Postal Ballot Form in the enclosed self-addressed postage pre-paid Business Reply Envelope to the scrutinizer so as to reach the scrutinizer before 5:00 P.M. on Monday, September 18, 2017. Any Postal Ballot Form received after such period shall be treated as if the reply from the Equity Shareholder has not been received.
27. The Postal Ballot Form should be completed and signed by the Equity Shareholder (as per specimen signature registered with the Transferee Company and/or furnished by the depositories). In case, shares are jointly held, this form should be completed and signed by the first named member and, in his / her absence, by the next named member. Holder(s) of Power of Attorney ("**PoA**") on behalf of an Equity Shareholder may vote on the postal ballot mentioning the registration number of the PoA with the Transferee Company or enclosing a copy of the PoA authenticated by a notary. In case of equity shares held

by companies, societies etc., the duly completed postal ballot form should be accompanied by a certified copy of the board resolution / authorization giving the requisite authority to the person voting on the Postal Ballot Form.

28. Incomplete, unsigned, improperly or incorrectly tick marked Postal Ballot Forms will be rejected. There will be only one Postal Ballot Form for every registered folio / client ID irrespective of the number of joint shareholders.
29. The vote on postal ballot cannot be exercised through proxy.

VOTING THROUGH ELECTRONIC MEANS

30. Launch internet browser by typing the URL: <https://evoting.karvy.com>.
31. Enter the login credentials (i.e. User ID and password mentioned at the bottom of the Postal Ballot Form). Your Folio No. / DP ID / Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote. If required, please visit <https://evoting.karvy.com> for your existing password.
32. After entering these details appropriately, click on "LOGIN".
33. You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. **IT IS STRONGLY RECOMMENDED THAT YOU DO NOT SHARE YOUR PASSWORD WITH ANY OTHER PERSON AND THAT YOU TAKE UTMOST CARE TO KEEP YOUR PASSWORD CONFIDENTIAL.**
34. You need to login again with the new credentials.
35. On successful login, the system will prompt you to select the E-Voting Event Number for Bharti Airtel Limited.
36. On the voting page enter the number of shares (which represents the number of votes) as on the date August 4, 2017 under "FOR / AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR / AGAINST" taken together should not exceed your total shareholding. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head. Option "FOR" implies assent to resolution and "AGAINST" implies dissent to resolution.
37. Equity shareholders holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.

38. You may then cast your vote by selecting an appropriate option and click on "Submit".
39. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the e-voting period, Equity Shareholders can login any number of times till they have voted on the resolutions.
40. **Corporate / Institutional Equity Shareholders** (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF format/JPG format) of the board resolution / authority letter etc., together with attested specimen signature(s) of the duly authorized representative(s), to the scrutinizer at contact@cssanjaygrover.in with a copy marked to evoting@karvy.com. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT No."
41. Once the vote on a resolution is cast by an Equity Shareholder, the Equity Shareholder shall not be allowed to change it subsequently.
42. The scrutinizer shall on the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Transferee Company and will prepare and submit, a scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairperson or Alternate Chairperson (as the case may be) of the Meeting.
43. The results declared along with the scrutinizer's report will be available on the website of the Transferee Company (www.airtel.com) and on Karvy's website (<https://evoting.karvy.com>) and shall be communicated to the stock exchange where the equity shares of the Transferee Company are listed, namely, BSE Limited and National Stock Exchange of India Limited.
44. In case of any query and / or grievance, pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website <https://evoting.karvy.com> or contact Mr. Ravi Shankar Shukla of Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot number 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 at evoting@Karvy.com or phone number 040-67161522 or call Karvy's toll free No. 1-800-34-54-001.
45. All documents referred to in the notice and the accompanying Explanatory Statement will be available for inspection by the Equity Shareholders at the registered office of the Transferee Company on all days, except Saturday, Sunday and public holidays, between 11:00 A.M. and 1:00 P.M. upto the date of the Meeting.

Enclosures: As above

STATEMENT UNDER SECTION 230(3) OF THE COMPANIES ACT, 2013 READ WITH RULE 6(3) OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 TO THE NOTICE OF THE TRIBUNAL CONVENED MEETING OF THE EQUITY SHAREHOLDERS OF BHARTI AIRTEL LIMITED

1. This statement is being furnished pursuant to Section 230(3) of the Companies Act, 2013 (“**Act**”) read with Rule 6(3) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (“**Merger Rules**”) (the “**Explanatory Statement**”).
2. Pursuant to the order dated July 28, 2017 (“**Order**”), passed by the Hon’ble Special Bench of the National Company Law Tribunal, New Delhi Bench (“**Tribunal**”) in CA (CAA)-81(PB)/2017, a meeting of the equity shareholders of Bharti Airtel Limited (“**Transferee Company**”) is being convened at Sri Sathya Sai International Centre, Pragati Vihar, Bhisham Pitamah Marg, Lodhi Road, New Delhi – 110003 on Tuesday, September 19, 2017 at 9:30 A.M. (i.e. 9:30 Hours) Indian Standard Time (“**Meeting**”), for the purpose of considering and, if thought fit, approving with or without modification, the scheme of amalgamation between Telenor (India) Communications Private Limited (“**Transferor Company**”) and Bharti Airtel Limited (i.e. the Transferee Company) and their respective shareholders and creditors under Sections 230 to 232 of the Act (“**Scheme**”). The Scheme as filed before the Tribunal is enclosed as **ANNEXURE 1**. Please refer to paragraphs 36 to 38 for the rationale and salient features of the Scheme.
3. The Audit & Risk Management Committee of the Transferee Company (“**Audit Committee**”) *vide* resolution dated March 3, 2017, recommended the Scheme to the Board of Directors of the Transferee Company, after having taken into consideration, *inter alia*, the valuation report dated February 23, 2017 issued by Walker Chandiook & Co LLP, Chartered Accountants and the Fairness Opinion dated February 23, 2017 issued by RBSA Capital Advisors LLP, a SEBI registered Category I Merchant Banker. All the members of the Audit Committee unanimously approved the resolution recommending the Scheme to the Board of Directors of the Transferee Company, namely, (i) Craig Ehrlich; (ii) Shishir Priyadarshi; (iii) Tan Yong Choo; and (iv) V.K Viswanathan.
4. The Board of Directors of the Transferee Company, based on the recommendation of the Audit Committee, approved the Scheme *vide* resolution dated March 4, 2017. All the directors on the Board of Directors of the Transferee Company unanimously voted in favour of the resolution approving the Scheme, namely, (i) Sunil Bharti Mittal; (ii) Ben Verwaayen; (iii) Chua Sock Koong; (iv) Craig Ehrlich; (v) Dinesh Kumar Mittal; (vi) Sheikh Faisal Thani Al-Thani; (vii) Gopal Vittal; (viii) Manish Kejriwal; (ix) Rakesh Bharti Mittal; (x) Shishir Priyadarshi; (xi) Tan

Yong Choo; and (xii) V.K. Viswanathan.

5. The Board of Directors of the Transferor Company approved the Scheme *vide* resolution dated March 7, 2017. The resolution approving the Scheme was unanimously voted in favour by all the directors present at the said meeting, namely, (i) Sharad Mehrotra; and (ii) Arnstein Sletmoe.
6. The Scheme is presented pursuant to the provisions of Sections 230 to 232 and other relevant provisions of the Act, as may be applicable, and also read with Section 2(1B) and other relevant provisions of the Income-tax Act, 1961, as applicable, for the amalgamation of the Transferor Company into the Transferee Company, on a going concern basis. Additionally, the Scheme also provides for various other matters consequential or otherwise integrally connected with the Scheme.
7. In terms of Sections 230 to 232 of the Act, the Scheme shall be considered approved by the equity shareholders of the Transferee Company if the resolutions mentioned above in the notice have been approved at the Meeting by a majority of persons representing three-fourths in value of the equity shareholding of the Transferee Company, voting in person, by proxy, through postal ballot or through electronic means.

DETAILS OF THE TRANSFEREE COMPANY AS PER RULE 6(3) OF THE MERGER RULES

8. Details of the Transferee Company:

Bharti Airtel Limited (Transferee Company)	
Corporate Identification No. (CIN)	L74899DL1995PLC070609
Permanent Account No. (PAN)	AAACB2894G
Incorporation Date	July 7, 1995
Type of Company	Public Limited Company
Regd. Office Address	Bharti Crescent, 1 Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070, India
Email	compliance.officer@bharti.in
Stock Exchange(s) where securities of the Transferee Company are listed	(i) BSE Limited; and (ii) National Stock Exchange of India Limited

9. Summary of the Main Objects as per the Memorandum of Association of the Transferee Company:

The main objects of the Transferee Company are set out under Clause III(A) of its Memorandum of Association, which are as under:

- “1. To promote & establish Companies, Funds, Associations or Partnerships for providing telecom networks and/or to run and maintain telecom services like basic/fixed line services, cellular/mobile services,

paging, videotext, voice mail and data systems, private switching network services, transmission network of all types, computer networks i.e. local area network, wide area network, Electronic Mail, Intelligent network. Multimedia communication systems or the combinations thereof and for execution of undertakings. Works, projects or enterprises in the Industry whether of a private or public character or any joint venture re with any government or other authority in India or elsewhere and to acquire and dispose of shares /securities in such companies, and funds and interest in such associations or partnerships.

2. To provide telecom networks and to run and maintain telecom services like basic/fixed line services, cellular/mobile services, paging, video-text, voice mail & data systems, private switching network services, transmission networks of all types, computer networks like local area network, wide area network, Electronic Mail, Intelligent network, Multi media communication systems or the combinations thereof.
3. To carry on the business of manufacturers, merchants, dealers, distributors, importers, exporters, buyers, sellers, agents and stockists, and to market, hire, lease, rent out, assemble, alter, install, service, design, research and improve, develop, exchange, maintain, repair, refurbish, store and otherwise deal in any manner in all types of telephone exchanges, telephone instruments -whether corded, cordless, mobile or of any other kind; tele- terminals, fax machines, telegraphs, recording instruments and devices, telephone message/ answering machines and devices; dialing machines, trunk dialing barring devices, wireless sets and other wireless communication devices like radio pagers, cellular phones, satellite phones etc; telecom switching equipments of all kinds; telecom transmission equipments of all kinds, test equipments, instruments, apparatus, appliances and accessories and equipment and machinery for the manufacture thereof and to provide technical services in respect thereof or relating thereto.
4. To buy, sell, manufacture, assemble, repair, design, alter, research and improve, develop, exchange, ware- house, let on hire, import, export, and deal in all sorts of Electronic, non- Electronic, Computerized and Electrical items and equipment including Computer and Data Processing Equipment, Peripherals. Printers. Disc-drives, Intelligent Terminals, Modems, Software, Hardware, Personal Computers, 'CAD/CAM' Computer, Graphic Systems, Office Automation Equipments, Word processors, Photoposetting, Text Editing and Electronic Printing and/ or Typing Systems, Circuits, including integrated, hybrid, 'VLSI' Chips, Microprocessors and Microprocessor based equipment, Semiconductor Memories including bubble Memories, Discrete electronic devices, Facsimile

Equipments, Copying Machines. Xerox Machines, Telephone Cable Pressurization Systems, Printed Circuit Boards, all sorts of automatic Float charges, Electronic, Electrical and Computerized Systems and Equipment and Plant and Machineries and Field Engineering support and for all above, their incidental and allied equipment, accessories, components, parts, sub-parts, tools, manufactured and semi manufactured goods, raw materials, plant and machineries, substance, goods, articles and things and VCR, VCP, Cassettes, Cameras, Radios, Stereo and Amplifiers, television sets, audio visual equipment, teleprinters, telecommunications satellite Station and electronic equipment, remote control systems, business machines, calculators, hoists, elevators, trolleys and their components including valves, transistors, resistors, condensors, coils and circuits.

5. To guarantee/ counter guarantee the obligations of any of its subsidiary/ associate/ group companies and/ or other companies in which the company has equity interest under any agreements/ contracts/ debentures, bonds, stocks, mortgages, charges and securities.”

10. Main business carried on by the Transferee Company:

The Transferee Company is engaged in the business of providing global telecommunication services with operations in 17 countries across Asia and Africa. In India, the Transferee Company's product offerings include 2G, 3G and 4G wireless services, mobile commerce, fixed line services, high speed home broadband, DTH, enterprise services including national and international long distance services to carriers. In the rest of the geographies, it offers 2G, 3G and 4G wireless services and mobile commerce.

11. Details of change of name, registered office and objects of the Transferee Company during the last five years:

Change of Name: The Transferee Company was incorporated on July 7, 1995 under the provisions of the Companies Act, 1956 under the name 'Bharti Tele-Ventures Limited'. Thereafter, on April 24, 2006, the name of the Transferee Company was changed to its present name i.e. "Bharti Airtel Limited". Further, there has been no change in the name of the Transferee Company during the last five years.

Change of Registered Office: There has been no change in the registered office of the Transferee Company during the last five years.

Change of Objects: There has been no change in the objects of the Transferee Company during the last five years.

12. Details of the capital structure of the Transferee Company including authorized, issued, subscribed and paid-up share capital:

Particulars	Amount (INR)
Authorized Share Capital as on August 11, 2017	
5,50,00,00,000 equity shares having face value of Rs. 5/- each	27,50,00,00,000
Total	27,50,00,00,000
Issued, Subscribed and Fully Paid-up Share Capital as on August 11, 2017	
3,99,74,00,102 equity shares having face value of Rs. 5/- each	19,98,70,00,510
Total	19,98,70,00,510

13. Details of the capital structure of the Transferee Company post the amalgamation as envisaged under the Scheme:

Particulars	Amount (INR)
Authorized Share Capital	
29,50,60,00,000 equity shares having face value of Rs. 5/- each	147,53,00,00,000
Total	147,53,00,00,000
Issued, Subscribed and Fully Paid-up Share Capital	
3,99,74,00,107 equity shares having face value of Rs. 5/- each	19,98,70,00,535
Total	19,98,70,00,535

14. Names of the Promoters of the Transferee Company along with their addresses:

S.No.	Name of the Promoter	Address
1.	Bharti Telecom Limited	Plot No. 16, Udyog Vihar, Phase IV, Gurgaon, - 122001, Haryana, India
2.	Pastel Limited	Level 3, Alexander House, 36 Cybercity, Ebene, Mauritius
3.	Indian Continent Investment Limited	6, Sir William Newton Street, Port Louis, Mauritius
4.	Viridian Limited	C/o Intercontinental Trust Limited, Level 3, Alexander House, 36 Cybercity, Ebene, Mauritius

15. Names of the Directors of the Transferee Company as on August 11, 2017 along with their addresses:

S.No.	Name of the Director and Designation	Address
1.	Mr. Sunil Bharti Mittal Chairman	19, Amrita Shergil Marg, New Delhi - 110003, India
2.	Mr. Gopal Vittal Managing Director & CEO (India & South Asia)	A2/1202, World Spa East, Sector 30 & 41, Gurgaon - 122001, Haryana, India
3.	Ms. Chua Sock Koong Non-Executive Director	15A, Oei Tiong Ham Park, Singapore - 268302
4.	Mr. Rakesh Bharti Mittal Non-Executive Director	4, Pearl Lane, DLF Chattarpur Farms, New Delhi - 110074, India
5.	Rashed Fahad O J Al- Noaimi Non-Executive Director	P.O. Box 1959, Doha, Qatar
6.	Ms. Tan Yong Choo Non-Executive Director	22, Park Villas Green, Singapore - 545430
7.	Mr. Ben Verwaayen Independent Director	Prince's Gate 1, Flat 7, London SW7 1QJ, UK

S.No.	Name of the Director and Designation	Address
8.	Mr. Craig Ehrlich Independent Director	Block - B, 6/F, Best View Court, 66, MacDonnell Road, Hong Kong
9.	Mr. D. K. Mittal Independent Director	B-71, Sector 44, Noida - 201301, Uttar Pradesh, India
10.	Mr. Manish Kejriwal Independent Director	Flat No. 3703, 37th & 38th Floor, Vivarea Building, B Wing, Sane Guruji Marg, Jacob Circle Mumbai - 400011, Maharashtra, India
11.	Mr. Shishir Priyadarshi Independent Director	24, Cret De Champel, Geneva, 1206, Switzerland
12.	Mr. V.K. Viswanathan Independent Director	F - 01, First Floor, Legacy Caldera, 56, SRT Road, Cunningham Road, Bangalore - 560052, Karnataka, India

16. The date of the board meeting at which the Scheme was approved by the Board of Directors of the Transferee Company, including the name of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution:

The Scheme was unanimously approved by the Board of Directors of the Transferee Company on March 4, 2017. The details of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution are as under:

S.No.	Names of the Directors	Votes
1.	Mr. Sunil Bharti Mittal Chairman	In Favour
2.	Mr. Gopal Vittal Managing Director & CEO (India & South Asia)	In Favour
3.	Ms. Chua Sock Koong Non-Executive Director	In Favour
4.	Mr. Rakesh Bharti Mittal Non-Executive Director	In Favour
5.	Sheikh Faisal Thani Al-Thani Non-Executive Director	In Favour
6.	Ms. Tan Yong Choo Non-Executive Director	In Favour
7.	Mr. Ben Verwaayen Independent Director	In Favour
8.	Mr. Craig Ehrlich Independent Director	In Favour
9.	Mr. D. K. Mittal Independent Director	In Favour
10.	Mr. Manish Kejriwal Independent Director	In Favour
11.	Mr. Shishir Priyadarshi Independent Director	In Favour
12.	Mr. V. K. Viswanathan Independent Director	In Favour

17. As on April 30, 2017, the Transferee Company has a total of 18,179 (Eighteen Thousand One Hundred Seventy Nine

Only) unsecured creditors representing a total outstanding unsecured debt of Rs. 19,840,20,00,000/- (Rupees Nineteen Thousand Eight Hundred and Forty Crore Twenty Lakh Only).

18. Disclosure about the effect of the Scheme on the material interests of directors, key managerial personnel and debenture trustee of the Transferee Company:

None of the directors nor the key managerial personnel of the Transferee Company have any material interest in the Scheme, save to the extent of shares / directorships / managerial positions held by the directors / key managerial personnel in the Transferee Company, if any. Further, neither does the security/ bond trustee appointed in connection with the overseas bonds issued by the Transferee Company have any material interest in the Scheme.

19. Disclosure about the effect of the Scheme on the following persons of the Transferee Company:

S.No.	Persons	Effect of the Scheme
1.	Key Managerial Personnel (“KMP”)	The Scheme will have no effect on the KMP’s of the Transferee Company.
2.	Directors	Upon the Effective Date, the existing directors shall continue on the board of the Transferee Company.
3.	Promoter Shareholders	The Scheme will have no effect on the promoters and the non-promoter shareholders of the Transferee Company since upon the Effective Date, the Transferee Company shall issue five fully paid-up equity shares of the Transferee Company having a face value Rs. 5/- each to Telenor South Asia Investment Pte. Ltd., the promoter shareholder of the Transferor Company.
4.	Non-Promoter Shareholders	The Transferee Company has only a single class of shareholders being the equity shareholders of the Company.
5.	Depositors	Not Applicable
6.	Creditors	Upon the Effective Date (as defined under Clause 1.11 of Part A of the Scheme) and with effect from the Appointed Date (as defined under Clause 1.4 of Part A of the Scheme), all Liabilities (as defined under Clause 1.16 of Part A of the Scheme) of the Transferor Company, shall be transferred to, or be deemed to be transferred to the Transferee Company so as to become from the Appointed Date, the Liabilities of the Transferee Company and the Transferee Company had undertaken to meet, discharge and satisfy the same.
7.	Debenture Holders	Not Applicable

S.No.	Persons	Effect of the Scheme
8.	Deposit Trustee and Debenture Trustee	The Transferee Company has appointed certain security/ bond trustees in connection with the overseas bonds issued by the Transferee Company. The Scheme will have no effect on the aforesaid security/ bond trustees.
9.	Employees	The Scheme will have no effect on the employees of the Transferee Company.

20. Sub-clause 6 of Clause III(B) of the Memorandum of Association of the Transferee Company contains enabling provisions for undertaking an amalgamation as envisaged in the Scheme and the same is extracted below:

“6. To amalgamate with any other Company having objects altogether or in part, similar to those of this Company”

DETAILS OF THE TRANSFEROR COMPANY AS PER RULE 6(3) OF THE MERGER RULES

21. Details of the Transferor Company:

Telenor (India) Communications Private Limited (Transferor Company)	
Corporate Identification No. (CIN)	U64200DL2012PTC231991
Permanent Account No. (PAN)	AAECT1511C
Incorporation Date	February 24, 2012
Type of Company	Private Limited Company
Regd. Office Address	DBS Business Center, First Floor, World Trade Tower, Barakhamba Lane, Connaught Place, New Delhi – 110001, India
Email ID	deepak.goyal@telenor.in
Stock Exchange(s) where securities of the Transferor Company are listed	Not Applicable

22. Summary of the Main Objects as per the Memorandum of Association of the Transferor Company:

The main objects of the Transferor Company are set out under Clause III(A) of its Memorandum of Association, which are as under:

“1. To carry on the business of all kinds of communication services mainly telecommunication services like basic/fixed line services, National long distance services, international long distance services, cellular/mobile services, paging, video, text, voice, mail and data systems, private switching network services, transmission network of all types, computer networks i.e. local area networks, wide area, network, electronic mail, intelligent network, multi-media communication, systems or the combinations thereof.

2. *To carry on the business of manufactures, dealers, distributors, importers, exporters, buyers, sellers, merchants, agents and stockists, and to market, hire, lease, rent out, assemble, alter, install, service, design, research and improve, develop, exchange, establish, provide, run, maintain, repair, refurbish, store and otherwise deal in any manner in all types of telecom infrastructure and services including telecom network, telephone exchanges, telephone instruments-whether corded, cordless, mobile or of any other kind teleterminals, fax machines, telegraphs, recording instruments and dialing barring devices, wireless sets and other wireless communication devices like radio pagers, cellular phones, satellite phones etc. telecom switching equipment's of all kinds telecom transmission equipments of all kinds, test equipments, instruments apparatus, appliances and accessories and equipment and machinery for the manufacturer thereof and to provide technical services in respect thereof or relating thereto.*
3. *To undertake and execute works, projects or enterprises in the telecom industry whether of a private or public character any joint venture with any government or other authority in India or elsewhere.*
4. *To apply for and procure licenses and approvals from or enter into agreements with any government, judicial or other authority, body or institution for carrying out any or all of the above objects, and comply with all the applicable provisions of such license(s) and approvals, and the appropriate laws, guidelines rules and regulations (including any statutory modification(s) or re-enactment thereof for the time being in force), and any violation of which shall automatically lead to the Company being unable to carry on its business in this regard."*

23. Main business carried on by the Transferor Company:

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. Additionally, the Transferor Company has procured spectrum and authorization to provide Access Services in the Assam circle. Further, the Transferor Company also possesses authorizations to provide NLD, ILD and ISP 'Category A' as granted by the Department of Telecommunications, Government of India.

24. Details of change of name, registered office and objects of the Transferor Company during the last five years:

Change of Name: The Transferor Company was incorporated on February 24, 2012 under the provisions of the Companies

Act, 1956 under the name "Telewings Communications Services Private Limited". Thereafter, on August 21, 2015, the name of the Transferor Company was changed to its present name i.e. "Telenor (India) Communications Private Limited".

Change of Registered Office: The registered office of the Transferor Company has been shifted within the same city i.e. from Unit No. 902, 9th Floor, Le Meridian, Commercial Tower, Windsor Place, New Delhi – 110001 to its present registered office address situated at DBS Business Center, First Floor, World Trade Tower, Barakhamba Lane, Connaught Place, New Delhi – 110001 with effect from January 15, 2017.

Change of Objects: In the last five years, the objects clause of the Transferor Company have been amended vide special resolutions passed in the extra-ordinary general meetings of the shareholders held on September 27, 2012 and December 3, 2013 respectively.

Pursuant to the special resolution dated September 27, 2012, the Objects Clause under Clause III(A) of the Memorandum of Association of the Transferor Company was altered as under:

- "1. *To carry on the business of all kinds of communication services mainly telecommunication services like basic/ fixed line services, cellular/mobile services, paging, video text, voice, mail and data systems, private switching network services, transmission network of all types, computer networks i.e. local area networks, wide area, network, electronic mail, intelligent network, multi-media communication, systems or the combinations thereof.*
2. *To carry on the business of manufacturers, dealers, distributors, importers, exporters, buyers, sellers, merchants, agents and stockists, and to market, hire, lease, rent out, assemble, alter, install, service, design, research and improve, develop, exchange, establish, provide, run, maintain, repair, refurbish, store and otherwise deal in any manner in all types of telecom infrastructure and services including telecom network, telephone exchanges, telephone instruments-whether corded, cordless, mobile or of any other kind teleterminals, fax machines, telegraphs, recording instruments and dialing barring devices, wireless sets and other wireless communication devices like radio pagers, cellular phones, satellite phones etc. telecom switching equipments of all kinds telecom transmission equipments of all kinds, test equipments, instruments, apparatus, appliances and accessories and equipment and machinery for the manufacturer thereof and to provide technical services in respect thereof or relating thereto.*

3. To undertake and execute works, projects or enterprises in the telecom industry whether of a private or public character or any joint venture with any government or other authority in India or elsewhere.
4. To apply for and procure licenses and approvals from or enter into agreements with any government, judicial, quasi judicial or other authority, body or institution for carrying out any or all of the above objects, and comply with all the applicable provisions of such license(s) and approvals, and the appropriate laws, guidelines, rules and regulations (including any statutory modification(s) or re-enactment thereof for the time being in force), and any violation of which shall automatically lead to the Company being unable to carry on its business in this regard.”

Pursuant to the special resolution dated December 3, 2013, sub-clause (1) of the Objects Clause under Clause III(A) of the Memorandum of Association of the Transferor Company was altered as under:

- “1. To carry on the business of all kinds of communication services mainly telecommunication services like basic/fixed line services, National long distance services, International long distance services, cellular/mobile services, paging, video text, voice, mail and data systems, private switching network services, transmission network of all types, computer networks i.e. local area networks, wide area, network, electronic mail, intelligent network, multi-media communication, systems or the combinations thereof.”

25. Details of the capital structure of the Transferor Company including authorized, issued, subscribed and paid-up share capital:

Particulars	Amount (INR)
Authorized Share Capital as on August 11, 2017	
12,00,30,00,000 equity shares having face value of Rs. 10/- each	120,03,00,00,000
Total	120,03,00,00,000
Issued, Subscribed and Fully Paid-up Share Capital as on August 11, 2017	
1,92,30,76,923 equity shares having face value of Rs. 10/- each	19,23,07,69,230
Total	19,23,07,69,230

26. Details of the capital structure of the Transferor Company post the amalgamation as envisaged under the Scheme:

Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up.

27. Names of the Promoters of the Transferor Company along with their addresses:

S.No.	Name of the Promoter	Address
1.	Telenor South Asia Investment Pte Ltd	1, Wallich Street, #28-01, Guoco Tower, Singapore – 078881

28. Names of the Directors of the Transferor Company as on August 11, 2017 along with their addresses:

S.No.	Name of the Director and Designation	Address
1.	Mr. Sharad Mehrotra Whole time Director	B-4/140, Second Floor, Safdarjung Enclave, New Delhi - 110029, India
2.	Mr. Rajiv Bawa Director	A5-901, World Spa East Sector - 30 Gurgaon - 122001 Haryana, India
3.	Mr. Arnstein Sletmoe Director	Eilert Sundts gate 57 0355 Oslo, Norway
4.	Mr. Sampath Kumar Rajagopalan Director	12-B, Shantiniketan, V Cross, Ganesh Block R T Nagar Bangalore - 560032, Karnataka, India
5.	Ms. Charandeep Kaur Chandhok Director	342, Pocket C, Sarita Vihar, New Delhi - 110076, India

29. The date of the board meeting at which the Scheme was approved by the Board of Directors of Transferor Company including the name of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution:

The Scheme was unanimously approved by the Board of Directors of the Transferor Company on March 7, 2017. The details of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution are as under:

S.No.	Name of the Director and Designation	Votes
1.	Mr. Sharad Mehrotra Whole time Director	In Favour
2.	Mr. Rajiv Bawa Director	Not Present, although ratified the decision taken at the meeting
3.	Mr. Arnstein Sletmoe Director	In Favour
4.	Mr. Sampath Kumar Rajagopalan Director	Not present
5.	Ms. Charandeep Kaur Chandhok Director	Not present

30. As on April 30, 2017, the Transferor Company has a total of 6,656 (Six Thousand Six Hundred and Fifty Six Only) unsecured creditors representing a total outstanding unsecured debt of Rs. 7,983,56,69,449/- (Rupees Seven Thousand Nine Hundred and Eighty Three Crore Fifty Six Lakhs Sixty Nine Thousand Four Hundred and Forty Nine Only).

31. Disclosure about the effect of the Scheme on the material interests of directors, key managerial personnel and debenture trustee of the Transferor Company:

None of the directors nor the key managerial personnel of the Transferor Company have any material interest in the Scheme, save to the extent of shares / directorships / managerial positions held by the directors / key managerial personnel in the Transferor Company, if any. Further, the Transferor Company has not appointed any debenture trustee.

32. Disclosure about the effect of the Scheme on the following persons of the Transferor Company:

S.No.	Persons	Effect of the Scheme
1.	Key Managerial Personnel (“KMP”)	Upon the Scheme becoming effective (“ Effective Date ”), all employees of the Transferor Company (including the KMP’s) as on the Effective Date, shall be deemed to have become employees of the Transferee Company, without any interruption of service and on the basis of continuity of service and terms and conditions no less favourable than those applicable to them with reference to the Transferor Company, on the Effective Date.
2.	Directors	Upon the Effective Date, the Transferor Company shall stand dissolved without winding up and accordingly, its board shall cease to exist.
3.	Promoter Shareholders	Upon the Effective Date, the Transferee Company shall issue five fully paid-up equity shares of the Transferee Company having a face value Rs. 5/- each to Telenor South Asia Investment Pte. Ltd., the promoter shareholder of the Transferor Company. The Transferor Company has only a single class of shareholders being the equity shareholders of the Transferor Company. On the Effective Date, the Transferor Company shall stand dissolved without being wound up in accordance with the Act.
4.	Non-Promoter Shareholders	The Transferor Company does not have any non-promoter shareholders.
5.	Depositors	Not Applicable
6.	Creditors	Upon the Effective Date (as defined under Clause 1.11 of Part A of the Scheme) and with effect from the Appointed Date (as defined under Clause 1.4 of Part A of the Scheme), all Liabilities (as defined under Clause 1.16 of Part A of the Scheme) of the Transferor Company, shall be transferred to, or be deemed to be transferred to the Transferee Company so as to become from the Appointed Date, the Liabilities of the Transferee Company and the Transferee Company had undertaken to meet, discharge and satisfy the same.
7.	Debenture Holders	Not Applicable
8.	Deposit Trustee and Debenture Trustee	Not Applicable
9.	Employees	Please refer to S. No. 1 of this table.

33. Sub-clause 1 of Clause III (B) of the Memorandum of Association of the Transferor Company contains enabling provisions for undertaking an amalgamation as envisaged in the Scheme and the same is extracted below:

“1. To amalgamate, or enter into partnership or into any arrangement for sharing profit, union of interest, co-operation, joint venture, merger, de-merger, reciprocal concession or otherwise with any person, firm or company carrying on or engaged in or about to carry on or engage in any business or transaction which this Company is authorised to carry on or engage in or to purchase from such company its business as a going concern.”

34. Relationship between the Transferor Company and the Transferee Company:

The Transferor Company and the Transferee Company are not related to each other.

35. Capitalized terms used herein but not defined shall have the meaning assigned to them in the Scheme, unless otherwise stated.

36. Rationale of the Scheme and the benefits of the Scheme as perceived by the Board of Directors of the Transferor Company and the Transferee Company

Part (B) of the Preamble to the Scheme (i.e. Purpose and Rationale of the Scheme) states as under:

“The rationale for the amalgamation of the Transferor Company into the Transferee Company is, inter alia, as follows:

- (i) consolidate the telecom business of the Transferor Company with the Transferee Company;*
- (ii) further expansion of the Transferee Company’s business into the growing markets of India;*
- (iii) availability of increased resources and assets for the Transferee Company which can be utilized for strengthening customer base and servicing existing as well as new customers innovatively and efficiently;*
- (iv) building a strong infrastructural capability to effectively meet future challenges in the ever-evolving telecom business and a strategic fit for serving existing market; and*
- (v) leading to increased competitive strength and efficiencies for the Transferee Company.”*

37. Appointed Date, Effective Date, Record Date and Share Exchange Ratio and Other Considerations:

In terms of Clause 1.4 of Part A of the Scheme, the Appointed Date “means the Effective Date”.

In terms of Clause 1.11 of Part A of the Scheme, the Effective Date “means the date that occurs upon the expiry of 5 (five) Business Days from the later of: (a) the date on which the certified copy of the NCLT’s order sanctioning this Scheme is filed by the Companies with the concerned Registrar of Companies; or (b) the fulfillment of the last of the conditions precedent as set out in the Implementation

Agreement and delivery of the CP Completion Notice, as stated thereunder”.

The Scheme does not specifically define any Record Date.

For details regarding the share exchange ratio and consideration, please refer to paragraph 38(g) below.

38. Salient Features of the Scheme:

- a) The Scheme is divided into the following parts:
- Part A - Definitions and Share Capital;
 - Part B - Amalgamation of the Transferor Company into the Transferee Company; and
 - Part C - General Terms and Conditions.
- b) The Scheme provides that upon the Scheme becoming effective and with effect from the Appointed Date, the Transferor Company shall stand amalgamated and all its Assets, Liabilities, interests and obligations, as applicable, be transferred and vested in the Transferee Company on a going concern basis without any requirement of a further act or deed so as to become as and from the Appointed Date, the Assets, Liabilities, interests and obligations, as applicable, of the Transferee Company.
- c) The Scheme provides that upon the Scheme becoming effective and with effect from the Appointed Date:
- (i) all Assets of the Transferor Company, as are movable in nature or are incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery shall stand transferred to and vested in the Transferee Company and shall become the property and an integral part of the Transferee Company (to the extent permissible under applicable law);
 - (ii) all movable Assets of the Transferor Company, other than those specified in (i) above, including cash and cash equivalents, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons shall without any requirement of a further act, instrument or deed become the property of the Transferee Company;
 - (iii) all Intellectual Property (as defined in the Scheme) of the Transferor Company shall stand transferred and vested in the Transferee Company;
 - (iv) all Liabilities (as defined in the Scheme) of the Transferor Company shall be transferred to, or be deemed to be transferred to the Transferee Company so as to become from the Appointed Date, the Liabilities of the Transferee Company and the Transferee Company undertakes to meet, discharge and satisfy the same; and
- (v) subject to the provisions of the Scheme, all contracts, deeds, bonds, lease deeds, agreements entered into with various persons, arrangements and other instruments of whatsoever nature in relation to the Transferor Company and to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect as on the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder, in all cases subject to the terms and provisions of such contracts, deeds, bonds, lease deeds, agreements, arrangements or instruments.
- d) Upon the Effective Date, all employees of the Transferor Company as on the Effective Date shall be deemed to have become employees of the Transferee Company, without any interruption of service and on the basis of continuity of service and terms and conditions no less favourable than those applicable to them with reference to the Transferor Company, on the Effective Date.
- e) From the Effective Date, all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company, whether pending on the Appointed Date, or which may be instituted any time in the future (irrespective of whether they relate to periods on or prior to the Appointed Date) and in each case relating to the Transferor Company shall be continued and enforced by or against the Transferee Company after the Effective Date, to the extent legally permissible.
- f) The Scheme provides for the reclassification/reorganization of the authorized share capital of the Transferor Company and that such reclassified/reorganized authorized share capital of the Transferor Company, shall be deemed to be added to the authorized share capital of the Transferee Company in terms of and pursuant to the Scheme.
- g) On the Effective Date, the Transferee Company shall issue and allot 5 (five) fully paid-up equity shares of face value Rs. 5/- (rupees five only) each to Telenor South Asia Investment Pte. Limited, the principal shareholder of the Transferor Company and shall take all such steps as required for the purposes of listing and receiving the final trading approval for the aforesaid shares, within a reasonable period of time.
- h) On the Effective Date, the Transferor Company shall stand dissolved without being wound up without any requirement for any further act by the parties, in accordance with the Companies Act, 2013.

THE FEATURES SET OUT HEREIN BEING ONLY THE SALIENT FEATURES OF THE SCHEME, THE EQUITY SHAREHOLDERS ARE REQUESTED TO READ THE ENTIRE TEXT OF THE SCHEME (ANNEXED HERewith) TO GET FULLY ACQUAINTED WITH THE PROVISIONS THEREOF AND THE RATIONALE OF THE SCHEME.

39. Summary of the Valuation Report including basis of valuation and the Fairness Opinion of the Registered Valuer:

Please refer to the Valuation Report and the Fairness Opinion that are enclosed as **Annexure 2** and **Annexure 3**, respectively.

40. Details of capital or debt restructuring, if any:

The details of the capital structure of the Transferee Company (as on August 11, 2017 and post the amalgamation as envisaged under the Scheme) are provided at paragraphs 12 and 13. Further, the details of the capital structure of the Transferor Company (as on August 11, 2017 and post the amalgamation as envisaged under the Scheme) are provided at paragraphs 25 and 26. Moreover, the Scheme does not contemplate any debt restructuring nor are the Transferor Company and the Transferee Company undergoing any debt restructuring.

41. No investigation or proceedings have been instituted and are pending in relation to either the Transferor Company or the Transferee Company under Sections 235 to 251 (corresponding to Sections 210 to 227 of the Act) of the Companies Act, 1956.

42. To the knowledge of each of the Transferor Company and the Transferee Company, no winding-up petition under Section 433 read with Section 434 of the Companies Act, 1956 has been filed and is pending against either of the Companies.

43. Details of approvals, sanctions or no-objection(s), if any, from regulatory or any other governmental authorities required, received or pending for the proposed Scheme:

a) The equity shares of the Transferee Company are listed on BSE Limited (“**BSE**”) and the National Stock Exchange of India Limited (“**NSE**”). The National Stock Exchange of India Limited was appointed as the designated stock exchange by the Transferee Company for the purpose of coordinating with SEBI, pursuant to the Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 issued by “the Securities and Exchange Board of India (“**SEBI Circular**”). The Transferee Company has received separate observation letters, both dated May 31, 2017, regarding the Scheme from BSE and NSE and the same have been enclosed as **Annexure 5** and **Annexure 6**, respectively. In terms of the aforesaid observation letters, both BSE and NSE conveyed their no adverse observations/ no objection to the Scheme.

b) As required by the SEBI Circular, the Transferee Company has filed its Complaint Report dated April 4, 2017 with BSE and NSE respectively. The Complaints Report filed by the Transferee Company indicates that it has received ‘NIL’ complaints. A copy of the Complaint Report dated April 4, 2017 is enclosed as **Annexure 4**.

c) The Competition Commission of India *vide* its order dated May 30, 2017, has approved the proposed amalgamation between the Transferor Company and

the Transferee Companies as envisaged under the Scheme.

d) Pursuant to Clause 3(a) of the “Guidelines for transfer/ merger of various categories of telecommunication service / licenses / authorization under unified license on compromises, arrangements, and amalgamation of the Companies” dated February 20, 2014 (“**DoT Merger Guidelines**”) issued by the Department of Telecommunications (“**DoT**”), each of the Transferor Company and the Transferee Company were required to notify the DoT of the Scheme. Accordingly, in accordance with the DoT Merger Guidelines, the aforesaid companies notified the DoT on June 5, 2017 and June 6, 2017, respectively, after filing the Scheme before the Hon’ble Tribunal on June 1, 2017. Consequently, the DoT has provided its in-principle approval to the Scheme *vide* its separate letters to each of the Transferor Company and the Transferee Company, both dated July 5, 2017. Thereafter, the DoT also issued a corrigendum to its previous letters dated July 5, 2017 to each of the Transferor Company and the Transferee Company, both dated July 20, 2017.

e) The Scheme was jointly filed by the Transferor Company and the Transferee Company before the Hon’ble National Company Law Tribunal, New Delhi Bench on June 1, 2017, and the Special Bench of the Hon’ble Tribunal has given directions to *inter alia* convene the meeting of the equity shareholders of the Transferee Company *vide* an order dated July 28, 2017.

44. It is confirmed that a copy of the draft Scheme has been filed by the Transferor Company and the Transferee Company, respectively, with the Registrar of Companies, NCT of Delhi & Haryana pursuant to Section 232(2)(b) of the Act.

45. Inspection of Documents: The following documents will be open for inspection to the equity shareholders of the Transferee Company at the registered office of the Transferee Company situated at Bharti Crescent, 1 Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi – 110070, India on all days except Saturday, Sunday and public holidays between 11:00 A.M. and 1:00 P.M. up to the date of the ensuing Meeting:

a) Copy of the order dated July 28, 2017 passed by the Special Bench of the Hon’ble Tribunal in CA (CAA)-81(PB)/2017 directing *inter alia* the convening of the Meeting;

b) Copy of the Scheme as filed before the Hon’ble Tribunal;

c) Copy of the Valuation Report dated February 23, 2017 issued by Walker Chandok & Co LLP, Chartered Accountants, to the Board of Directors of the Transferor Company and the Transferee Company;

d) Copy of the Fairness Opinion dated February 23, 2017 issued by RBSA Capital Advisors LLP, a SEBI registered Category I Merchant Banker, to the Board of Directors of the Transferee Company;

- e) Copy of the Undertaking and Statutory Auditor's certificate dated March 3, 2017 confirming non-applicability of paragraph (I)(A)(9)(a) of Annexure I of SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015;
- f) Copy of the certificate issued by the statutory auditors of the Transferee Company confirming the compliance of the accounting treatment etc. as specified in paragraph (I)(A)(5)(a) of Annexure I of the Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 issued by the Securities and Exchange Board of India;
- g) Copy of the Complaint Report dated April 4, 2017 submitted by the Transferee Company to BSE Limited and the National Stock Exchange of India Limited;
- h) Copy of the Observation Letter dated May 31, 2017 issued by BSE Limited to the Transferee Company;
- i) Copy of the Observation Letter dated May 31, 2017 issued by the National Stock Exchange of India Limited to the Transferee Company;
- j) Copy of the order of the Competition Commission of India dated May 30, 2017;
- k) Copies of the certificate of incorporation dated February 24, 2012, the certificate of incorporation pursuant to change of name dated August 21, 2015 along with the latest Memorandum of Association and Articles of Association of the Transferor Company;
- l) Copies of the certificate of incorporation dated July 7, 1995, the certificate for commencement of business dated January 18, 1996 and the fresh certificate of incorporation consequent upon change of name dated April 24, 2006 along with the latest Memorandum of Association and Articles of Association of the Transferee Company;
- m) Certificate dated May 30, 2017 issued by S.R. Batliboi & Associates LLP, the statutory auditors of the Transferor Company on the accounting treatment as per the Scheme being in conformity with the accounting standards prescribed under Section 133 of the Act;
- n) Certificate dated May 31, 2017 issued by S.R. Batliboi & Associates LLP, the statutory auditors of the Transferee Company on the accounting treatment as per the Scheme being in conformity with the accounting standards prescribed under Section 133 of the Act;
- o) Copies of the Annual Reports of each of the Transferor Company and the Transferee Company for the last three financial years ended March 31, 2017, March 31, 2016 and March 31, 2015;
- p) Copies of the Audited Financial Statements as on March 31, 2017 of each of the Transferor Company and the Transferee Company;
- q) Copy of the Supplemental Audited Financials as on June 30, 2017 of the Transferee Company;
- r) Copies of the resolutions dated March 7, 2017 and March 4, 2017 passed by the Board of Directors of the Transferor Company and the Transferee Company, respectively, *inter alia* approving the Scheme;
- s) Report dated March 3, 2017 from the Audit Committee of the Transferee Company recommending the draft Scheme;
- t) Report adopted by the Board of Directors of each of the Transferor Company and the Transferee Company pursuant to Section 232(2)(c) of the Act;
- u) Other documents displayed on the Stock Exchange and the Transferee Company's website, in terms of the Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 and Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 issued by SEBI;
- v) Copies of the separate letters issued by the Department of Telecommunications, Ministry of Communication, Government of India, both dated July 5, 2017, to each the Transferor Company and the Transferee Company;
- w) Copies of the separate corrigendum letters issued by the Department of Telecommunications, Ministry of Communication, Government of India, both dated July 20, 2017, to each the Transferor Company and the Transferee Company;
- x) Copy of the Implementation Agreement dated February 23, 2017 executed between Telenor South Asia Investment Pte. Limited, the Transferor Company and the Transferee Company; and
- y) Copy of the record of proceedings in the above Company Application i.e. CA (CAA)-81(PB)/2017.

Dated this 11th day of August, 2017.

For Bharti Airtel Limited

**Sd/-
Gopal Vittal
Managing Director & CEO (India & South Asia)
(Authorized Signatory)**

Registered Office: Bharti Crescent, 1 Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070, India.

CIN: L74899DL1995PLC070609

Email: compliance.officer@bharti.in

SCHEME OF AMALGAMATION
BETWEEN
TELENOR (INDIA) COMMUNICATIONS PRIVATE LIMITED
(TRANSFEROR COMPANY)
AND
BHARTI AIRTEL LIMITED
(TRANSFeree COMPANY)
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
(UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013)

Telenor (India) Communications Private Limited

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For BHARTI AIRTEL LIMITED

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PREAMBLE


(A) BACKGROUND AND DESCRIPTION OF THE COMPANIES WHO ARE PARTIES TO THIS SCHEME

1. This Scheme is presented pursuant to the provisions of Sections 230 to 232 and other relevant provisions of the Companies Act, 2013, as may be applicable, and also read with Section 2(1B) and other relevant provisions of the IT Act, as applicable, for the amalgamation of the Transferor Company into the Transferee Company, on a going concern basis. Additionally, this Scheme also provides for various other matters consequential or otherwise integrally connected herewith.
2. **Telenor (India) Communications Private Limited**, the Transferor Company, is a private limited company incorporated on February 24, 2012 under the provisions of the Companies Act, 1956, having Corporate Identification Number (CIN) as U64200DL2012PTC231991 and having its registered office situated at DBS Business Center, First Floor, World Trade Tower, Barakhamba Lane, Connaught Place, New Delhi -110001.
3. 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).
4. **Bharti Airtel Limited**, the Transferee Company, is a public limited company incorporated on July 7, 1995 under the provisions of the Companies Act, 1956, having Corporate Identification Number (CIN) as L74899DL1995PLC070609 and having its registered office situated at Bharti Crescent 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110070. The equity shares of the Transferee Company are listed on the Stock Exchanges.
5. The Transferee Company is engaged in the business of providing global telecommunications with operations in 17 (seventeen) countries across Asia and Africa. In India, the Transferee Company's product offerings include 2G, 3G and 4G wireless services, mobile commerce, fixed line services, high speed home broadband, DTH, enterprise services including national & international long distance services to carriers. In the rest of the geographies, it offers 2G, 3G wireless services and mobile commerce.

(B) PURPOSE AND RATIONALE OF THIS SCHEME


1. The rationale for the amalgamation of the Transferor Company into the Transferee Company is, *inter alia*, as follows:
 - (i) consolidate the telecom business of the Transferor Company with the Transferee Company;
 - (ii) further expansion of the Transferee Company's business into the growing markets of India;
 - (iii) availability of increased resources and assets for the Transferee Company which can be utilized for strengthening customer base and servicing existing as well as new customers innovatively and efficiently;
 - (iv) building a strong infrastructural capability to effectively meet future challenges in the ever-evolving telecom business and a strategic fit for serving existing market; and

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(v) leading to increased competitive strength and efficiencies for the Transferee Company.

(C) **PARTS OF THIS SCHEME**


This Scheme is divided into the following parts:

- PART A - Definitions and Share Capital;
- PART B - Amalgamation of the Transferor Company into the Transferee Company; and
- PART C - General Terms and Conditions.

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PART A


1. **DEFINITIONS**

In this Scheme, unless repugnant to the subject or meaning or context thereof, the following expressions shall have the meaning attributed to them as below:

- 1.1 **"Accounting Standards"** means the Indian Accounting Standard as notified under Section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by the Ministry of Corporate Affairs and the other accounting principles generally accepted in India;
- 1.2 **"Act"** means the Companies Act, 1956 and/or the Companies Act, 2013 (as the case may be and to the extent applicable);
- 1.3 **"Applicable Law(s)"** means (a) all applicable statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, listing agreements, notifications, guidelines or policies of any applicable country and/or jurisdiction, (b) administrative interpretation, writ, injunction, directions, directives, judgment, arbitral award, decree, orders or approvals of, or agreements with, any governmental authority or recognized stock exchange, and (c) international treaties, conventions and protocols, as may be in force from time to time;
- 1.4 **"Appointed Date"** means the Effective Date;
- 1.5 **"Asset(s)"** mean assets or properties of every kind, nature, character and description, whether immovable, movable, tangible, intangible, whether owned or leased or otherwise acquired by or in the possession of the Transferor Company;
- 1.6 **"Board"** means the respective board of directors of the Companies and shall, unless repugnant to the context, include a committee of directors or any person authorized by the Board of Directors or such committee of directors;
- 1.7 **"Business Day"** means a day on which scheduled commercial banks are open for business in Delhi, Mumbai, Singapore and Oslo;
- 1.8 **"Companies"** means the Transferor Company and the Transferee Company;
- 1.9 **"DoT"** means the Department of Telecommunications, Ministry of Communications and Information Technology, Government of India;
- 1.10 **"DoT Merger Guidelines"** means Guidelines for Transfer / Merger of various categories of Telecommunication service licenses / authorisation under Unified License on compromises, arrangements and amalgamation of companies issued by the DoT on February 20, 2014;
- 1.11 **"Effective Date"** means the date that occurs upon the expiry of 5 (five) Business Days from the later of: (a) the date on which the certified copy of the NCLT's order sanctioning this Scheme is filed by the Companies with the concerned Registrar of Companies; or (b) the fulfillment of the last of the conditions precedent as set out in the Implementation Agreement and delivery of the CP Completion Notice, as stated thereunder;


Any references in this Scheme to **"upon this Scheme becoming effective"** or **"effectiveness**

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of this Scheme” shall be a reference to the Effective Date;

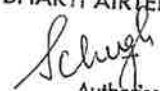
- 1.12 “NCLT” means the National Company Law Tribunal at New Delhi and shall include, if applicable, such other forum or authority as may be vested with the powers of a NCLT under the Act;
- 1.13 “Implementation Agreement” means the agreement dated February 23, 2017 entered into between the Transferor Company, the Transferee Company and Telenor South Asia Investment Pte. Limited;
- 1.14 “Intellectual Property” means all intellectual properties including trademarks, service marks, logos, trade names, domain names, database rights, design rights, rights in know-how, trade secrets, copyrights, moral rights, confidential processes, patents, inventions and any other intellectual property or proprietary rights (including rights in computer software) pertaining to the Transferor Company, in each case whether registered or unregistered and including applications for the registration or grant of any such rights and any and all forms of protection having equivalent or similar effect anywhere in the world;
- 1.15 “IT Act” means the Income-tax Act, 1961 and shall include any statutory modifications, re-enactments or amendments thereof for the time being in force;
- 1.16 “Liability(ies)” means liabilities of every kind, nature and description, whether present or future, whether or not required to be reflected on a balance sheet in accordance with the Accounting Standards and includes contingent liabilities, secured loans, unsecured loans, borrowings, statutory liabilities (including those under taxation laws and stamp duty laws), contractual liabilities, duties, obligations, guarantees and those arising out of proceedings of any nature;
- 1.17 “Listing Regulations” means the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, and shall include any statutory modification, amendment, and re-enactment thereof for the time being in force or any act, regulations, rules and the like, that may replace the Listing Regulations;
- 1.18 “RBI” means the Reserve Bank of India;
- 1.19 “Relevant SEBI Circular” mean the SEBI Circular on ‘Scheme of Arrangement’ by Listed Companies and relaxation under sub-rule (7) of Rule 19 of the Securities Contracts Regulation Rules, 1957 dated November 30, 2015, including any amendments or modifications thereto;
- 1.20 “Rs.” means rupees being the lawful currency of the Republic of India;
- 1.21 “Scheme” means this scheme of amalgamation in its present form, or with any modification(s), as may be approved or directed by the NCLT;
- 1.22 “SEBI” means the Securities and Exchange Board of India;
- 1.23 “Stock Exchanges” means the National Stock Exchange of India Limited and the BSE Limited;
- 1.24 “Telenor Singapore” means Telenor South Asia Investment Pte. Limited, a private company incorporated under the laws of Singapore and with its registered office located at 101 Thomson Road, #14-01 United Square, Singapore 307591, shareholder of the Transferor Company;

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- 1.25 “**Transferee Company**” means Bharti Airtel Limited, a public limited company incorporated on July 7, 1995 under the provisions of the Companies Act, 1956, having Corporate Identification Number as L74899DL1995PLC070609 and having its registered office situated at Bharti Crescent 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110070. The equity shares of the Transferee Company are listed on the Stock Exchanges;
- 1.26 “**Transferee Merger Shares**” means 5 (five) fully paid-up equity shares of face value Rs. 5/- (rupees five only) of the Transferee Company to be issued to Telenor Singapore, in accordance with this Scheme; and
- 1.27 “**Transferor Company**” means Telenor (India) Communications Private Limited, a private limited company incorporated on February 24, 2012 under the provisions of the Companies Act, 1956, having Corporate Identification Number (CIN) as U64200DL2012PTC231991 and having its registered office situated at DBS Business Centre, First Floor, World Trade Tower, Barakhamba Lane, Connaught Place, New Delhi- 110001.

The expressions, which are used but are not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the rules, regulations made thereunder), the Depositories Act, 1996, the IT Act and other Applicable Laws.

2. COMPLIANCE WITH TAX LAWS

- 2.1 This Scheme complies with the conditions relating to “amalgamation” as defined under Section 2(1B) and other relevant sections and provisions of the IT Act and are intended to apply accordingly. If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any of the said provisions (including the conditions set out therein) at a later date whether as a result of a new enactment or any amendment or coming into force of any provision of the IT Act or any other law or any judicial or executive interpretation or for any other reason whatsoever, this Scheme may be modified to the extent required with the consent of each of the Companies (acting through their respective Board) to ensure compliance of this Scheme with such provisions.

3. CAPITAL STRUCTURE

3.1 Transferor Company

- 3.1.1 The authorized, issued, subscribed and paid-up share capital of the Transferor Company as on March 2, 2017 is as under:

Authorized Share Capital	Amount in Rs.
2,00,30,00,000 equity shares of Rs. 10/- each	20,03,00,00,000
Total	20,03,00,00,000
Issued, Subscribed and paid up Share Capital	Amount in Rs.
1,92,30,76,923 equity shares of Rs. 10/- each	19,23,07,69,230
Total	19,23,07,69,230

3.2 Transferee Company

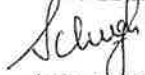
- 3.2.1 The authorized, issued, subscribed and paid-up share capital of the Transferee Company, as on March 2, 2017 is as under:

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Authorized Share Capital	Amount in Rs.
5,00,00,00,000 equity shares of Rs.5/- each	25,00,00,00,000
Total	25,00,00,00,000
Issued, Subscribed and paid up Share Capital	Amount in Rs.
3,99,74,00,102 equity shares of Rs. 5/- each	19,98,70,00,510
Total	19,98,70,00,510

3.2.2 The Transferor Company may in accordance with the provisions of the Implementation Agreement and Clause 8 of Part C of this Scheme, make further issuances of equity shares including without limitation, for the purposes of conversion of the Transferor Company's external commercial borrowings into equity and/ or repayment of the Transferor Company's debt or for efficient functioning of the Transferor Company's business and consequently, the Transferor Company may increase its authorized equity share capital to enable the issuance of further equity shares for the aforesaid purposes.

3.3 Reclassification/ Reorganization of the Share Capital of the Transferor Company

3.3.1 Upon this Scheme becoming effective, in part or in whole, the resultant authorized, issued, subscribed and paid up share capital of the Transferor Company shall be reclassified/ reorganized such that each equity share of Rs. 10/- each of the Transferor Company is reclassified/ reorganized as two equity shares of Rs. 5/- each.

3.3.2 It is clarified that the approval of the shareholders of the Transferor Company to this Scheme shall be deemed to be their consent/ approval to the reclassification of the authorized share capital envisaged under Clause 3.3.1 above as required under Sections 13, 61 and other applicable provisions of the Companies Act, 2013.

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PART B

AMALGAMATION OF THE TRANSFEROR COMPANY INTO THE TRANSFEEE COMPANY

1. **Transfer and vesting of the Transferor Company**
 - 1.1 Upon this Scheme becoming effective and with effect from the Appointed Date, the Transferor Company shall stand amalgamated and all its Assets, Liabilities, interests and obligations, as applicable, be transferred and vested in the Transferee Company on a going concern basis without any requirement of a further act or deed so as to become as and from the Appointed Date, the Assets, Liabilities, interests and obligations, as applicable, of the Transferee Company.
2. **Transfer of Assets**
 - 2.1 Upon this Scheme becoming effective and with effect from the Appointed Date, all Assets of the Transferor Company, as are movable in nature or are incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery shall stand transferred to and vested in the Transferee Company and shall become the property and an integral part of the Transferee Company (to the extent permissible under Applicable Law). The vesting pursuant to this Clause 2.1 shall be deemed to have occurred by manual delivery or endorsement and delivery, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.
 - 2.2 Upon this Scheme becoming effective and with effect from the Appointed Date, all movable Assets of the Transferor Company, other than those specified in Clause 2.1 above, including cash and cash equivalents, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons shall without any requirement of a further act, instrument or deed become the property of the Transferee Company.
 - 2.3 Upon this Scheme becoming effective and with effect from the Appointed Date, any and all immovable properties (including land together with the buildings and structures standing thereon) of the Transferor Company, whether freehold or leasehold and any documents of title, rights and easements in relation thereto shall stand transferred to and be vested in the Transferee Company, subject to Applicable Law, without any act or deed required by the Transferor Company and the Transferee Company. Upon this Scheme becoming effective and with effect from the Appointed Date, the Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay ground rent, municipal taxes and fulfil all obligations, in relation to or applicable to such immovable properties (if any). The mutation of title to the immovable properties in the name of the Transferee Company (if any) shall be made and duly recorded by the appropriate authorities pursuant to the sanction of this Scheme becoming effective in accordance with the terms hereof without any requirement of a further act or deed on part of the Transferee Company.
 - 2.4 Without prejudice to the generality of the clauses mentioned above, the assets of the Transferor Company shall also include all permits, licenses including Unified Access Service License ("UASL") and Unified License issued by the DoT, authorization, spectrum, and any other licenses, approvals, clearances, authorities, quotas, allocations granted to the Transferor Company, all municipal approvals, permission for establishing cellular towers (including cell site licenses) or receiving stations or any broadband and/ or approvals for bandwidth,

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authorizations, statutory rights, permissions, registrations, certificates, consents, authorities (including for the operation of bank accounts), powers of attorneys (given by, issued to or executed in favour of the Transferor Company), the concerned licensor and grantors of such approvals, clearances, permissions, approvals, arrangements, authorizations, benefits, concessions, rights and benefits of all contracts, agreements, allotments, consents, quotas, rights, easements, engagements, exemptions, entitlements, advantages of whatever nature and howsoever named, properties, movable, in possession or reversion, present or contingent of whatsoever nature and where-so-ever situated, liberties, ownerships rights and benefits, earnest moneys payable pertaining to the assets mentioned in the aforesaid clauses, if any, all other rights and benefits, licenses, powers, privileges and facilities of every kind, nature and description whatsoever; right to use and avail of telephones, telexes, facsimile, connections, installations and other communication facilities and equipment, titles, all other utilities, benefits of all agreements, contracts, government contracts, memoranda of understanding, project service agreement, prequalification, applications, bids, tenders, letters of intent, concessions, non-possessory contractual rights or any other contracts, development rights, allocated deferred tax and all other interest in connection with or relation to the Transferor Company on the Appointed Date ("Licenses") shall stand transferred to the Transferee Company in accordance with the DoT Merger Guidelines. A list of the existing licenses in favour of the Transferor Company are provided in Annexure – A.

- 2.5 Upon this Scheme becoming effective and with effect from the Appointed Date, all Intellectual Property of the Transferor Company shall without any requirement of any further act or deed stand transferred and vested in the Transferee Company. This Scheme shall serve as a requisite consent for use and transfer of Intellectual Property without requiring the execution of any further deed or document so as to transfer of the said Intellectual Property in favour of the Transferee Company.
- 2.6 Upon this Scheme becoming effective and with effect from the Appointed Date, the Transferor Company agrees to execute and deliver at the request of the Transferee Company, all papers and instruments required in respect of all Intellectual Property, to vest such rights, title and interest in the name of the Transferee Company and in order to update the records of the respective registries to reflect the name and address of the Transferee Company as the current owner of the Intellectual Property.
- 2.7 Upon this Scheme becoming effective and with effect from the Appointed Date, in relation to Assets (if any) belonging to the Transferor Company which require separate documents for vesting in the Transferee Company, the Transferor Company and the Transferee Company will execute such deeds, documents or such other instruments, if any, as may be mutually agreed.
- 2.8 Upon this Scheme becoming effective, the past track record of the Transferor Company including without limitation, the profitability, experience, credentials and market share, shall be deemed to be the track record of the Transferee Company for all commercial and regulatory purposes including for the purposes of eligibility, standing, evaluation and participation of the Transferee Company in all existing and future bids, tenders and contracts of all authorities, agencies and clients.
- 2.9 In relation to certain trademarks identified under the Implementation Agreement, the Transferee Company has agreed to transfer the same to Telenor ASA, in the manner agreed in the Implementation Agreement. Further, certain trademarks also identified under the Implementation Agreement will be licensed by Telenor ASA to the Transferee Company.

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3. Transfer of Liabilities

- 3.1 Upon this Scheme becoming effective and with effect from the Appointed Date, all Liabilities of the Transferor Company, shall, without any requirement of a further act or deed, be transferred to, or be deemed to be transferred to the Transferee Company so as to become from the Appointed Date, the Liabilities of the Transferee Company and the Transferee Company undertakes to meet, discharge and satisfy the same.
- 3.2 It is hereby clarified that, unless expressly provided for, it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts and Liabilities, have arisen, in order to give effect to the provisions of Clause 3.
- 3.3 Upon this Scheme becoming effective and with effect from the Appointed Date, all loans raised and used, if any, and Liabilities incurred, if any, by the Transferor Company after the Appointed Date shall be deemed to be transferred to, and discharged by the Transferee Company without any requirement of a further act or deed.
- 3.4 The vesting of the Transferor Company as aforesaid, shall be subject to the existing securities, charges, hypothecation and mortgages, if any, subsisting in relation to any loans or borrowings of the Transferor Company, provided however, any reference in any security documents or arrangements to which the Transferor Company is a party, wherein the Assets of the Transferor Company have been or are offered or agreed to be offered as securities for any financial assistance or obligations, shall be construed as a reference to only the Assets pertaining to the Transferor Company as are vested in the Transferee Company as per this Scheme, to the end and intent that any such security, charge, hypothecation and mortgage shall not extend or be deemed to extend to any of the other Assets of the Transferor Company or any of the Assets of the Transferee Company. Provided further that the securities, charges, hypothecation and mortgages (if any subsisting) over and in respect of the Assets or any part thereof of the Transferee Company shall continue with respect to such Assets or part thereof and this Scheme shall not operate to enlarge such securities, charges, hypothecation and mortgages.
- 3.5 The provisions of Clause 3 above shall operate notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue or any security document, all of which instruments shall stand modified and/or superseded by the foregoing provisions. For avoidance of doubt the provisions of Clause 3 above shall not be construed as limiting the operation of Part C of this Scheme.

4. Contracts, Deeds, Bonds and Other Instruments

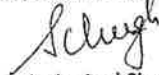
- 4.1 Upon this Scheme becoming effective and with effect from the Appointed Date and subject to the provisions of this Scheme, all contracts, deeds, bonds, lease deeds, agreements entered into with various persons, arrangements and other instruments of whatsoever nature in relation to the Transferor Company and to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect as on the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder, in all cases subject to the terms and provisions of such contracts, deeds, bonds, lease deeds, agreements, arrangements or instruments.
- 4.2 Without prejudice to the other provisions of this Scheme and notwithstanding that the vesting of the Transferor Company with the Transferee Company occurs by virtue of this Scheme

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itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed merely in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

- 4.3 Without prejudice to the generality of the foregoing, it is clarified that upon this Scheme becoming effective and with effect from the Appointed Date, all consents, agreements, permissions, all statutory or regulatory licences, certificates, insurance covers, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company. In so far as the various incentives, subsidies, schemes, special status and other benefits or privileges enjoyed, granted by any governmental body, local authority, or by any other person, or availed by the Transferor Company are concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions as applicable to the Transferor Company, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to the Transferee Company.

5. Employees

- 5.1 Upon this Scheme becoming effective, all employees of the Transferor Company as on the Effective Date shall be deemed to have become employees of the Transferee Company, without any interruption of service and on the basis of continuity of service and terms and conditions no less favourable than those applicable to them with reference to the Transferor Company, on the Effective Date. The services of such employees with the Transferor Company up to the Effective Date shall be taken into account for the purposes of all benefits to which the employees may be eligible under Applicable Law.
- 5.2 Upon this Scheme becoming effective, all contributions to funds and schemes in respect of provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme or any other special schemes or benefits created or existing for the benefit of such employees of the Transferor Company shall be made by the Transferee Company in accordance with the provisions of such schemes or funds and Applicable Law.
- 5.3 Subject to Applicable Law, the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, the staff welfare scheme and any other schemes or benefits created by the Transferor Company for the employees shall be continued on the same terms and conditions and be transferred to the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by the Transferee Company without any separate act or deed/approval.

6. Continuation of Legal Proceedings

- 6.1 From the Effective Date, all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company, whether pending on the Appointed Date, or which may be instituted any time in the future (irrespective of whether they relate to periods on or prior to the Appointed Date) and in each case relating to the Transferor Company ("Proceedings") shall be continued and enforced by or against the

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Transferee Company after the Effective Date, to the extent legally permissible.

- 6.2 If any Proceeding(s) is/are pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of this Scheme and the proceedings may be continued, prosecuted and enforced, by or against the Transferee Company in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Transferor Company, as if this Scheme had not been made.
- 6.3 Nothing contained in this Scheme shall be construed as prejudicing any rights granted to any shareholder of the Transferor Company to defend and control proceedings in relation to any claims in accordance with the provisions of the Implementation Agreement.

7. Treatment of Taxes

- 7.1 Upon this Scheme becoming effective and with effect from the Appointed Date, all taxes and duties payable by the Transferor Company (including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, State Sales Tax laws), Central Sales Tax Act, 1956, VAT/ Service tax and all other Applicable Laws), accruing and relating to the Transferor Company from the Appointed Date onwards, including but not limited to advance tax payments, tax deducted at source, minimum alternate tax, any refund and claims shall, for all purposes, be treated as advance tax payments, tax deducted at source or refunds and claims, as the case may be, of the Transferee Company.
- 7.2 Upon this Scheme becoming effective, all unutilized credits and exemptions, benefit of carried forward losses and other statutory benefits, including in respect of income tax (including but not limited to tax deducted at source, tax collected at source, advance tax, minimum alternate tax credit etc.), cenvat, customs, value added tax, sales tax, service tax etc. to which the Transferor Company is entitled to shall be available to and vest in the Transferee Company, without any requirement of a further act or deed.
- 7.3 Upon this Scheme becoming effective, Transferor Company and the Transferee Company are permitted to revise and file their respective income tax returns, withholding tax returns, including tax deducted at source certificates, sales tax/value added tax returns, service tax returns and other tax returns for the period commencing on and from the Appointed Date, and to claim refunds/credits, pursuant to the provisions of this Scheme.
- 7.4 Upon this Scheme becoming effective, any tax deposited, certificates issued or returns filed by the Transferor Company relating to the Transferor Company shall continue to hold good as if such amounts were deposited, certificates were issued and returns were filed by the Transferee Company.
- 7.5 All the expenses incurred by the Transferor Company and the Transferee Company in relation to the amalgamation of the Transferor Company with the Transferee Company as per this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Transferee Company in accordance with Section 35DD of the IT Act over a period of 5 years beginning with the previous year in which this Scheme becomes effective.
- 7.6 Any refund under the tax laws due to the Transferor Company pertaining to the Transferor Company consequent to the assessments made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall belong to and be received by the Transferee Company. The relevant authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon the passing of the orders on this Scheme by the NCLT and upon relevant proof and documents being provided to the said authorities.

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7.7 The Transferor Company may be entitled to various incentive schemes and pursuant to this Scheme, it is declared that the benefits under all such schemes and policies pertaining to the Transferor Company shall stand transferred to and vested in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever including benefits under the income tax, excise, sales tax, service tax, exemptions, concessions, remissions, subsidies and other incentives in relation to the consumer products business, to the extent statutorily available, shall be claimed by the Transferee Company.

8. Saving of concluded transactions

8.1 The transfer of Assets and Liabilities to, and the continuance of proceedings by or against, the Transferee Company as envisaged in this Scheme shall not affect any transaction or proceedings already concluded by the Transferor Company on or before the Appointed Date to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

9. Conduct of Business

9.1 Subject to the effectiveness of this Scheme, with effect from the date of approval of this Scheme by the Board of the Transferor Company and the Transferee Company, and up to and including the Effective Date, the Transferor Company shall carry on the business with reasonable diligence and business prudence and in the same manner as it had been doing hitherto.

9.2 The Transferee Company shall also be entitled, pending the sanction of this Scheme, to apply to the central government, state government, and all other agencies, departments and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Transferee Company may require including the registration, approvals, exemptions, reliefs, etc., as may be required/granted under any law for time being in force for carrying on business.

10. Issue of shares

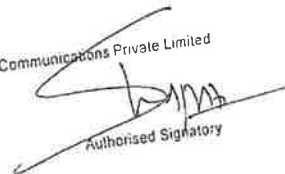
10.1 Upon this Scheme becoming effective, the Transferee Company shall, without requirement of any further act or deed, issue and allot the Transferee Merger Shares to Telenor Singapore and shall take all such steps as required for the purposes of listing and receiving the final trading approval for the Transferee Merger Shares, within a reasonable period of time. The Transferee Merger Shares shall be issued by the Transferee Company, free from all liens, charges, equitable interests, encumbrances and other third party rights of any nature whatsoever.

10.2 The Transferee Merger Shares shall be subject to the memorandum and articles of association of the Transferee Company and shall rank *pari passu* in all respects, including dividend, with the existing shares of the Transferee Company.

10.3 The issue and allotment of the Transferee Merger Shares by the Transferee Company to Telenor Singapore as provided in this Scheme is an integral part thereof and shall be deemed to have been carried out as if the procedure laid down under Section 62 read with Section 42 of the Companies Act, 2013 and any other applicable provisions of the Act were duly complied with.

10.4 Approval of this Scheme by the shareholders of the Transferee Company shall be deemed to mean that the shareholders have also accorded all relevant consents under the Act for the issue and allotment of Transferee Merger Shares by the Transferee Company to Telenor

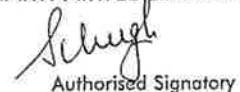
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Singapore.

- 10.5 The Board of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of Telenor Singapore as a shareholder in the Transferee Company on account of the difficulties if any in the transition period.

11. Combination of the Authorized Share Capital

- 11.1 Upon this Scheme becoming effective and pursuant to the reclassification/ reorganization of the resultant authorized share capital of the Transferor Company as per Clause 3.3 of Part A of this Scheme, the resultant authorized share capital of the Transferor Company, shall be deemed to be added to the authorized share capital of the Transferee Company without any requirement of a further act or deed on the part of the Transferee Company including payment of stamp duty and fees payable to the relevant Registrar of Companies, and the memorandum of association and articles of association of the Transferee Company (relating to the authorized share capital) shall, without any requirement of a further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 4, 13, 14 and 61 and all other applicable provisions of the Companies Act, 2013 Act, if any, would be required to be separately passed, as the case may be, and for this purpose, the stamp duties and fees paid on the resultant authorized capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company and there would be no requirement of any further payment of stamp duty and/or fee by the Transferee Company for increase in the authorized share capital to that extent.
- 11.2 Clause V of the memorandum of association of the Transferee Company shall stand amended to give effect to the relevant provisions of this Scheme.
- 11.3 It is clarified that the approval of the shareholders of the Transferee Company to this Scheme shall be deemed to be their consent/ approval also to the alteration of the memorandum of association and articles of association of the Transferee Company as required under Sections 13, 14, 61, 64 and other applicable provisions of the Companies Act, 2013.

12 Accounting treatment in the books of the Transferee Company

- 12.1 The Amalgamation will be accounted in accordance with applicable Indian Accounting Standard as notified under Section 133 of the Companies Act, 2013, read together with Paragraph 3 of The Companies (Indian Accounting Standard) Rules, 2015 and the other accounting principles generally accepted in India.

13 Dissolution of the Transferor Company

- 13.1 Upon this Scheme becoming effective, the Transferor Company shall, without any requirement of a further act or deed, stand dissolved without being wound up without any requirement for any further act by the parties, in accordance with the Act. The name of the Transferor Company shall be struck off the concerned Registrar of Companies. The Transferee Company shall make necessary filings in this regard.

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PART C

GENERAL TERMS AND CONDITIONS

1. **Application to the NCLT**
 - 1.1 Each of the Companies shall jointly make the requisite company applications/ petitions under Sections 230 to 233 of the Companies Act, 2013 and other applicable provisions of the Act to the NCLT for seeking sanction of this Scheme.
2. **Modification or Amendment to this Scheme**
 - 2.1 Each of the Companies (acting through their respective Board) may, in their full and absolute discretion, assent to any amendments, alterations or modifications to this Scheme, in part or in whole, which the NCLT and/or any other authorities may deem fit to direct, approve or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out this Scheme, including any individual part thereof, or if the Board are of the view that the coming into effect of this Scheme, in part or in whole, in terms of the provisions of this Scheme, could have an adverse implication on all or any of the Companies. Each of the Companies (acting through their respective Board) be and are hereby authorized to take such steps and do all acts, deeds and things, as may be necessary, desirable or proper to give effect to this Scheme, in part or in whole and to resolve any doubts, difficulties or questions whether by reason of the order of the NCLT or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith and may also in their full and absolute discretion, withdraw or abandon this Scheme, or any individual part thereof, at any stage prior to the Effective Date.
 - 2.2 If any part of this Scheme is held invalid, ruled illegal by any court of competent jurisdiction, or becomes unenforceable for any reason, whatsoever, whether under present or future laws, then it is the intention of the Companies that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to either of the Companies in which case the Companies shall attempt to bring about a modification in this Scheme, as will best preserve for the Companies the benefits and obligations of this Scheme, including but not limited to such part.
3. **Conditions Precedent**
 - 3.1 The Scheme is conditional on and subject to the satisfaction of the condition precedents as mutually agreed between the Transferee Company and Transferor Company under the Implementation Agreement and delivery of the CP Completion Notice, as stated thereunder.
4. **Revocation, Withdrawal of this Scheme**
 - 4.1 The Transferor Company and / or the Transferee Company acting through their respective board of directors shall each be at liberty to withdraw this Scheme, in the event of termination of the Implementation Agreement.
 - 4.2 In the event of revocation under Clauses 4.1 above, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* to the Companies or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior

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thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the Applicable Laws.

- 4.3 In the event of revocation under Clauses 4.1 above, the Companies shall take all necessary steps to withdraw the Scheme from the NCLT and any other authority and to make all necessary filings/ application as may be required to withdraw the Scheme.

5. Costs, charges, expenses

- 5.1 Each of the Parties shall bear its own costs in relation to the negotiations leading up to the transactions contemplated hereunder and to the preparation, execution and carrying into effect of this Scheme.
- 5.2 Costs and expenses for satisfying the conditions precedents, stamp duty costs, registration charges and statutory amounts shall be borne in the manner agreed in the Implementation Agreement.

6. Dividend/ Distribution of Profits

- 6.1 The Companies shall be entitled to declare and make a distribution/ pay dividends, whether interim or final, and/or issue bonus shares, to their respective members/shareholders prior to the Effective Date in accordance with Applicable Law.

7. Indemnity

- 7.1 The provisions of this Scheme shall not prejudice any indemnity obligations undertaken by any shareholder of the Transferor Company in favour of the Transferee Company. The Transferor and Transferee Company have agreed to indemnify each other for certain events as provided in an Implementation Agreement.

8. Permission to raise capital


- 8.1 Notwithstanding anything contained in this Scheme and subject to Applicable Law and subject to the provisions of the Implementation Agreement, until this Scheme becomes effective, the Transferor Company shall have the right to raise capital for the efficient functioning of the business of the Transferor Company or for any other purpose including for purposes of refinancing, repayment, conversion or prepayment of any loans.

9. Compliance with Applicable Laws

- 9.1 The Companies undertake to comply with all Applicable Laws (including all applicable compliances required by the Securities and Exchange Board of India and the Stock Exchanges and all applicable compliances required under the Foreign Exchange Management Act, 1999 and the rules, regulations and guidelines issued thereunder as may be prescribed by the RBI, from time to time) including making the requisite intimations and disclosures to any statutory or regulatory authority and obtaining the requisite consent, approval or permission of the Competition Commission of India, DoT or any other statutory or regulatory authority, which by law may be required for the implementation of this Scheme or which by law may be required in relation to any matters connected with this Scheme.


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ANNEXURE – A (Telecom Licenses)

S. No.	Name of License/Service authorization (Type of service)	Service Area	No. and date of license/authorization	Spectrum allotted / using (MHz)	GSM Spots	MWA -1 (MHz)	MWA -2 (MHz)	MWA -3 (MHz)	
1	UL-Access Services Chapter VIII	Andhra Pradesh	20-365/2012 AS-I/Voll-II dt 27.11.2013	6.4	1720.1 - 1726.5	18085.0 / 19095.0	27.5	21378.0 / 22610.0	28.0
2	UL-Access Services Chapter VIII	Bihar & Jharkand	20-365/2012 AS-I/Voll-II dt 27.11.2013	7.2	1715.1 - 1722.3	18112.5 / 19122.5	27.5	21266.0 / 22498.0	28.0
3	UL-Access Services Chapter VIII	Maharashtra	20-365/2012 AS-I/Voll-II dt 27.11.2013	5	1724.1 - 1729.1	18030.0 / 19040.0	27.5	21266.0 / 22498.0	28.0
4	UL-Access Services Chapter VIII	Gujarat	20-365/2012 AS-I/Voll-II dt 27.11.2013	5	1728.9 - 1733.9	18030.0 / 19040.0	27.5	21266.0 / 22498.0	28.0
5	UL-Access Services Chapter VIII	UP-East	20-365/2012 AS-I/Voll-II dt 27.11.2013	6.8	1715.1 - 1721.9	18030.0 / 19040.0	27.5	21266.0 / 22498.0	28.0
6	UL-Access Services Chapter VIII	UP-West	20-365/2012 AS-I/Voll-II dt 27.11.2013	7	1717.3 - 1724.3	18030.0 / 19040.0	27.5	21266.0 / 22498.0	28.0
7	UL-Access Services Chapter VIII	Assam	Additional Auth dt 28.08.2014	6	1715.1 - 1721.1	18030.0 / 19040.0	27.5	14795.0 / 15215.0	28.0
8	UL-NLD Services Chapter X	National	Additional Auth dt 21.08.2014						
9	UL-ILD Services Chapter XI	National	Additional Auth dt 21.08.2014						
10	UL-ISP Category 'A' Chapter IX	National	Additional Auth dt 28.08.2014						

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Walker Chandiook & Co LLP

STRICTLY PRIVATE & CONFIDENTIAL

To,

The Board of Directors
Bharti Airtel Limited
 Bharti Crescent,
 1, Nelson Mandela Road,
 Vasant Kunj, Phase – II,
 New Delhi, 110070

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 (Formerly Walker, Chandiook & Co)
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The Board of Directors
Telenor (India) Communications Private Limited
 The Masterpiece,
 Plot No. 10, Golf Course Road,
 Sector 54, DLF Phase 5,
 Gurgaon 122 002, Haryana

Sub: Recommendation of the fair share exchange ratio for the purpose of the Proposed Amalgamation between Telenor (India) Communications Private Limited into Bharti Airtel Limited

Dear Sirs,

We refer to our engagement letter, wherein Management of Bharti Airtel Limited (hereinafter referred to as "BAL") and Management of Telenor (India) Communications Private Limited (hereinafter referred to as "Telenor India" and jointly referred to as the "Companies") has requested Walker Chandiook & Co LLP (hereinafter referred to as "WCC" or the "Valuer") to recommend the fair share exchange ratio for the proposed amalgamation of Telenor India into BAL ("Proposed Amalgamation") to the Board of Directors of the Companies.

SCOPE AND PURPOSE OF THIS REPORT

Telenor (India) Communications Private Limited ("Telenor") is ultimately owned by Telenor ASA, a global telecom company with direct presence in 13 countries. It also has an equity interest of 23.7% in VimpelCom, which operates in 14 countries. Telenor provides mobile services in 6 telecom circles in India, with a subscriber base of over 54.5 MN as of December 2016. In addition, Telenor India has 1800 MHz spectrum in Assam.

BAL is a global telecommunications company with operations in 18 countries across Asia and Africa. Headquartered in New Delhi, India, the company ranks amongst the top 3 mobile service providers globally in terms of subscribers. In India, BAL started operations in July 1995 and the company's product offerings include 2G, 3G and 4G wireless services, mobile commerce, fixed line services, high speed DSL broadband, IPTV, DTH, enterprise services including national & international long distance services to carriers. In the rest of the geographies, it offers 2G, 3G/4G wireless services and mobile commerce. BAL had over 364



Chartered Accountants

Offices in Bangalore, Chandigarh, Chennai, Gurgaon, Hyderabad, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandiook & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

Walker Chandio & Co LLP

million customers across its operations at the end of December 2016. BAL is listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") in India.

We have been informed that the Board of Directors of BAL and Telenor India are considering a proposal for the amalgamation of Telenor India into BAL ("Proposed Amalgamation") as per the draft scheme of Amalgamation under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and corresponding provisions of the Companies Act, 1956 ("Scheme of Amalgamation"). Under the Scheme of Amalgamation, the shareholders of Telenor India will be issued equity shares of BAL pursuant to share exchange ratio being approved.

In this connection, WCC has been requested by the managements of BAL and Telenor India (the "Management") to submit a report recommending a fair share exchange ratio in the event of the Proposed Amalgamation for the consideration of the Boards of BAL and Telenor India.

The scope of our services is to conduct relative valuation for recommending a fair share exchange ratio for the Proposed Amalgamation in accordance with generally accepted professional standards.

This report is our deliverable in respect of our recommendation of fair share exchange ratio for the purpose of the Proposed Amalgamation.

This report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

SOURCES OF INFORMATION

In connection with this exercise, we have used information received from the Management and/or available in the public domain as follows:

- With respect to Telenor India
 - Audited financial statements of Telenor India for the years ended 31 March 2014, 2015 and 2016.
 - Unaudited financial statements of Telenor India for the 9 months ended 31 December 2016.
 - Projected business plan of Telenor India for the period January 2017 to December 2017.
 - Audited financial statements under IFRS of Telenor India for the quarter ended 31 December 2016 of Telenor ASA.
 - Fixed Asset Register as of December 2016 and the updated net book value as of December 2017.
 - Details of Circle wise spectrum holding



Chartered Accountants

With respect to BAL

- Audited financial statements of BAL for the years ended 31 March 2014, 2015 and 2016.
- Share prices and the traded volumes considered from NSE and BSE

Walker Chandio & Co LLP

- Draft Scheme of Amalgamation
- Details of the working capital (including tower deposits) transferred to BAL as on the expected effective date of transfer, confirmed jointly by BAL and Telenor India
- Details on the liabilities to be transferred to BAL, confirmed jointly by BAL and Telenor India.
- Other relevant information made available to us by the Management of BAL and Telenor India through Virtual Dataroom ("VDR"), emails and discussions

Telenor India and BAL have been provided with the opportunity to review the draft report (excluding the recommended ratios) for this engagement to make sure that factual inaccuracies are avoided in our final report.

SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

Provision of valuation opinions and consideration of the issues described herein are areas of our regular corporate advisory practice. The services do not represent accounting, assurance, accounting / tax due diligence, consulting or tax related services that may otherwise be provided by WCC or our affiliates.

This report, its contents and the results herein (i) are specific to the purpose of valuation agreed as per the terms of our engagement; (ii) are specific to the date of this report and (iii) are based on the data detailed in the section – Sources of Information.

A valuation of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on, and the information made available to us as of 22 February 2017. Events occurring after this date may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

The recommendation(s) rendered in this report only represent our recommendation(s) based upon information provided by Telenor India and/or BAL, available in the public domain as well as information sourced from international data bases and the said recommendation(s) shall be considered to be in the nature of non-binding advice (our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors). We have no obligation to update this report.

In the course of the valuation, we have assumed and relied upon, without independently verifying, (i) the accuracy of the information that was publicly available and formed a substantial basis for this report and (ii) the accuracy of information sourced from data bases. In accordance with our engagement letter and in accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed or otherwise investigated the historical financial information available in the public domain. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the historical financial statements.



Chartered Accountants

The report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this valuation report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other

Walker Chandiook & Co LLP

contingent liabilities that are not recorded in the audited/unaudited balance sheet of the Companies.

This report does not look into the business / commercial reasons behind the Proposed Amalgamation nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the Proposed Amalgamation as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

No investigation / enquiry of the Companies' claim to title of assets has been made for the purpose of this report and the Companies' claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.

The fee for the engagement is not contingent upon the results reported.

We owe responsibility to only the Boards of Directors of Telenor India and BAL under the terms of our engagement, and nobody else. We do not accept any liability to any third party in relation to the issue of this report. It is understood that this analysis does not represent a fairness opinion.

This valuation report is subject to the laws of India. We have not prepared the Report for inclusion in a registration statement under the US Securities Act of 1933 and would not be referred to as an 'expert' in any regulatory filings under the US Securities Act of 1933 or under any of the securities laws/ regulations of any other state or jurisdiction in the United States/ United Kingdom.

Neither the valuation report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the Proposed Amalgamation, without our prior written consent. In addition, this report does not in any manner address the prices at which BAL's shares will trade following the announcement of the Proposed Amalgamation and we express no opinion or recommendation as to how the shareholders of the Companies should vote at any shareholders' meeting(s) to be held in connection with the Proposed Amalgamation.



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SHARE CAPITAL DETAILS OF THE COMPANIES

The following tables set out the shareholding patterns of Telenor India as of 31 December 2016 and BAL as of 31 December 2016 before the Proposed Amalgamation as provided by the Managements of the Companies:

Telenor India

Particulars	Number of equity shares	Percentage holding
Telenor South Asia Investment Pte Ltd., Holding Company	1,923,076,923	100.0%

BAL

Particulars	Number of equity shares	Percentage holding
Promoter Group	2,683,660,555	67.14%
Public Shareholding	1,312,367,926	32.83%
Non Promoter-Non Public	1,371,621	0.03%
Total	3,997,400,102	100.0%

APPROACH - BASIS OF PROPOSED AMALGAMATION

The Scheme of Amalgamation contemplates the Proposed Amalgamation of the Companies under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and corresponding provisions of the Companies Act, 1956. Arriving at the fair share exchange ratio for the Proposed Amalgamation would require determining the relative values of the concerned shares of the Companies.

Hence we have carried out a relative valuation of the shares of Telenor India and BAL in order to determine the fair share exchange ratio for the Proposed Amalgamation.

There are several commonly used and accepted methods for determining the fair share exchange ratio for the Proposed Amalgamation, which have been considered in the present case, to the extent relevant and applicable, including:

1. Net Asset Value method
2. Market Price method
3. Discounted Cash Flows method

It should be understood that the valuation of any company or its assets is inherently subjective and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the companies. In addition, this valuation will fluctuate with changes in prevailing market conditions, the conditions and prospects, financial and otherwise, of the companies, and other factors which generally influence the valuation of companies and their assets.



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The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

Adjusted Net Asset Value (ANAV) Method

The value arrived at under this approach is based on the audited / unaudited financial statements of the business and may be defined as Shareholders' Funds or Net Assets owned by the business. The Adjusted Net Asset Value of the business is arrived at after making adjustments for the fair value of Assets (including investments) and Liabilities. The Net Asset Value is generally used as the minimum break-up value for any business since this methodology ignores the future return the assets can produce and is calculated using historical accounting data that does not reflect how much the business is worth to someone who may buy or invest in the business as a going concern. Hence, we have not considered ANAV for the valuation of BAL.

However, in case of Telenor India, we understand that the company was incurring significant losses that have eroded its net worth. Further, the statutory auditors of Telenor India have provided a qualified opinion on the financial statements as of 31 March 2016 and have concluded that there is an existence of material uncertainty for the company to continue as a going concern in the absence of the funding commitments. Therefore, given that the going concern for Telenor India is in doubt and the cash flows cannot be estimated, the ANAV methodology has been considered in carrying out the valuation of the Telenor India as on the expected effective date.

Under the ANAV method, we have considered the fair values of the assets (Tangible and Intangible) and liabilities taken over by BAL from Telenor India under the Proposed Amalgamation. The assets mainly comprise of the spectrum, subscriber base, equipment and tax losses. The key assets such as spectrum and equipment have been valued on a replacement cost basis based on publicly available information including spectrum auction pricing benchmarks etc. and representation provided by the Management. Further, the value realizable by Telenor India for these assets on its own has also been considered while arriving at the concluded values for the assets. We understand from the managements of BAL and Telenor India that the liabilities are expected to be transferred, if the Scheme of Amalgamation is approved, as of 31 December 2017, being the expected effective date of transfer as per the Scheme of Amalgamation. Hence the value of the assets has also been considered as of the expected effective date of transfer.

Market Price Method

The market price of an equity share as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares. But there could be situations where the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share especially where the market values are fluctuating in a volatile capital market. Further, in the case of a merger, where there is a question of evaluating the shares of one company against those of another, the volume of transactions and the number of shares available for trading on the stock exchange over a reasonable period would have to be of a



comparable standard. This method would also cover any other transactions in the shares of the company including primary / preferential issues / open offer in the shares of the company as envisaged in the overall scheme of arrangement and reported to the stock exchanges / available in the public domain.

In the present case, the equity shares of BAL are listed on BSE and NSE and there are regular transactions on the bourses in their equity shares. Accordingly, the share price over reasonable periods for the shares of BAL, as deemed appropriate for the purpose of our valuation analysis, have been considered for determining the value of BAL under the market price methodology.

Discounted Cash Flows (DCF) Method

The DCF method uses the future free cash flows of the firm discounted by the cost of capital to arrive at the present value. In general, the DCF method is a strong and widely accepted valuation tool, as it concentrates on cash generation potential of a business. Given the industry, competitive and pricing scenarios and Telenor India's spectrum position, Telenor India has not been able to provide a business plan beyond 31 December 2017. Therefore, we have not considered this method for determining the swap ratio

BASIS OF FAIR SHARE EXCHANGE RATIO

The fair basis for the Proposed Amalgamation would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. For the purposes of recommending a swap ratio, it is necessary to arrive at a single value for the shares of the concerned companies. It is however important to note that in doing so, we are not attempting to arrive at the absolute equity values of the shares of the companies but at their relative values to facilitate the determination of the swap ratio.

In the ultimate analysis, valuation will have to be arrived at by the exercise of judicious discretion by the Valuer and judgments taking into account all the relevant factors. There will always be several factors, e.g. quality of the management, present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. This concept is also recognised in judicial decisions.

The fair share exchange ratio of equity shares of Telenor India and BAL has been arrived at on the basis of a relative valuation of Telenor India and BAL based on the methodologies explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potentials of the businesses of the Companies, having regard to information base, key underlying assumptions and limitations.



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In the light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, as per our analysis no material consideration is to be paid to the equity shareholder of Telenor India. However, the Management has represented to us that they would like to issue 5 (Five) equity shares of Airtel of INR 5 each fully paid up, to Telenor South Asia Investment Pte Ltd. for its equity shares held in Telenor India, as a token consideration. Considering that Telenor South Asia Investment Pte Ltd. holds all shares in Telenor India, we believe this is reasonable.

Yours faithfully,

Walker Chandiok & Co LLP

For Walker Chandiok & Co LLP
(Formerly Walker, Chandiok & Co)
Chartered Accountants
Firm Registration No.: 001076N



Rajesh Jain

Rajesh Jain
Partner
Membership No.: 81203

Place: Gurgaon
Dated: 23 February 2017



SEBI Registered Category 1 Merchant Banker
Registration Code: INM000011724

Report Ref No: RCA/FAS/2016-17/0203

February 23, 2017

**The Board of Directors,
Bharti Airtel Limited**
Bharti Crescent 1,
Nelson Mandela Road,
Vasant Kunj, Phase – II,
New Delhi – 110070

Sub: Fairness Opinion on the report of Walker Chandio & Co LLP, Chartered Accountants with respect to the proposed amalgamation of Telenor (India) Communications Private Limited with Bharti Airtel Limited

Dear Sirs,

We refer our engagement letter dated February 10, 2017, wherein Bharti Airtel Limited ("Bharti Airtel") has requested us to provide fairness opinion on the report by Walker Chandio & Co LLP, Chartered Accountants (the "Valuer") dated February 23, 2017, in relation to the proposed amalgamation of Telenor India Communications Private Limited ("Telenor India") with Bharti Airtel ("Amalgamation").

Bharti Airtel and Telenor India are hereinafter jointly referred as the "Companies".

Scope and Purpose of this Report

Bharti Airtel is leading integrated pan-India telecom service provider. The company is engaged in the business of providing global telecommunications with operations in 18 countries across Asia and Africa. In India, the company's product offerings include 2G, 3G and 4G wireless services, mobile commerce, fixed line services, high speed DSL broadband, IPTV, DTH, enterprise services including national & international long distance services to carriers. In the rest of the geographies, it offers 2G, 3G/4G wireless services and mobile commerce.

The company reported consolidated revenues of INR 1,009,373 Mn (as per IGAAP) for the financial year ended March 31, 2016. The shares of Bharti Airtel are listed on the National Stock Exchange and BSE Limited. The issued, subscribed and paid up share capital of the company as on December 31, 2016 is INR 19,987 Mn consisting of 3,997,400,102 equity shares of INR 5 each fully paid up.

Telenor (India) Communications Private Limited ("Telenor India") ultimately owned by Telenor ASA, is a global telecom company with presence in 13 countries. Telenor India provides mobile services in 6 telecom circles in India, with a subscriber base of over 54.5 Mn as on December 31, 2016. The issued, subscribed and paid up share capital of Telenor as on December 31, 2016 is INR 19,231 Mn consisting of 1,923,076,923 equity shares of INR 10 each fully paid up.

Page 1 of 4

Head Office: 912, Venus Atlantis Corporate Park, Anandnagar Main Road, Prahaladnagar, Ahmedabad – 380015 Tel: +91 79 4050 6000
Corporate Office: 21-23, T.V. Industrial Estate, 248-A, S.K. Ahire Marg, Off. Dr. A.B. Road, Worli, Mumbai – 400030 Tel: +91 22 6130 6000





We understand that the Board of Directors of Companies are proposing to amalgamate Telenor India with Bharti Airtel pursuant to a scheme of amalgamation under the provisions of Section 230-232 and other applicable provisions of the Companies Act, 2013 and corresponding provisions of the Companies Act, 1956 (the "Scheme").

In order to comply with the requirements of the regulator, the Companies have appointed a Valuer for the Amalgamation. In this connection, the Management has engaged RBSA Capital Advisors LLP ("RBSA Advisors") to submit a report on the fairness of the report provided by the Valuer with respect to Amalgamation. Our scope of work includes commenting only on the fairness of the recommendation in the report by the Valuer and not on the fairness or economic rationale of the Amalgamation per se.

This report is our deliverable in respect of our fairness opinion on report by Valuer for the amalgamation of Telenor India with Bharti Airtel.

This report is subject to the scope, assumption, exclusion, limitations and disclaimers detailed hereinafter. As such the report is to be read in totality, not in parts and in conjunction with the relevant documents referred to herein. The report has been issued only for the purpose of facilitating the Amalgamation and should not be used for any other purpose.

Sources of Information

For arriving at the fairness opinion set forth below, we have relied upon the following sources of information received from Management and/ or available in public domains as follows:

- a) Valuation Report by Walker Chandiook & Co LLP dated February 23, 2017;
- b) Annual Report of Telenor India for FY 2015-16;
- c) Unaudited accounts of Telenor India for the 9 months period ended December 31, 2016;
- d) Details of circle wise spectrum holding of Telenor India
- e) Draft Scheme of Amalgamation
- f) Other relevant information made available to us by Management of Telenor India through Virtual Data Room, emails and discussions.

In addition to the above, we have also obtained such other information and explanations, which were considered relevant for the purpose of our analysis. Further we have also relied on the representation given to us by the management of the Company.

Exclusions and Limitations

We have not carried out any due diligence or independent verification or validation of such information to establish its accuracy or sufficiency. We have not conducted any independent appraisal of any assets or liabilities of Telenor India / Bharti Airtel.

Our work did not constitute a validation of the financial statements of the Companies, and accordingly, we do not express any opinion on the same. If there were any omissions, inaccuracies or misrepresentations of the information provided by the Management, it may have a material effect on our findings.





No consideration has been given to liens or encumbrances against the assets, beyond the loans and disclosed in the accounts. Therefore no liabilities have been assumed for matters of legal nature.

In rendering our opinion, we have assumed that the scheme will be implemented on the terms described therein, without any waiver or modification of any material terms or conditions, and that in the course of obtaining the necessary regulatory or third party approvals for the Scheme, no delay, limitations, restrictions or condition will be imposed that would have an adverse effect on the Companies.

This opinion is based on business, economic, market and other conditions as they existed as of February 22, 2017. Subsequent events or circumstances that could affect the conclusions set forth in the Opinion include, without limitation, adverse changes in industry performance or market conditions and changes to the business, financial condition and results of operations of the Company. RBSA Advisors is under no obligation to update, revise or reaffirm the Opinion.

RBSA Advisors has relied upon the representations that the information provided by it, or on its behalf, is accurate and complete in all material respects. While all public information (including industry and statistical information) was obtained from sources we believe are reliable, RBSA Advisors makes no representation as to the accuracy or completeness thereof, and we have relied upon such public information without further verification.

The opinion should not be construed, to be investment advice in any manner whatsoever. Furthermore, no opinion, counsel or interpretation is intended in matters that require legal, accounting, tax or other appropriate professional advice. It is assumed that such opinions, counsel or interpretations have been or will be obtained from the appropriate professional sources.

The fee for our services is not contingent upon the results of the proposed Amalgamation. This opinion is subject to laws of India.

Our opinion is not intended to and does not constitute a recommendation to any shareholder as to how such holder should vote or act in connection with Scheme or any matter related thereto.

Valuer's Recommendation

As stated in the valuation report, the Valuer has recommended a token consideration of 5 (Five) equity shares of Bharti Airtel to be issued to Telenor South Asia Investment Pte. Ltd. against its equity shares held in Telenor India.

Our Comment on the Valuer's Report

In the circumstance, having regards to the relevant factors and on the basis of information and explanations provided to us, in our view, the proposed token consideration as recommended by the Valuer, which forms the basis for the proposed Amalgamation, is fair in our opinion.

The aforesaid Amalgamation shall be pursuant to the scheme of amalgamation and shall be subject to receipt of approval from the National Company Law Tribunal, New Delhi and other statutory approvals as may be required. The detailed terms and conditions of the Amalgamation shall be more fully set forth in the draft scheme of amalgamation. We have issued the fairness opinion with the understanding that





scheme of amalgamation shall not be materially altered and the parties hereto agree that the Fairness Opinion would not stand good in case the final scheme of amalgamation alters the transaction.

Yours Truly,
For RBSA Capital Advisors LLP
SEBI Registered Category I Merchant Banker
Registration Code: INM000011724

Rajeev Shah
Managing Director





April 04, 2017

National Stock Exchange of India Limited
Exchange Plaza, C-1 Block G
Bandra Kurla Complex, Bandra (E)
Mumbai – 400051

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400001

Ref.: Bharti Airtel Limited (532454/BHARTIARTL)

Sub: Submission of Complaint Report as per Regulation 37 of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the proposed scheme of Merger of Telenor (India) Communications Private Limited with Bharti Airtel Limited

Dear Sir / Madam,

Please refer to our application under aforementioned regulation for the proposed scheme of Merger of Telenor (India) Communications Private Limited with Bharti Airtel Limited submitted on March 08, 2017.

In this regard, we are enclosing herewith the Complaint Report.

This is for your kind perusal.

Thanking you,

Yours faithfully,

For Bharti Airtel Limited

Rohit Krishan Puri
Dy. Company Secretary



Bharti Airtel Limited
(a Bharti Enterprise)

Regd. & Corporate Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070
T.: +91-11-4666 6100, F.: +91-11-4166 6137, Email id: compliance.officer@bharti.in, www.airtel.com
CIN: L74899DL1995PLC070609



Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchanges	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	N.A.
5.	Number of complaints pending	N.A.

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved / Pending)
----- Not Applicable -----			

For Bharti Airtel Limited

Rohit Krishan Puri
Dy. Company Secretary



Bharti Airtel Limited
(a Bharti Enterprise)
Regd. & Corporate Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070
T.: +91-11-4666 6100, F.: +91-11-4166 6137, Email id: compliance.officer@bharti.in, www.airtel.com
CIN: L74899DL1995PLC070609



DCS/AMAL/ND/R37/800/2017-18

May 31, 2017

The Company Secretary
 Bharti Airtel Limited
 Bharti Crescent, 1,
 Nelson Mandela Road,
 Vasant Kunj, Phase - II,
 New Delhi, Delhi, 110070

Sir,

Sub: Observation letter regarding the Draft Scheme of Amalgamation between Telenor (India) Communications Private Limited and Bharti Airtel Limited and their respective shareholders and creditors.

We are in receipt of Draft Scheme of Amalgamation between Telenor (India) Communications Private Limited and Bharti Airtel Limited and their respective shareholders and creditors filed as required under SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015; SEBI vide its letter dated May 30, 2017, has inter alia given the following comment(s) on the draft scheme of arrangement:

- "Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
- "Company shall duly comply with various provisions of the Circulars."
- "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."
- "It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

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Further, pursuant to the above SEBI circulars, upon sanction of the Scheme by the Hon'ble NCLT, the listed company shall submit to the stock exchange the following:

- Copy of the NCLT approved Scheme;
- Result of voting by shareholders for approving the Scheme;
- Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme;
- Copy of the observation letter issued by all the Stock Exchanges where Company is listed.
- Status of compliance with the Observation Letter/s of the stock exchanges;
- The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- Complaints Report as per Annexure II of this Circular.
- Any other document/disclosure as informed by the Exchange.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,



Nitin Pujari
Manager

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Ref: NSE/LIST/10944

May 31, 2017

The Deputy Company Secretary
Bharti Airtel Limited
Bharti Crescent, 1
Nelson Mandela Road
Vasant Kunj, Phase II,
New Delhi - 110070

Kind Attn.: Mr. Rohit Puri

Dear Sir,

Sub: Observation letter for draft Scheme of Amalgamation between Telenor (India) Communications Private Limited (Transferor Company) And Bharti Airtel Limited (Transferee Company) And Their Respective Shareholders and Creditors (Under Sections 230 to 232 of the Companies Act, 2013)

This has reference to draft Scheme of Scheme Of Amalgamation Between Telenor (India) Communications Private Limited (Transferor Company) And Bharti Airtel Limited (Transferee Company) And Their Respective Shareholders And Creditors (Under Sections 230 To 232 Of The Companies Act, 2013), submitted to NSE on March 08, 2017.

Based on our letter reference no Ref: NSE/LIST/2508 submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015, SEBI has vide letter dated May 30, 2017, has given the following comments on the draft Scheme of Amalgamation:

- a. *Company shall ensure that additional information, if any, submitted by the company, after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the website of the company.*
- b. *The company shall duly comply with various provisions of the circular.*
- c. *Company is advised that the observations of SEBI / Stock Exchanges shall be incorporated in the petition filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.*
- d. *It is to be noted that the petitions are filed by the Company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of the Companies Act, 2013 to SEBI again for its comments/observations/representations.*

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of regulation 11 of SEBI (LODR) Regulation, 2015, we hereby convey our “No-objection” in terms of regulation 94 of SEBI (LODR) Regulation, 2015, so as to enable the Company to file the draft scheme with the NCLT.



However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement / Regulations, Guidelines issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from May 31, 2017, within which the Scheme shall be submitted to the NCLT. Further pursuant to the above cited SEBI circulars upon sanction of the Scheme by the NCLT, you shall submit to NSE the following:

- a) Copy of Scheme as approved by the NCLT;
- b) Result of voting by shareholders for approving the Scheme;
- c) Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme,
- d) Status of compliance with the Observation Letter/s of the stock exchanges.
- e) The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- f) Complaints Report as per SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015.

Yours faithfully,
For National Stock Exchange of India Ltd.

Divya Poojari
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL http://www.nseindia.com/corporates/content/further_issues.htm



REPORT ADOPTED BY THE BOARD OF DIRECTORS OF BHARTI AIRTEL LIMITED IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013

1. Background

- 1.1 The proposed scheme of amalgamation between Telenor (India) Communications Private Limited ("**Transferor Company**") and Bharti Airtel Limited ("**Company**") and their respective shareholders and creditors ("**Scheme**") under Sections 230 to 232 of the Companies Act, 2013 ("**Act**") was approved by the Board of Directors of the Company ("**Board**") vide its resolution dated March 4, 2017.
- 1.2 Thereafter, the Scheme was filed before the Hon'ble Principal Bench of National Company Law Tribunal, New Delhi ("**NCLT**"). The Hon'ble NCLT, by an order dated July 28, 2017, has directed convening the meetings of the equity shareholders and unsecured creditors of the Company on Tuesday, September 19, 2017 for the purpose of considering, and if thought fit, approving with or without modification(s), the Scheme.
- 1.3 The provisions of Section 232(2)(c) of the Act requires the directors of the Company to adopt a report explaining the effect of the amalgamation pursuant to the Scheme, on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders and to lay out in particular, the share exchange ratio, specifying any special valuation difficulties. In terms of Section 232(2) of the Companies Act, 2013, the said report as adopted by the directors of the Company is required to be circulated along with the notice convening the meeting of the shareholders and creditors.
- 1.4 Accordingly, this report of the Board is being made in pursuance of the requirements of Section 232(2)(c) of the Act and in this connection, the following documents were presented/ shared with the Board:
- (a) The Scheme as approved by the Board *vide* resolution dated March 4, 2017;
- (b) The valuation report dated February 23, 2017 issued by Walker Chandiook & Co. LLP ("**Valuation Report**");
- (c) The fairness opinion dated February 23, 2017 obtained from RBSA Capital Advisors LLP ("**Fairness Opinion**"); and
- (d) Report of Audit & Risk Management Committee dated March 3, 2017.

2. Effect of the Scheme in terms of Section 232(2)(c) of the Act

S. NO.	EFFECT OF THE SCHEME ON	
1.	Key Managerial Personnel of the Company	The Scheme will have no effect on the key managerial personnel of the Company except to the extent of their respective shareholding and the effect thereon is detailed in point no. 3 of this table.

Bharti Airtel Limited

(a Bharti Enterprise)

Regd. & Corporate Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070
T.: +91-11-4666 6100, F.: +91-11-4166 6137, Email id: compliance.officer@bharti.in, www.airtel.com

CIN: L74899DL1995PLC070609

2.	Equity shareholders: Promoters of the Company	The Scheme will have no effect on the promoters and the non-promoter shareholders of the Company since upon the Scheme becoming effective, the Company shall issue five fully paid-up equity shares of the Company having a face value Rs. 5/- each to Telenor South Asia Investment Pte. Ltd., the promoter shareholder of the Transferor Company. The Company has only a single class of shareholders being the equity shareholders of the Company.
3.	Equity shareholders: Non promoter shareholders of the Company	

3. Valuation

- 3.1 The above mentioned Valuation Report recommended the issuance of 5 (five) fully paid-up equity shares of the Company of face value Rs. 5/- (rupees five only) to Telenor South Asia Investments Pte. Ltd. for its equity shares held in the Transferor Company. Further, the above mentioned Fairness Opinion has also been issued in respect of the Valuation Report.
- 3.2 The scope of work, valuation, approach and limitations form part of the aforesaid Valuation Report and Fairness Opinion. No special valuation difficulties were reported by the valuers.

4. Adoption of the Report by the Board

- 4.1 The Board has adopted this report after noting and considering the information set forth in this report.

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

**Sd/-
Pankaj Tewari
Company Secretary**

Place: New Delhi
Date: August 11, 2017

Bharti Airtel Limited
(a Bharti Enterprise)

Regd. & Corporate Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070
T.: +91-11-4666 6100, F.: +91-11-4166 6137, Email id: compliance.officer@bharti.in, www.airtel.com
CIN: L74899DL1995PLC070609



Telenor (India) Communications Pvt. Ltd.
 (Erstwhile Telewings Communications Services Pvt. Ltd.)
 The Masterpiece, Plot No. 10, Golf Course Road, Sector 54,
 DLF Phase-V, Gurgaon, Haryana-122002.
 www.telenor.in

T: +91-124-3329000
 F: +91-124-3329996

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF TELENOR (INDIA) COMMUNICATIONS PRIVATE LIMITED (ERSTWHILE TELEWINGS COMMUNICATIONS SERVICES PRIVATE LIMITED) AT ITS MEETING HELD ON JULY 18, 2017 IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013

1. Background

- 1.1 The proposed scheme of amalgamation between Telenor (India) Communications Private Limited (“Company”) and Bharti Airtel Limited (“Transferee Company”) and their respective shareholders and creditors (“Scheme”) under Sections 230 to 232 of the Companies Act, 2013 (“Act”) was approved by the board of directors of the Company (“Board”) vide resolution dated March 7, 2017.
- 1.2 The provisions of Section 232(2)(c) of the Act requires the directors of the Company to adopt a report explaining the effect of the amalgamation pursuant to the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders and to lay out in particular, the share exchange ratio, specifying any special valuation difficulties.
- 1.3 Accordingly, this report of the Board is being made in pursuance of the requirements of Section 232(2)(c) of the Act and in this connection, the following documents were presented/ shared with the Board:
 - (a) The Scheme as approved by the Board vide resolution dated March 7, 2017; and
 - (b) The valuation report dated February 23, 2017 issued by Walker Chandok & Co. LLP (“Valuation Report”).

2. Effect of the Scheme in terms of Section 232(2)(c) of the Act

S. No.	EFFECT OF THE SCHEME ON	
1.	Key Managerial Personnel of the Company	Upon this Scheme becoming effective (“Effective Date”), all employees of the Company (including the key managerial personnel) as on the Effective Date, shall be deemed to have become employees of the Transferee Company, without any interruption of service and on the basis of continuity of service and terms and conditions no less favourable than those applicable to them with reference to the Company, on the Effective Date, save and except that the designations/salary structure of such employees (including key managerial personnel) may be aligned/harmonised pursuant to and in accordance with the human resources policy of the Transferee Company.



Registered Office:
 DBS Business Center, First Floor, World Trade Tower,
 Barakhamba Lane, Connaught Place, New Delhi-110001.
 CIN: U64200DL2012PTC231991



Telenor (India) Communications Pvt. Ltd.
(Erstwhile Telewings Communications Services Pvt. Ltd.)
The Masterpiece, Plot No. 10, Golf Course Road, Sector 54,
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F: +91-124-3329996

2.	Equity shareholders: Promoters of the Company	Upon the Effective Date, the Transferee Company shall issue five fully paid-up equity shares of the Transferee Company having a face value Rs. 5/- each to Telenor South Asia Investment Pte. Ltd., the promoter shareholder of the Company. The Company has only a single class of shareholders being the equity shareholders of the Company. On the Effective Date, the Company shall stand dissolved without being wound up in accordance with the Act.
3.	Equity shareholders: Non-promoter shareholders of the Company	The Company does not have any non-promoter shareholders.

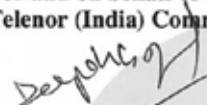
3. Valuation

- 3.1 The above mentioned Valuation Report recommended the issuance of 5 (five) fully paid-up equity shares of the Transferee Company of face value Rs. 5/- (rupees five only) to Telenor South Asia Investments Pte. Ltd. for its equity shares held in the Company.
- 3.2 The scope of work, valuation, approach and limitations form part of the aforesaid Valuation Report. No special valuation difficulties were reported by the valuers.

4. Adoption of the Report by the Board

- 4.1 The Board has adopted this report after noting and considering the information set forth in this report.

**For and on behalf of the Board of Directors
Telenor (India) Communications Private Limited**


Deepak Goyal
Company Secretary
Membership No. A18961



Place: Gurgaon
Date: August 9, 2017

Registered Office:
DBS Business Center, First Floor, World Trade Tower,
Barakhamba Lane, Connaught Place, New Delhi-110001.
CIN: U64200DL2012PTC231991

Independent Auditor's Report

To the Members of Bharti Airtel Limited

Report on the Standalone Ind AS financial statements

We have audited the accompanying standalone Ind AS financial statements of Bharti Airtel Limited ("the Company"), which comprise the standalone Balance Sheet as at March 31, 2017, the standalone Statement of Profit and Loss including other comprehensive income, the standalone Cash Flow Statement and standalone Statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by Ministry of Corporate Affairs. This responsibility 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, these standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, its loss including other comprehensive loss and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 22(i)(f)(v) to the standalone Ind AS financial statements which describes the uncertainties related to the legal outcome of the Department of Telecommunications' demand with respect to One Time Spectrum Charge. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") 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 paragraphs 3 and 4 of the Order.
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 purpose 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, Statement of Profit and Loss including the Statement of Other Comprehensive

Independent Auditor's Report

Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

- (d) In our opinion, these standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by Ministry of Corporate Affairs;
- (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, 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 of the Company and the operating effectiveness of such controls, refer to our separate Report dated May 9, 2017 in "Annexure 2" to this report;
- (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 and Companies (Audit and Auditors) Amendment Rules, 2017, in our opinion and to the best of our information and according to the explanations given to us:
 - ii. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer 19 to the standalone Ind AS financial statements;
 - iii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 9 to the standalone Ind AS financial statements;
 - iv. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - v. The Company has provided requisite disclosures in Note 15 to these standalone Ind AS financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management.

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W / E300004

per Nilangshu Katriar
Partner
Membership No: 58814

Place: New Delhi
Date: May 9, 2017

Independent Auditor's Report

Annexure 1

Annexure referred to in paragraph 1 of 'Report on other Legal and Regulatory Requirements'

Re: [BHARTI AIRTEL LIMITED] ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars with respect to most of its fixed assets, and is in the process of updating quantitative and situation details with respect to certain fixed assets in the records maintained by the Company.
- (b) The capitalised fixed assets are physically verified by the management according to a regular programme designed to cover all the items over a period of three years. Pursuant to the planned programme during the year, a substantial portion of fixed assets and capital work in progress has been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noted on such verification.
- (c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
- (ii) The management has conducted physical verification of inventory (other than inventory with third parties) at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnership firm or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the

provision of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of Section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, related to the service of telecommunication and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of records with a view to determine whether they are accurate or complete.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, value added tax, cess and other material statutory dues applicable to it. The provisions relating to duty of excise are not applicable to the Company.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, value added tax, cess and other material undisputed statutory dues were outstanding, as at the year end, for a period of more than six months from the date they became payable.

- (b) According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, duty of customs, value added tax and cess on account of any dispute, are as follows:

Name of Statutes	Nature of the Dues	Amount Disputed (In ₹ Mn)	Period to Which It Relates	Forum where The Dispute Is Pending
Andhra Pradesh Value Added Tax Act, 2005	Sales Tax	87	2004-13	Tribunal
Bihar Value Added Tax Act, 2005	Sales Tax	58	2005-10	Tribunal
Bihar Value Added Tax Act, 2005	Sales Tax	0	2015-16	Assistant Commissioner
Bihar Value Added Tax Act, 2005	Sales Tax	82	2010-15	Joint Commissioner, Appeal
Bihar Value Added Tax Act, 2005	Sales Tax	2	2006-07	Commercial Tax Officer
Bihar Value Added Tax Act, 2005	Sales Tax	1	2016-17	Deputy Commissioner
Chhattisgarh Value Added Tax Act, 2003	Sales Tax	0	2005-07	Assistant Commissioner
Gujarat Value Added Tax Act, 2003	Sales Tax	1	2005-07	Assistant Commissioner
J&K General Sales Tax	Sales Tax	34	2004-07	High Court, Jammu & Kashmir
Karnataka VAT Act, 2003	Sales Tax	291	2005-06	Assistant Commissioner
Karnataka VAT Act, 2003	Sales Tax	2	2016-17	Joint Commissioner
Kerala Sales Tax Act	Sales Tax	1	2002-05	Tribunal
Kerala Sales Tax Act	Sales Tax	0	2005-11	Commercial tax Officer
Kerala Sales Tax Act	Sales Tax	16	2005-10	Deputy Commissioner, Appeal
Kerala Sales Tax Act	Sales Tax	0	2008-10	Intelligence Officer Squad
Kerala Value Added Tax Act, 2003	Sales Tax	71	2006-07	High Court of Kerala

Independent Auditor's Report

Name of Statutes	Nature of the Dues	Amount Disputed (In ₹ Mn)	Period to Which It Relates	Forum where The Dispute Is Pending
Kerala Value Added Tax Act, 2003	Sales Tax	44	2007-12	Asst. Commissioner, Spl Circle III, Ernakulam
Kerala Value Added Tax Act, 2003	Sales Tax	0	2016-17	Intelligence Officer, Ernakulam
Kerala Value Added Tax Act, 2003	Sales Tax	0	2015-16	Intelligence Inspector, Squad No. 1, Tellichery
Kerala Value Added Tax Act, 2003	Sales Tax	0	2015-16	Intelligence Inspector, Squad No. 3, Ernakulam
Kerala Value Added Tax Act, 2003	Sales Tax	1	2005-17	Commercial tax Officer
Madhya Pradesh Value Added Tax Act, 2002	Sales Tax	24	2006-13	Tribunal
Madhya Pradesh Value Added Tax Act, 2002	Sales Tax	22	1997-04	Deputy Commissioner, Appeal
Madhya Pradesh Value Added Tax Act, 2002	Sales Tax	1	2008-10	Deputy Commissioner
Madhya Pradesh Value Added Tax Act, 2002	Sales Tax	0	2004-08	Commercial Tax Officer
Maharashtra Sales Tax Act	Sales Tax	0	2003-04	Joint Commissioner, Appeal
Punjab Value Added Tax Act, 2005	Sales Tax	30	2003-04	High Court
Punjab Value Added Tax Act, 2005	Sales Tax	1	2008-10	Tribunal
Punjab Value Added Tax Act, 2005	Sales Tax	1	2002-03	Jt. Director(Enforcement)
Punjab Value Added Tax Act, 2005	Sales Tax	1	2009-16	Deputy Excise and Taxation Commissioner
UP Value Added Tax Act	Sales Tax	6	2008-10	High court
UP Value Added Tax Act	Sales Tax	21	2002-05	Assistant Commissioner
UP Value Added Tax Act	Sales Tax	9	2005-10	Tribunal
UP Value Added Tax Act	Sales Tax	1	2007-08	Joint Commissioner
UP Value Added Tax Act	Sales Tax	2	2003-10	Joint Commissioner, Appeal
UP Value Added Tax Act	Sales Tax	2	2014-16	Additional Commissioner
UP Value Added Tax Act	Sales Tax	9	2003-17	Deputy Commissioner
UP Value Added Tax Act	Sales Tax	11	2005-13	Assessing officer
Uttarakhand Value Added Tax Act, 2005	Sales Tax	0	2013-14	AO
West Bengal Value Added Tax Act, 2003	Sales Tax	3	1997-12	Tribunal
West Bengal Value Added Tax Act, 2003	Sales Tax	0	1996-97	The Deputy Commissioner of Commercial Taxes
West Bengal Value Added Tax Act, 2003	Sales Tax	0	1995-98	Commercial Tax Officer
West Bengal Value Added Tax Act, 2003	Sales Tax	9	2005-06	Revision Board
Sub Total (A)		844		
Finance Act, 1994 (Service tax provisions)	Service Tax	278	1995-08	Supreme Court
Finance Act, 1994 (Service tax provisions)	Service Tax	7	2002-07	High court
Finance Act, 1994 (Service tax provisions)	Service Tax	9,966	1995-12	Tribunal
Finance Act, 1994 (Service tax provisions)	Service Tax	7	1999-16	Commissioner Adjudication
Finance Act, 1994 (Service tax provisions)	Service Tax	19	2003-10	Commissioner Appeal
Finance Act, 1994 (Service tax provisions)	Service Tax	382	2003-13	Commissioner of Service Tax
Sub Total (B)		10,659		
Income Tax Act, 1961	Income Tax	128	2001-03, 2004-08	Supreme Court
Income Tax Act, 1961	Income Tax	10,622	1996-97, 2003-10	High Court
Income Tax Act, 1961	Income Tax	31,580	1995-2011	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	2,882	1998-2015	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	16	1994-95, 1996-98, 2004-16	Assessing Officer
Sub Total (C)		45,228		
Custom Act, 1962	Custom Act	4,128	2001-05	Supreme Court
Custom Act, 1962	Custom Act	189	2003-12	Tribunal
Sub Total (D)		4,317		
Grand Total:		61,048		

The above mentioned figures represent the total disputed cases without any assessment of Probable, Possible and Remote, as done in case of Contingent Liabilities. Of the above cases, total amount deposited in respect of Sales Tax is ₹302 Mn, Service Tax is ₹452 Mn, Income Tax is ₹11,056 Mn and Custom Duty is ₹2,141 Mn.

Independent Auditor's Report

- (viii) Based on our audit procedures for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank, debenture holders or government.
- (ix) In our opinion and according to information and explanations given by the management, monies raised by the company by way of term loans were applied for the purpose for which they were raised.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xi) of the order are not applicable to the Company and hence not commented upon.
- (xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W / E300004

per Nilangshu Katriar
Partner
Membership No: 58814

Place: New Delhi
Date: May 9, 2017

Independent Auditor's Report

Annexure 2 To the Independent Auditor's Report of even date on the standalone Ind AS financial statements of Bharti Airtel Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of Bharti Airtel Limited

We have audited the internal financial controls over financial reporting of Bharti Airtel Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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. 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 the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 as specified under Section 143(10) of the Act, to the extent 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgement, including the assessment of the risks of material misstatement of the 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 internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting 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.

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W / E300004

per Nilangshu Katriar
Partner
Membership No: 58814

Place: New Delhi
Date: May 9, 2017

Standalone Balance Sheet

(All amounts are in millions of Indian Rupees)

Particulars	Notes	As of March 31, 2017	As of March 31, 2016	As of April 1, 2015
Assets				
Non-current assets				
Property, plant and equipment	6	381,176	312,673	258,156
Capital work-in-progress	6	11,818	28,588	26,898
Intangible assets	7	734,052	606,582	277,892
Intangible assets under development	7	84,184	9,715	64,108
Investment in subsidiaries, joint ventures and associates	8	459,538	698,913	652,478
Financial assets				
- Investments	8	52	52	52
- Derivative instruments	9	213	396	154
- Loans and security deposits	10	10,389	28,861	42,892
- Others	11	556	598	487
Deferred tax assets (net)	12	8,875	23,070	27,241
Other non-current assets	13	39,854	26,622	17,041
		1,730,707	1,736,070	1,367,399
Current assets				
Inventories		39	53	94
Financial assets				
- Investments	8	-	8	47,567
- Derivative instruments	9	634	462	168
- Trade receivables	14	32,118	31,724	33,047
- Cash and cash equivalents	15	1,087	466	3,852
- Loans	10	72,081	43,376	40,552
- Others	11	8,772	13,959	9,665
Current tax assets (net)		15,297	820	-
Other current assets	13	32,952	23,342	12,945
Assets-held-for-sale	5	13,729	-	-
		176,709	114,210	147,890
Total Assets		1,907,416	1,850,280	1,515,289
Equity and Liabilities				
Equity				
Share capital	16	19,987	19,987	19,987
Other equity		992,086	1,097,304	1,037,395
		1,012,073	1,117,291	1,057,382
Non-current liabilities				
Financial liabilities				
- Borrowings	17	503,421	414,570	194,209
- Derivative instruments	9	186	8	121
- Others	18	21,881	20,736	19,713
Deferred revenue		18,321	16,984	15,887
Provisions	19	2,330	2,223	1,926
		546,139	454,521	231,856
Current liabilities				
Financial liabilities				
- Borrowings	17	65,478	6,999	6,259
- Current maturities of long-term borrowings	17	33,451	33,434	13,171
- Derivative instruments	9	1,662	696	223
- Trade Payables	21	149,698	119,706	105,769
- Others	18	55,671	78,772	65,250
Deferred revenue		30,311	29,485	28,726
Provisions	19	1,291	1,189	1,174
Current tax liabilities (net)		-	-	507
Other current liabilities	20	11,642	8,187	4,972
		349,204	278,468	226,051
Total Liabilities		895,343	732,989	457,907
Total Equity and Liabilities		1,907,416	1,850,280	1,515,289

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W / E300004

For and on behalf of the Board of Directors of Bharti Airtel Limited

per Nilangshu Katriar
Partner
Membership No: 58814

Sunil Bharti Mittal
Chairman
DIN: 00042491

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

Place: New Delhi
Date: May 9, 2017

Nilanjan Roy
Global Chief Financial Officer

Statement of Profit and Loss

(All amounts are in millions of Indian Rupees; except per share data)

Particulars	Notes	For the year ended March 31, 2017	For the year ended March 31, 2016
Income			
Revenue from operations	23	622,763	603,003
Other income		1,843	1,729
		624,606	604,732
Expenses			
Network operating expenses	25	145,360	137,889
Access charges		80,505	80,236
License fee / spectrum charges (revenue share)		69,416	69,635
Employee benefits	24	17,385	18,648
Sales and marketing expenses	25	32,320	32,824
Other expenses	25	38,524	39,640
		383,510	378,872
Profit from operating activities before depreciation, amortisation and exceptional items		241,096	225,860
Depreciation and amortisation	26	122,034	95,753
Finance costs	27	52,546	35,453
Finance income	27	(23,421)	(15,708)
Non-operating expense	28	2,324	1,019
Profit before exceptional items and tax		87,613	109,343
Exceptional items	29	172,708	6,799
(Loss) / profit before tax		(85,095)	102,544
Tax expense			
Current tax	12	(45)	20,558
Deferred tax	12	14,206	4,183
(Loss) / profit for the year		(99,256)	77,803
Other comprehensive income ('OCI')			
Items not to be reclassified to profit or loss:			
Re-measurement losses on defined benefit plans	24	(36)	(46)
Income tax credit	12	11	12
Other comprehensive loss for the year		(25)	(34)
Total comprehensive (loss) / gain for the year		(99,281)	77,769
Earnings per share (In Rupees) (Face value ₹ 5/- each)			
Basic and Diluted	30	(24.84)	19.46

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W / E300004

For and on behalf of the Board of Directors of Bharti Airtel Limited

per Nilangshu Katriar
Partner
Membership No: 58814

Sunil Bharti Mittal
Chairman
DIN: 00042491

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

Place: New Delhi
Date: May 9, 2017

Nilanjan Roy
Global Chief Financial Officer

Standalone Statement of Changes in Equity

(All amounts are in millions of Indian Rupees; except per share data)

Particulars	Share capital		Other equity - Reserves and Surplus							Total equity
	No of shares (in '000)	Amount	Share premium	Retained earnings	General reserve	Business restructuring reserve	Share based payment reserve	Capital reserve	Total	
As of April 1, 2015	3,997,400	19,987	106,650	875,263	27,030	24,912	3,489	51	1,037,395	1,057,382
Profit for the year	-	-	-	77,803	-	-	-	-	77,803	77,803
Other comprehensive loss	-	-	-	(34)	-	-	-	-	(34)	(34)
Total comprehensive income	-	-	-	77,769	-	-	-	-	77,769	77,769
Transaction with owners of equity										
Employee share-based payment expense	-	-	-	-	-	-	209	-	209	209
Exercise of share options	-	-	-	-	-	-	127	-	127	127
Dividend paid (including tax)	-	-	-	(8,872)	-	-	-	-	(8,872)	(8,872)
Merger of subsidiary	-	-	-	(9,425)	-	(8,599)	-	8,700	(9,324)	(9,324)
As of March 31, 2016	3,997,400	19,987	106,650	934,735	27,030	16,313	3,825	8,751	1,097,304	1,117,291
Loss for the year	-	-	-	(99,256)	-	-	-	-	(99,256)	(99,256)
Other comprehensive loss	-	-	-	(25)	-	-	-	-	(25)	(25)
Total comprehensive loss	-	-	-	(99,281)	-	-	-	-	(99,281)	(99,281)
Transaction with owners of equity										
Employee share-based payment expense	-	-	-	-	-	-	298	-	298	298
Exercise of share options	-	-	-	-	-	-	(144)	-	(144)	(144)
Dividend paid (including tax)	-	-	-	(5,456)	-	-	-	-	(5,456)	(5,456)
Merger of subsidiary	-	-	530	(720)	(445)	-	-	-	(635)	(635)
As of March 31, 2017	3,997,400	19,987	107,180	829,278	26,585	16,313	3,979	8,751	992,086	1,012,073

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W / E300004

For and on behalf of the Board of Directors of Bharti Airtel Limited

per Nilangshu Katriar
Partner
Membership No: 58814

Sunil Bharti Mittal
Chairman
DIN: 00042491

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

Place: New Delhi
Date: May 9, 2017

Nilanjan Roy
Global Chief Financial Officer

Standalone Statement of Cash Flows

(All amounts are in millions of Indian Rupees)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Cash flows from operating activities		
(Loss) / profit before tax	(85,095)	102,542
Adjustments for:		
Depreciation and amortisation	122,034	95,753
Finance costs	52,546	35,453
Finance income	(23,421)	(15,708)
Exceptional items	152,405	(2,925)
Employee share-based payment expenses	298	209
Other non-cash items	795	434
Operating cash flow before changes in working capital	219,562	215,758
Changes in working capital		
Trade receivables	(151)	(3,087)
Trade payables	27,092	9,556
Inventories	14	68
Provisions	180	48
Other financial and non-financial liabilities	225	5,816
Other financial and non-financial assets	(20,827)	(11,863)
Net cash generated from operations before tax	226,095	216,296
Income tax paid	(14,439)	(21,797)
Net cash generated from operating activities (a)	211,656	194,499
Cash flows from investing activities		
Purchase of property, plant and equipment	(156,143)	(111,568)
Proceeds from sale of property, plant and equipment	3,053	4,853
Purchase of intangible assets	(179,939)	(71,709)
Net proceeds from current investments	47	47,376
Proceeds from buyback of share by subsidiary	12,350	-
Proceeds from sale of investment of subsidiaries	146,223	-
Investment in joint venture / associate	-	113
Investment in subsidiaries	(74,283)	(111,685)
Advances given to subsidiaries	(98,797)	(17,773)
Loan repayment by subsidiaries	82,288	26,517
Dividend received	16,511	9,470
Interest received	5,858	4,513
Net cash used in investing activities (b)	(242,833)	(219,893)
Cash flows from financing activities		
Proceeds from borrowings	140,419	74,520
Repayment of borrowings	(122,391)	(38,490)
Net proceeds / repayment of short-term borrowings	32,832	(3,316)
Interest and other finance charges paid	(10,850)	(5,087)
Proceeds from exercise of share options	3	231
Dividend paid (including tax)	(5,456)	(8,874)
Net cash generated from financing activities (c)	34,557	18,984
Net increase / (decrease) in cash and cash equivalents during the year (a+b+c)	3,380	(6,410)
Add: Cash and cash equivalents as at the beginning of the year	(2,558)	3,852
Cash and cash equivalents as at the end of the year (refer Note 15)	822	(2,558)

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W / E300004

For and on behalf of the Board of Directors of Bharti Airtel Limited

per Nilangshu Katriar
Partner
Membership No: 58814

Sunil Bharti Mittal
Chairman
DIN: 00042491

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

Place: New Delhi
Date: May 9, 2017

Nilanjan Roy
Global Chief Financial Officer

Independent Auditor's Report

To the Members of Bharti Airtel Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Bharti Airtel Limited ('the Holding Company'), its subsidiaries (together referred to as "the Group"), its associates and jointly controlled entities, comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statement").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and jointly controlled entities and in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by Ministry of Corporate Affairs. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and jointly controlled entities and for preventing and detecting frauds and other irregularities; the 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS 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 Ind AS financial statements by the Directors of the Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the financial statements. 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 paragraph (a) of the Other Matters below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

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 other auditors on separate financial statements and on the other financial information of an associate and a jointly controlled entity, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at March 31, 2017, their consolidated profit including other comprehensive loss, and their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to Note 26(i)(f)(v) to these consolidated Ind AS financial statements which, describes the uncertainties related to the legal outcome of the Department of Telecommunications' demand with respect to One Time Spectrum Charge. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, an associate and a jointly controlled entity, as noted in the 'other matter' paragraph, we report, to the extent applicable, that:

- (a) We / the other auditors whose reports we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;
- (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the Ind AS financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

Independent Auditor's Report

- (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 3 of the Companies (Accounts) Rules, 2015 and the Companies (Indian Accounting Standards) Rules, 2016 issued by Ministry of Corporate Affairs;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiaries, an associate company and jointly controlled company incorporated in India, none of the directors of the Group's companies, its associate and jointly controlled companies incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India, refer to our separate report in "Annexure 1" to this report;
- (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 Companies (Audit and Auditors) Amendment Rules, 2017, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates and jointly controlled entities – Refer Note 23 to the consolidated Ind AS financial statements;
- ii. Provision has been made in the consolidated Ind AS 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 (a) Note 11 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group, its associates and jointly controlled entities and (b) the Group's share of net profit in respect of its associates;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates and jointly controlled companies incorporated in India during the year ended March 31, 2017.
- iv. The Company has provided requisite disclosures in Note 17 to these Ind AS consolidated financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 of the Group entities as applicable. Based on our audit procedures and relying on the management representation of the Holding Company regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by those entities as produced to us by the management of the respective Group entities.

Other Matter

We did not audit the financial statements of the joint venture included herein with the Company's share of profit in joint venture of ₹ 11,083 Mn for the year ended March 31, 2017. These financial statements and other financial information have been audited by other auditors whose report has been furnished to us by the management. Our opinion in so far as it relates to the affairs of such joint venture, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid joint venture is based solely on the report of such other auditors. Our opinion is not qualified in respect of this matter.

These consolidated Ind AS financial statements include the Company's share of losses for the post-merger period effective November 16, 2016 in an associate of ₹ 1,182 Mn for the year ended March 31, 2017. These financial statements and other financial information are audited upto period ended December 31, 2016 and unaudited for three months period ended March 31, 2017 and have been furnished to us by the management based on management accounts of the associate pending approval of its quarterly accounts. Our opinion in so far as it relates to the affairs of such associate, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid associate, is based solely on such audited and unaudited financial statements and other unaudited financial information for the period ended December 31, 2016 and March 31, 2017 respectively.

Our above opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W/E300004

per Nilangshu Katriar
Partner
Membership Number: 58814

Place: New Delhi
Date: May 9, 2017

Independent Auditor's Report

Annexure 1 To the Independent Auditor's Report of even date on the Consolidated Ind AS Financial Statements of Bharti Airtel Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of Bharti Airtel Limited

In conjunction with our audit of the consolidated Ind AS financial statements of Bharti Airtel Limited as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Bharti Airtel Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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. 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 the 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph

below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Holding 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.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, in so far as it relates to the jointly controlled company, which is Company incorporated in India, is based on the corresponding reports of the auditors of such jointly controlled company incorporated in India.

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W/E300004

per Nilangshu Katriar
Partner
Membership Number: 58814

Place: New Delhi
Date: May 9, 2017

Consolidated Balance Sheet

(All amounts are in millions of Indian Rupees)

Particulars	Notes	As of March 31, 2017	As of March 31, 2016	As of April 1, 2015
Assets				
Non-current assets				
Property, plant and equipment	6	620,088	610,508	543,936
Capital work-in-progress	6	23,942	47,304	48,702
Goodwill	7	338,082	428,381	414,823
Other intangible assets	7	824,181	684,039	341,718
Intangible assets under development	7	84,443	9,716	118,487
Investment in joint ventures and associates	8	82,277	60,990	51,936
Financial assets				
- Investments	10	44,187	28,622	31,310
- Derivative instruments	11	4,732	13,999	7,303
- Security deposits	12	9,630	10,441	9,529
- Others	13	16,653	17,502	8,031
Deferred tax assets (net)	14	26,262	46,738	59,502
Other non-current assets	15	49,875	70,440	75,684
		2,124,352	2,028,680	1,710,961
Current assets				
Inventories		488	1,692	1,339
Financial assets				
- Investments	10	16,923	16,159	84,017
- Derivative instruments	11	2,060	4,765	1,207
- Trade receivables	16	49,838	55,039	51,961
- Cash and cash equivalents	17	12,817	37,087	11,721
- Bank deposits	17	3,360	13,900	8,823
- Others	13	52,105	32,511	25,171
Current tax assets		21,454	11,570	5,721
Other current assets	15	44,105	48,827	32,196
Assets-held-for-sale	18	-	7,002	32,618
		203,150	228,552	254,774
Total Assets		2,327,502	2,257,232	1,965,735
Equity and Liabilities				
Equity				
Share capital	19	19,987	19,987	19,987
Other equity		654,576	647,706	610,603
Equity attributable to owners of the Parent		674,563	667,693	630,590
Non-controlling interests ('NCI')		68,750	54,981	51,613
		743,313	722,674	682,203
Non-current liabilities				
Financial liabilities				
- Borrowings	21	896,373	892,686	591,575
- Derivative instruments	11	2,726	8	164
- Others	22	15,681	16,084	14,537
Deferred revenue		22,335	17,787	17,917
Provisions	23	7,471	7,350	7,648
Deferred tax liabilities (net)	14	9,429	12,512	13,077
Other non-current liabilities	24	727	1,527	1,466
		954,742	947,954	646,384
Current liabilities				
Financial liabilities				
- Borrowings	21	129,442	57,238	86,680
- Current maturities of long-term borrowings	21	48,466	54,602	125,366
- Derivative instruments	11	2,335	1,931	628
- Trade payables	25	268,537	255,806	215,896
- Others	22	88,808	131,180	127,306
Deferred revenue		48,785	51,336	50,074
Provisions	23	2,215	2,332	2,066
Current tax liabilities (net)		6,089	9,296	9,271
Other current liabilities	24	34,770	21,844	15,898
Liabilities-held-for-sale	18	-	1,039	3,963
		629,447	586,604	637,148
Total Liabilities		1,584,189	1,534,558	1,283,532
Total Equity and Liabilities		2,327,502	2,257,232	1,965,735

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W / E300004

per Nilangshu Katriar
Partner
Membership No: 58814

Place: New Delhi
Date: May 9, 2017

For and on behalf of the Board of Directors of Bharti Airtel Limited

Sunil Bharti Mittal
Chairman
DIN: 00042491

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

Nilanjan Roy
Global Chief Financial Officer

Consolidated Statement of Profit and Loss

(All amounts are in millions of Indian Rupees; except per share data)

Particulars	Notes	For the year ended March 31, 2017	For the year ended March 31, 2016
Income			
Revenue from operations	27	954,683	965,321
Other income		1,206	871
		955,889	966,192
Expenses			
Network operating expenses	29	209,154	201,567
Access charges		102,786	109,423
License fee / spectrum charges (revenue share)		92,760	94,928
Employee benefits	28	43,032	49,108
Sales and marketing expenses	29	71,400	82,410
Other expenses	29	82,253	88,043
		601,385	625,479
		354,504	340,713
Profit from operating activities before depreciation, amortisation and exceptional items			
Share of results of joint ventures and associates	8	(10,449)	(10,666)
Depreciation and amortisation	30	197,730	174,498
Finance costs	31	95,466	85,461
Finance income	31	(18,492)	(16,326)
Non-operating expense (net)	32	1,319	1,024
		88,930	106,722
Exceptional items	33	11,697	(21,741)
Profit before tax		77,233	128,463
Tax expense			
Current tax	14	21,240	44,690
Deferred tax	14	13,579	14,843
		42,414	68,930
Profit for the year			
Other comprehensive income ('OCI')			
Items to be reclassified subsequently to profit or loss :			
Net losses due to foreign currency translation differences		(41,424)	(4,920)
Net losses on net investments hedge		(10,330)	(7,108)
Net gains / (losses) on cash flow hedge		857	(724)
Net gains on fair value through OCI investments		107	9
Income tax (charge) / credit	14	(16)	503
		(50,806)	(12,240)
Items not to be reclassified to profit or loss :			
Re-measurement losses on defined benefit plans	28	(73)	(129)
Share of joint ventures and associates	8	(9)	(4)
Income tax credit		20	25
		(62)	(108)
Other comprehensive loss for the year			
Total comprehensive (loss) / gain for the year			
		(8,454)	56,582
Profit for the year attributable to :			
Owners of the Parent		37,998	60,767
Non-controlling interests		4,416	8,163
Other comprehensive loss for the year attributable to :			
Owners of the Parent		(48,655)	(11,977)
Non-controlling interests		(2,213)	(371)
Total comprehensive (loss) / gain for the year attributable to :			
Owners of the Parent		(10,657)	48,790
Non-controlling interests		2,203	7,792
Earnings per share (In Rupees) (Face value ₹ 5/- each)			
Basic	34	9.51	15.21
Diluted	34	9.51	15.20

The accompanying notes form an integral part of these consolidated financial statements

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W / E300004

per Nilangshu Katriar
Partner
Membership No: 58814

Place: New Delhi
Date: May 9, 2017

For and on behalf of the Board of Directors of Bharti Airtel Limited

Sunil Bharti Mittal
Chairman
DIN: 00042491

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

Nilanjan Roy
Global Chief Financial Officer

Consolidated Statement of Changes in Equity

(All amounts are in millions of Indian Rupees; except per share data)

Particulars	Share capital		Equity attributable to owners of the Parent						Non-controlling interests	Total equity	
			No of shares (in '000)	Amount	Other equity						Total
	Reserves and surplus										
	Share premium	Retained earnings (Note 20)			General reserve	Share-based payment reserve	Transactions with NCI reserve	Other components of equity (Note 20)			
As of April 1, 2015	3,997,400	19,987	123,456	404,792	27,030	4,805	50,634	(114)	610,603	51,613	682,203
Profit for the year	-	-	-	60,767	-	-	-	-	60,767	8,163	68,930
Other comprehensive loss	-	-	-	(108)	-	-	-	(11,869)	(11,977)	(371)	(12,348)
Total comprehensive income / (loss)	-	-	-	60,659	-	-	-	(11,869)	48,790	7,792	56,582
Transaction with owners of equity											
Employee share-based payment expense	-	-	-	-	-	237	-	-	237	11	248
NCI arising on a business combination	-	-	-	-	-	-	-	-	-	(16)	(16)
Purchase of treasury shares	-	-	-	-	-	-	-	(514)	(514)	-	(514)
Exercise of share options	-	-	-	-	-	127	-	104	231	338	569
Transaction with NCI	-	-	-	-	-	-	531	-	531	453	984
Dividend paid (including tax) to Company's shareholders	-	-	-	(10,679)	-	-	-	-	(10,679)	-	(10,679)
Dividend paid (including tax) to NCI	-	-	-	-	-	-	-	-	-	(4,625)	(4,625)
Movement on account of court approved schemes	-	-	-	(1,493)	-	-	-	-	(1,493)	(585)	(2,078)
As of March 31, 2016	3,997,400	19,987	123,456	453,279	27,030	5,169	51,165	(12,393)	647,706	54,981	722,674
Profit for the year	-	-	-	37,998	-	-	-	-	37,998	4,416	42,414
Other comprehensive loss	-	-	-	(62)	-	-	-	(48,593)	(48,655)	(2,213)	(50,868)
Total comprehensive income / (loss)	-	-	-	37,936	-	-	-	(48,593)	(10,657)	2,203	(8,454)
Transaction with owners of equity											
Employee share-based payment expense	-	-	-	-	-	328	-	-	328	10	338
Exercise of share options	-	-	-	-	-	(1,432)	-	157	(1,275)	(1,236)	(2,511)
Transaction with NCI	-	-	-	-	-	-	26,051	-	26,051	26,303	52,354
Dividend paid (including tax) to Company's shareholders	-	-	-	(6,543)	-	-	-	-	(6,543)	-	(6,543)
Dividend paid (including tax) to NCI	-	-	-	-	-	-	-	-	-	(12,869)	(12,869)
Movement on account of court approved schemes	-	-	-	(1,034)	-	-	-	-	(1,034)	(642)	(1,676)
As of March 31, 2017	3,997,400	19,987	123,456	483,638	27,030	4,065	77,216	(60,829)	654,576	68,750	743,313

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

(All amounts are in millions of Indian Rupees)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Cash flows from operating activities		
Profit before tax	77,233	128,463
<i>Adjustments for:</i>		
Depreciation and amortisation	197,730	174,498
Finance costs	95,466	85,461
Finance income	(18,492)	(16,326)
Share of results of joint ventures and associates	(10,449)	(10,666)
Exceptional items	(276)	(31,321)
Employee share-based payment expense	338	248
Other non-cash items	265	(143)
Operating cash flow before changes in working capital	341,815	330,214
Changes in working capital		
Trade receivables	13,001	12,656
Trade payables	9,633	(3,504)
Inventories	948	(872)
Provisions	(26)	(277)
Other financial and non financial liabilities	3,558	9,939
Other financial and non financial assets	(54,543)	(21,897)
Net cash generated from operations before tax and dividend	314,386	326,259
Dividend received	9,510	-
Income tax paid	(31,587)	(46,836)
Net cash generated from operating activities (a)	292,309	279,423
Cash flows from investing activities		
Purchase of property, plant and equipment	(223,030)	(193,313)
Proceeds from sale of property, plant and equipment	4,462	3,798
Purchase of intangible assets	(165,477)	(81,452)
Net movement in current investments	5,785	63,771
Purchase of non-current investments	(89,073)	(3,218)
Sale of non-current investments	82,557	7,642
Investment in subsidiaries, net of cash acquired	(283)	(135)
Sale of subsidiaries (refer note 5)	59,604	-
Sale of tower assets	7,120	56,821
Investment in associate	(250)	-
Proceeds from sale of interest in associate / joint venture (refer note 5)	447	55
Loan to joint venture / associate	-	(19)
Loan repayment received from joint venture / associate	-	14
Dividend received	279	118
Interest received	2,305	3,661
Net cash used in investing activities (b)	(315,554)	(142,257)
Cash flows from financing activities		
Proceeds from borrowings	258,584	187,265
Repayment of borrowings	(274,608)	(309,656)
Net proceeds from short-term borrowings	25,377	4,558
Proceeds from sale and finance leaseback of towers	6,277	48,120
Repayment of finance lease liabilities	(3,899)	(2,593)
Purchase of treasury shares	-	(514)
Interest and other finance charges paid	(58,566)	(32,890)
Proceeds from exercise of share options	65	569
Dividend paid (including tax)	(9,168)	(15,304)
Proceeds from issuance of equity shares to NCI (refer note 5)	1,245	984
Sale of interest in a subsidiary (refer Note 5)	61,863	-
Purchase of shares from NCI (refer note 5)	(10,684)	-
Net cash used in financing activities (c)	(3,514)	(119,461)
Net decrease in cash and cash equivalents during the year (a+b+c)	(26,759)	17,705
Effect of exchange rate on cash and cash equivalents	(756)	1,343
Cash and cash equivalents as at beginning of the year	17,635	(1,413)
Cash and cash equivalents as at end of the year (refer Note 17)	(9,880)	17,635

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W/E300004

per Nilangshu Katriar
Partner
Membership No: 58814

Place: New Delhi
Date: May 9, 2017

For and on behalf of the Board of Directors of Bharti Airtel Limited

Sunil Bharti Mittal
Chairman
DIN: 00042491

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

Nilanjan Roy
Global Chief Financial Officer

Deloitte Haskins & Sells LLP

Chartered Accountants
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DLF City Phase - II,
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INDEPENDENT AUDITOR'S REPORT ON AUDIT OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF BHARTI AIRTEL LIMITED

1. We have audited the accompanying Statement of Standalone Financial Results of Bharti Airtel Limited ("the Company") for the quarter ended June 30, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related Interim Condensed Standalone Financial Statements which has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such Interim Condensed Standalone Financial Statements.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

3. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and



- (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the profit, total comprehensive income and other financial information of the Company for the quarter ended June 30, 2017.
4. We draw attention to Note 3 of the Statement, which describe the uncertainties related to the legal outcome of Department of Telecommunications demand with respect to one time spectrum charges. Our opinion is not modified in respect of this matter.
5. The comparative financial information of the Company for the quarter ended June 30, 2016 (other than adjustments on account of Ind AS 101 exemptions considered in the financial statements for the year ended March 31, 2017) and for the quarter and year ended March 31, 2017 prepared in accordance with Indian Accounting Standards (Ind AS) included in this Statement have been audited by the predecessor auditor. The report of the predecessor auditor on comparative financial information for the quarter ended June 30, 2016 dated July 27, 2016 and for the quarter and year ended March 31, 2017 dated May 9, 2017 expressed an unqualified opinion. Our opinion is not modified in respect of this matter.

**For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)**


**Hemant M. Joshi
(Partner)
(Membership No. 38019)**

**Place: New Delhi
Date : July 25, 2017**

Bharti Airtel Limited

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CIN: L74899DL1995PLC070609
T: +91-11-4666 6100, F:+91-11-4166 6137, Email id: compliance.officer@bharti.in

Statement of Audited Standalone Financial Results for the quarter ended June 30, 2017

(Rs. Million except per share data)

Particulars	Quarter ended			Year ended
	June 30, 2017	March 31, 2017	June 30, 2016	March 31, 2017
	Audited	Audited	Audited	Audited
Income				
Revenue	145,065	142,998	163,397	622,763
Other income	516	513	501	1,843
Total	145,581	143,511	163,898	624,606
Expenses				
Network operating expenses	36,802	37,262	35,158	145,360
Access charges	21,001	18,414	20,243	80,505
License fee / spectrum charges (revenue share)	15,408	15,572	18,898	69,416
Employee benefits	4,426	4,430	4,214	17,385
Sales and marketing expenses	7,850	8,033	8,205	32,320
Other expenses	10,490	8,518	10,556	38,524
Total	95,977	92,229	97,274	383,510
Profit from operating activities before depreciation, amortisation and exceptional items	49,604	51,282	66,624	241,096
Depreciation and amortisation	31,789	32,751	29,877	122,034
Finance costs	15,507	15,646	13,324	52,546
Finance income	(2,053)	(8,123)	(365)	(23,421)
Non-operating expenses	98	969	25	2,324
Profit before exceptional items and tax	4,263	10,039	23,763	87,613
Exceptional items	40	165,528	2,920	172,708
Profit / (loss) before tax	4,223	(155,489)	20,843	(85,095)
Tax expense / (credit)				
Current tax	1,727	(13,938)	4,662	(45)
Deferred tax	(310)	9,280	1,906	14,206
Profit / (loss) for the period / year	2,806	(150,831)	14,275	(99,256)
Other comprehensive income				
Items not to be reclassified to profit or loss:				
Re-measurement (losses) / gains on defined benefit plans	(53)	39	(45)	(36)
Tax credit / (charge)	18	(12)	15	11
Other comprehensive (loss) / income for the period / year	(35)	27	(30)	(25)
Total comprehensive income / (loss) for the period / year	2,771	(150,804)	14,245	(99,281)
Paid-up equity share capital (Face value : Rs. 5/- each)	19,987	19,987	19,987	19,987
Other equity	994,917	992,086	1,111,613	992,086
Earnings per share (Face value : Rs. 5/- each) (In Rupees)				
Basic and Diluted	0.70	(37.74)	3.57	(24.84)



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

(Rs. Million)

Particulars	Quarter ended			Year ended
	June 30, 2017	March 31, 2017	June 30, 2016	March 31, 2017
	Audited	Audited	Audited	Audited
1. Segment Revenue				
a) Mobile Services	121,433	121,625	139,545	526,745
b) Airtel Business	24,810	22,716	24,260	98,400
c) Homes Services	6,532	6,616	6,486	26,870
d) Unallocated	-	-	-	-
Total	152,775	150,957	170,291	652,015
Less: Inter-segment eliminations	7,710	7,959	6,894	29,252
Total revenue	145,065	142,998	163,397	622,763
2. Segment Results				
Profit before net finance costs, non-operating expenses, exceptional items and tax				
a) Mobile Services	11,530	12,758	31,064	94,680
b) Airtel Business	5,444	4,804	4,466	19,469
c) Homes Services	1,286	1,469	1,689	6,331
d) Unallocated	(445)	(500)	(472)	(1,418)
Total	17,815	18,531	36,747	119,062
Less:				
(i) Net finance costs	13,454	7,523	12,959	29,125
(ii) Non-operating expenses	98	969	25	2,324
(iii) Exceptional items	40	165,528	2,920	172,708
Profit / (loss) before tax	4,223	(155,489)	20,843	(85,095)
3. Segment Assets *				
a) Mobile Services	1,259,141	1,541,193	1,438,453	1,541,193
b) Airtel Business	87,105	233,317	180,345	233,317
c) Homes Services	43,000	296,014	191,945	296,014
d) Unallocated / Inter-segment eliminations	562,022	(158,033)	126,190	(158,033)
Total assets	1,951,268	1,912,491	1,936,933	1,912,491
4. Segment Liabilities *				
a) Mobile Services	324,287	736,333	664,588	736,333
b) Airtel Business	36,381	151,419	113,402	151,419
c) Homes Services	16,369	231,935	132,827	231,935
d) Unallocated / Inter-segment eliminations	559,327	(219,269)	(105,484)	(219,269)
Total liabilities	936,364	900,418	805,333	900,418

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



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Notes to the Audited Standalone Financial Results

1. The said financial results for the quarter ended June 30, 2017 have been reviewed by the Audit and Risk Management Committee and approved by the Board of Directors in their respective meetings held on July 25, 2017.
2. The above financial results are extracted from the audited Interim Condensed Standalone Financial Statements of the Company, which are prepared in accordance with Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder.
3. On January 8, 2013, the Department of Telecommunications ('DoT') issued a demand on the Company for Rs. 51,353 Mn towards levy of one time spectrum charge. Based on a petition filed by the Company, the Hon'ble High Court of Bombay, through its order dated January 28, 2013, has directed DoT to respond and not to take any coercive action until the next date of hearing. The Company, based on independent legal opinions, till date has not given any effect to the above demand.
4. Previous period figures have been re-grouped / re-stated basis the Ind AS 101, 'First-time Adoption of Indian Accounting Standards' exemptions as considered in the Ind AS financial statements for the year ended March 31, 2017, wherever required.

For Bharti Airtel Limited



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

New Delhi
July 25, 2017

Notes:

- a) 'Bharti Airtel' or 'Company' stands for Bharti Airtel Limited
- b) For more details on the financial results, please visit our website 'www.airtel.in'



INDEPENDENT AUDITOR'S REPORT ON AUDIT OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF BHARTI AIRTEL LIMITED

1. We have audited the accompanying Statement of Consolidated Financial Results of Bharti Airtel Limited ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), and its share of the profit/(loss) of its associates and joint ventures for the quarter ended June 30, 2017 ("the Statement") being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled on the basis of the related Interim Condensed Consolidated Financial Statements in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such Interim Condensed Consolidated Financial Statements.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditor in terms of their report referred to in paragraph 5 below, is sufficient and appropriate to provide a basis for our audit opinion.

3. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the report of the other auditor referred to in paragraph 5 below, the Statement:

D

a. includes the results of the following entities:

1	Bharti Airtel Limited		
	Subsidiaries		
2	Bharti Airtel Services Limited	42	Indian Ocean Telecom Limited
3	Bharti Hexacom Limited	43	Madagascar Towers S.A.
4	Bharti Infratel Limited	44	Airtel Mobile Commerce Zambia Limited
5	Bharti Telemedia Limited	45	Airtel Money (RDC) S.A.
6	Airtel Payments Bank Limited	46	Airtel Money Niger S.A.
7	Telesonic Networks Limited	47	Airtel Money S.A. (Gabon)
8	Nxtra Data Limited	48	Airtel Networks Kenya Limited @
9	Wynk Limited	49	Airtel Networks Limited
10	Indo Teleports Limited	50	Airtel Networks Zambia Plc
11	Nettle Infrastructure Investments Limited	51	Airtel Rwanda Limited
12	SmarTx Services Limited	52	Airtel Tanzania Limited
13	Bangladesh Infratel Networks Limited *	53	Airtel Tchad S.A.
14	Bharti Airtel (France) SAS	54	Airtel Uganda Limited @
15	Bharti Airtel (Hongkong) Limited	55	Bharti Airtel Africa B.V.
16	Bharti Airtel (Japan) Private Limited	56	Bharti Airtel Burkina Faso Holdings B.V.
17	Bharti Airtel (UK) Limited	57	Bharti Airtel Chad Holdings B.V.
18	Bharti Airtel (USA) Limited	58	Bharti Airtel Congo Holdings B.V.
19	Bharti Airtel Mali Holdings B.V.	59	Bharti Airtel Developers Forum Limited
20	Bharti Airtel International (Netherlands) B.V.	60	Bharti Airtel DTH Holdings B.V.
21	Bharti Airtel Lanka (Private) Limited	61	Bharti Airtel Gabon Holdings B.V.
22	Bharti Infratel Lanka (Private) Limited *	62	Bharti Airtel Ghana Holdings B.V.
23	Bharti International (Singapore) Pte Ltd	63	Bharti Airtel Kenya B.V.
24	Network i2i Ltd.	64	Bharti Airtel Kenya Holdings B.V.
25	Africa Towers N.V.	65	Bharti Airtel Madagascar Holdings B.V.
26	Africa Towers Services Limited *	66	Bharti Airtel Malawi Holdings B.V.
27	Airtel Ghana Limited @	67	Bharti Airtel International (Mauritius) Limited
28	Airtel (Seychelles) Limited	68	Bharti Airtel Niger Holdings B.V.
29	Airtel Congo S.A.	69	Bharti Airtel Nigeria B.V.
30	Airtel DTH Services Nigeria Limited #	70	Bharti Airtel Nigeria Holdings B.V. #
31	Airtel Gabon S.A.	71	Bharti Airtel Nigeria Holdings II B.V.
32	Airtel Madagascar S.A.	72	Bharti Airtel RDC Holdings B.V.
33	Airtel Mobile Commerce (Seychelles) Limited	73	Bharti Airtel Services B.V.
34	Airtel Mobile Commerce B.V.	74	Bharti Airtel Tanzania B.V.
35	Airtel Mobile Commerce Ghana Limited	75	Bharti Airtel Uganda Holdings B.V.
36	Airtel Mobile Commerce Holdings B.V.	76	Bharti Airtel Zambia Holdings B.V.
37	Airtel Mobile Commerce Kenya Limited	77	Celtel (Mauritius) Holdings Limited
38	Airtel Mobile Commerce Limited, Malawi	78	Airtel Congo (RDC) S.A.
39	Airtel Mobile Commerce Madagascar S.A.	79	Celtel Niger S.A.
40	Airtel Mobile Commerce Rwanda Limited	80	Channel Sea Management Co Mauritius Limited
41	Airtel Malawi Limited	81	Congo RDC Towers S.A.

82	Airtel Mobile Commerce Tanzania Limited	90	Gabon Towers S.A. *
83	Airtel Mobile Commerce Tchad SARL	91	Malawi Towers Limited
84	Airtel Mobile Commerce Uganda Limited	92	Mobile Commerce Congo S.A.
85	Montana International	93	Zap Trust Company Nigeria Limited #
86	MSI-Celtel Nigeria Limited #	94	Bharti Airtel Rwanda Holdings Limited
87	Partnership Investments SARL	95	Airtel Money Transfer Ltd
88	Société Malgache de Telephonie Cellulaire SA	96	Airtel Money Tanzania Limited
89	Tanzania Towers Limited	97	Towers Support Nigeria Limited #
	Joint Ventures and Associates		
98	Bridge Mobile Pte Limited	101	Seychelles Cable Systems Company Limited
99	Indus Towers Limited	102	Robi Axiata Limited
100	FireFly Networks Limited	103	Seynse Technologies Private Limited

@ The Group also holds 100% preference shareholding in these companies. The preference shares do not carry any voting rights.

* Under dissolution

Dissolved during the quarter ended June 30, 2017

- b. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
 - c. gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the profit, total comprehensive income and other financial information of the Group, its associates and joint ventures for the quarter ended June 30, 2017.
4. We draw attention to Note 4 of the Statement, which describes the uncertainties related to the legal outcome of Department of Telecommunications demand with respect to one time spectrum charges. Our opinion is not modified in respect of this matter.
 5. The consolidated financial results includes the Group's share of profit of Rs. 3,054 Mn and total comprehensive income of Rs. 3,053 Mn for the quarter ended June 30, 2017, as considered in the consolidated financial results in respect of Indus Towers Limited (joint venture) whose interim financial statements have not been audited by us. These interim financial statements have been audited by other auditor whose report has been furnished to us by the management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this joint venture is based solely on the report of the other auditor.

Our opinion on the Statement is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

6. The comparative financial information of the Company for the quarter ended June 30, 2016 and for the quarter and year ended March 31, 2017 prepared in accordance with Indian Accounting Standards (Ind AS) included in this Statement have been audited by the predecessor auditor. The report of the predecessor auditor on comparative financial information for the quarter ended June 30, 2016 dated July 27, 2016 and for the quarter and year ended March 31, 2017 dated May 9, 2017 expressed an unqualified opinion. Our opinion is not modified in respect of this matter.

**For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)**



**Hemant M. Joshi
(Partner)
(Membership No. 38019)**

**Place: New Delhi
Date : July 25, 2017**

Bharti Airtel Limited

Registered Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi – 110 070, India

CIN: L74899DL1995PLC070609

T:+91-11-4666 6100, F:+91-11-4166 6137, Email id: compliance.officer@bharti.in

Statement of Audited Consolidated Financial Results for the quarter ended June 30, 2017

(Rs. Million: except per share data)

Particulars	Quarter ended			Year ended
	June 30, 2017	March 31, 2017	June 30, 2016	March 31, 2017
	Audited	Audited	Audited	Audited
Income				
Revenue	219,581	219,346	255,465	954,683
Other income	486	460	264	1,206
Total	220,067	219,806	255,729	955,889
Expenses				
Network operating expenses	51,612	51,628	53,958	209,154
Access charges	25,016	22,761	27,041	102,786
License fee / spectrum charges (revenue share)	20,820	20,850	25,499	92,760
Employee benefits	10,147	10,498	11,144	43,032
Sales and marketing expenses	15,365	16,934	19,904	71,400
Other expenses	19,037	18,075	22,438	82,253
Total	141,997	140,746	159,984	601,385
Profit from operating activities before depreciation, amortisation and exceptional items	78,070	79,060	95,745	354,504
Share of results of joint ventures and associates	(2,855)	(2,508)	(2,548)	(10,449)
Depreciation and amortisation	48,192	49,418	50,402	197,730
Finance costs	22,039	22,717	25,136	95,466
Finance income	(3,765)	(3,555)	(5,737)	(18,492)
Non-operating (income) / expenses, (net)	(357)	474	25	1,319
Profit before exceptional items and tax	14,816	12,514	28,467	88,930
Exceptional Items	503	6,055	3,536	11,697
Profit before tax	14,313	6,459	24,931	77,233
Tax expense / (credit)				
Current tax	9,394	(8,964)	12,636	21,240
Deferred tax	(1,258)	10,717	(2,547)	13,579
Profit for the period / year	6,177	4,706	14,842	42,414
Other comprehensive income ('OCI')				
Items to be reclassified subsequently to profit or loss :				
Net gains / (losses) due to foreign currency translation differences	2,479	(1,051)	(31,246)	(41,423)
Net (losses) / gains on net investment hedge	(1,072)	2,102	(10,660)	(10,230)
Net (losses) / gains on cash flow hedge	(34)	27	281	857
Net gains on fair value through OCI investments	6	17	30	107
Tax charge	(168)	(3)	(276)	(16)
Items not to be reclassified to profit or loss :				
Re-measurement (losses) / gains on defined benefit plans	(71)	82	(70)	(73)
Share of joint ventures and associates	(2)	(9)	(3)	(9)
Tax credit / (charge)	19	(6)	20	20
Other comprehensive income / (loss) for the period / year	1,157	1,159	(41,924)	(50,867)
Total comprehensive income / (loss) for the period / year	7,334	5,865	(27,082)	(8,453)
Profit for the period / year attributable to :	6,177	4,706	14,842	42,414
Owners of the Parent	3,673	3,734	14,620	37,998
Non-controlling interests	2,504	972	222	4,416
Other comprehensive income / (loss) for the period / year attributable to:	1,157	1,159	(41,924)	(50,867)
Owners of the Parent	1,176	363	(39,172)	(48,554)
Non-controlling interests	(19)	796	(2,752)	(2,213)
Total comprehensive income / (loss) for the period / year attributable to :	7,334	5,865	(27,082)	(8,453)
Owners of the Parent	4,849	4,097	(24,552)	(10,656)
Non-controlling interests	2,485	1,768	(2,530)	2,203
Paid-up equity share capital (Face value : Rs. 5/- each)	19,987	19,987	19,987	19,987
Other equity	659,271	654,576	622,899	654,576
Earnings per share (Face value : Rs. 5/- each) (In Rupees)				
Basic	0.92	0.93	3.66	9.51
Diluted	0.92	0.93	3.66	9.51



Audited Consolidated Segment-wise Revenue, Results, Assets and Liabilities for the quarter ended June 30, 2017

(Rs. Million)

Particulars	Quarter ended			Year ended
	June 30, 2017	March 31, 2017	June 30, 2016	March 31, 2017
	Audited	Audited	Audited	Audited
1. Segment Revenue				
a) Mobile Services India	129,146	129,719	150,420	565,511
b) Mobile Services Africa	48,528	50,476	62,493	219,568
c) Mobile Services South Asia	972	977	4,143	11,743
d) Airtel Business	27,787	25,769	26,793	109,429
e) Tower Infrastructure Services	15,982	16,017	14,557	60,829
f) Homes Services	6,703	6,785	6,644	27,518
g) Digital TV Services	8,974	8,657	8,369	34,306
h) Others	1,020	937	930	3,736
i) Unallocated	-	-	-	-
Total	239,112	239,337	274,349	1,032,640
Less: Inter-segment eliminations *	19,531	19,991	18,884	77,957
Total revenue	219,581	219,346	255,465	954,683
2. Segment Results ^				
Profit before net finance costs non-operating (income) / expenses - (net), exceptional items and tax				
a) Mobile Services India	12,606	14,394	34,676	105,494
b) Mobile Services Africa	5,038	3,930	1,975	10,189
c) Mobile Services South Asia	(564)	(889)	(1,580)	(4,660)
d) Airtel Business	6,483	6,544	4,695	22,737
e) Tower Infrastructure Services	8,213	8,192	6,597	29,195
f) Homes Services	1,351	1,676	1,614	6,868
g) Digital TV Services	1,038	975	1,219	3,577
h) Others	(594)	(1,500)	(235)	(2,495)
i) Unallocated	(363)	(492)	(475)	(1,418)
Total	33,208	32,830	48,486	169,486
Less:				
(i) Inter-segment eliminations *	475	680	595	2,263
(ii) Net finance costs	18,274	19,162	19,399	76,974
(iii) Non-operating (income) / expenses, (net)	(357)	474	25	1,319
(iv) Exceptional items	503	6,055	3,536	11,697
Profit before tax	14,313	6,459	24,931	77,233
3. Segment Assets ^ #				
a) Mobile Services India	1,380,031	1,642,949	1,556,801	1,642,949
b) Mobile Services Africa	527,544	556,281	623,602	556,281
c) Mobile Services South Asia	28,219	29,048	46,937	29,048
d) Airtel Business	112,649	331,833	249,121	331,833
e) Tower Infrastructure Services	188,351	210,023	214,872	210,023
f) Homes Services	48,141	311,890	206,850	311,890
g) Digital TV Services	24,243	22,935	23,838	22,935
h) Others	6,625	9,327	5,112	9,327
i) Unallocated / Inter-segment eliminations	13,468	(786,784)	(675,861)	(786,784)
Total assets	2,329,271	2,327,502	2,251,272	2,327,502
4. Segment Liabilities #				
a) Mobile Services India	339,180	722,363	679,685	722,363
b) Mobile Services Africa	125,197	226,314	262,923	226,314
c) Mobile Services South Asia	2,770	7,968	33,045	7,968
d) Airtel Business	48,434	180,624	144,420	180,624
e) Tower Infrastructure Services	21,975	47,535	20,911	47,535
f) Homes Services	16,776	246,864	147,301	246,864
g) Digital TV Services	29,355	28,341	44,328	28,341
h) Others	4,605	5,083	3,512	5,083
i) Unallocated / Inter-segment eliminations	990,733	119,097	219,965	119,097
Total liabilities	1,579,025	1,584,189	1,556,090	1,584,189

* Includes accounting policy alignment

^ Includes share of results / assets of joint ventures and associates

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



Notes to the Audited Consolidated Financial Results

1. The said financial results for the quarter ended June 30, 2017 have been reviewed by the Audit and Risk Management Committee and approved by the Board of Directors in their respective meetings held on July 25, 2017.
2. The above financial results are extracted from the audited Interim Condensed Consolidated Financial Statements of the Group, which are prepared in accordance with Indian Accounting Standards ('Ind AS') as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder. The said financial results represents results of the Group, and it's share in the results of joint ventures and associates.
3. Exceptional items during the quarter ended June 30, 2017 mainly includes charge of Rs. 475 Mn towards operating costs on network re-farming and up-gradation program. The tax impact and share of non-controlling interests, on the above is Rs. (101) Mn and Rs. (9) Mn respectively.
4. On January 8, 2013, the Department of Telecommunications ('DoT') issued a demand on the Company and one of its subsidiaries for Rs. 52,013 Mn towards levy of one time spectrum charge. Based on a petition filed by the Company, the Hon'ble High Court of Bombay, through its order dated January 28, 2013, has directed DoT to respond and not to take any coercive action until the next date of hearing. The Company, based on independent legal opinions, till date has not given any effect to the above demand.
5. Previous period figures have been re-grouped, wherever required.

For Bharti Airtel Limited



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

New Delhi
July 25, 2017

Notes:

- a) 'Bharti Airtel' or 'Company', stands for Bharti Airtel Limited
- b) 'Group' or 'Consolidated', stands for Bharti Airtel together with its subsidiaries
- c) For more details on the financial results, please visit our website 'www.airtel.in'



INDEPENDENT AUDITOR'S REPORT

To the Members of Telenor (India) Communications Private Limited

Report on the Ind AS financial statements

We have audited the accompanying Ind AS financial statements of Telenor (India) Communications Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by the Ministry of Corporate Affairs. 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Basis for qualified opinion

- a) As more fully discussed in Note 2 of the financial statements, the Company has entered into a definitive agreement to combine its operations with Bharti Airtel Limited by way of 'scheme of amalgamation' under the terms of Section 230 to 232 of the Companies Act, 2013 ("Proposed Transaction"). The Proposed Transaction is inter alia, subject to other regulatory and statutory approvals including but not limited to approvals from the DOT, Government of India & NCLT. Since the Company is in the process of executing the Proposed Transaction, it has not performed impairment assessment of its property, plant and equipment including capital work in progress of Rs 11,973 Mn and intangible assets of Rs 41,404 Mn as at March 31, 2017, as required by Indian Accounting Standard (Ind AS) -36, 'Impairment of Assets'. In the absence of sufficient and appropriate audit evidence in this regard, we are unable to comment on the quantum of adjustment that may be required in the carrying value of net fixed assets (network equipment and spectrum) of the Company as stated in the financial statements.
- b) The Company has continued to incur losses in the twelve months period ended March 31, 2017, has accumulated losses of Rs 56,753 Mn and continued erosion of networth as of this date and net current liabilities of Rs 29,408 Mn. The Company has estimated sum of Rs 60,408 Mn to fund its capital and operating requirements over the next twelve months. Though the Shareholders of the Company intend to arrange the funding requirements as stated above until the Proposed Transaction is consummated, they have not provided any commitments/guarantees to arrange such funding. These conditions indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.
- c) As more fully discussed in Note 3 to these financial statements, on November 27, 2013, the Company had acquired a business through Business Transfer Agreement ('BTA') on a going concern basis from Unitech Wireless (Tamilnadu) Private Limited ('the Acquiree'). As part of business transfer, the Company is required to pay all demands due to Department of Telecommunications ('DoT') on behalf of the Acquiree. As per the Supreme Court Order dated February 15, 2013, operators who continued to operate till the date of the said Order, are required to pay spectrum fees post cancellation of licences. The Acquiree has received a demand notice ('DN') on February 14, 2017 with respect to said Order of Rs. 7,701 Mn including interest of Rs 2,839 Mn. Based on legal assessment carried out by the Company, it believes that the DN is not tenable and, has not recorded such charge in these financial statements. As the matter is subject to interpretation and litigation, we are unable to comment on the matter including the extent of its impact on licence fees charge as at March 31, 2017 and net loss for year then ended.

Matter (b) & (c) above were also qualified in the audit report dated August 18, 2016 issued in respect of financial statement for the year ended and as at March 31, 2016.

Qualified opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, of its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - (a) We have sought and, except for the matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive income, and Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by the Ministry of Corporate Affairs;
 - (e) The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
 - (g) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Companies Act, 2013;
 - (h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (i) 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 has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 30 to the Ind AS financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



S.R. BATLIBOI & ASSOCIATES LLP

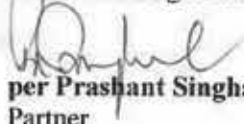
Chartered Accountants

- iv. The Company has provided requisite disclosures in Note 13 to these Ind AS financial statements as to the holdings of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including those in Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management. However, as stated in the said Note to the Ind AS financial statements as represented to us by the Management, the Company has received an amount aggregating Rs. 0.16 Mn from transactions which are not permitted.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004


per Prashant Singh

Partner

Membership Number: 93283



Place of Signature: Gurgaon

Date: July 18, 2017

Annexure I

Annexure referred to in paragraph 1 of 'Report on other Legal and Regulatory Requirements'

Re: [Telenor (India) Communications Private Limited ('the Company')]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment ('PPE') including capital work in progress ('CWIP').
- (b) The Property, plant and equipment's including CWIP are physically verified by the management in accordance with a planned programme designed to cover all the items over a period of three years. Pursuant to the programme, a portion of PPE has been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. The Company is in the process of reconciling the quantitative and situation details of the physical verification results with the records maintained by the Company as at year end.
- (c) According to the information and explanations given by the management, there are no immovable properties included in property, plant and equipment/ fixed assets of the Company and accordingly, the requirement under paragraph 3(i)(c) of the Order is not applicable to the Company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the service of Company, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, value added tax, cess and other statutory dues applicable to it. The provisions relating to duty of excise are not applicable to the Company.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, value added tax, cess and other statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, value added tax and cess on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (in INR Mn)	Period to which relates	Amount paid under protest	Forum where dispute is pending
Bihar Entry Tax Act, 1993	Entry Tax	-	2013-14, 2014-15, 2015-16 and 2016-17	181	Bench of Supreme Court of India
Customs Act, 1962	Customs Duty	-	2014-15	3	Commissioner of customs- Appeal
Sale Tax	VAT	12	2012-13		VAT Commissioner
Income Tax, 1961	Income Tax	4,181	2012-13 and 2013-14	843	Asstt. Commissioner of Income Tax

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.
- (ix) In our opinion and according to the information and explanations given by the management, the Company has utilized term loans for the purposes for which they were raised. The company has not raised any monies by way of initial public offer/ further public offer/debt instruments.
- (x) We have been informed that transport head of the Company was alleged of misusing Company's transport and taking kickbacks from vendors approximately amounting to Rs 1.3 Mn during the year under audit. The person has resigned from the Company before conclusion of internal investigation initiated by the Company and no legal action has been taken by the Company based on cost benefit analysis of the legal proceedings.
- (xi) According to the information and explanations given to us by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.



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- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-1A of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004


per Prashant Singhal
Partner

Membership No.: 93283



Place of Signature: Gurgaon

Date: July 18, 2017

ANNEXURE 2

Annexure referred to in paragraph 2 of 'Report on other Legal and Regulatory Requirements'

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of Telenor (India) Communications Private Limited

We have audited the internal financial controls over financial reporting of Telenor (India) Communications Private Limited ("the Company") as of March 31, 2017, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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. 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 the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

An audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgement, including the assessment of the risks of material misstatement of the 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 qualified audit opinion on the internal financial controls over financial reporting.



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the company's internal financial controls over financial reporting as at March 31, 2017:

- (a) The Company's internal financial controls over compliance with respect to Indian accounting standard (Ind AS)- Ind AS 36, for impairment of property, plant and equipment including capital work in progress and intangible Assets (network equipments and spectrum) Rs. 53,377 Mn as of March 31, 2017 as mentioned in the basis of qualified opinion in our audit opinion.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2017, based on the internal control over financial reporting 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, and except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting were operating effectively as of March 31, 2017.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

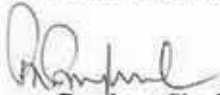
Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the financial statements of Telenor (India) Communications Private Limited, which comprise the Balance Sheet as at March 31, 2017, and the related Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. This material weakness was considered in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2017 financial statements of Telenor (India) Communications Private Limited and this report affect our report dated July 18, 2017, which expressed a qualified opinion on those financial statements.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per Prashant Singh
Partner

Membership Number: 93283



Place of Signature: Gurgaon

Date: July 18, 2017

Telenor (India) Communications Private Limited
(erstwhile Teledings Communications Services Private Limited)

Balance Sheet as on March 31, 2017

(All amounts are in Rupees million unless otherwise stated)

Assets	Notes	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non-current assets				
Property, plant and equipment	8	11,584	11,201	16,883
Capital work-in-progress	8	389	2,640	1,304
Intangible assets	9	41,404	43,418	46,059
Financial assets				
Security deposits	10	798	728	624
Other non-financial assets	14	1,817	1,661	1,503
		55,992	59,648	66,373
Current assets				
Inventories	11	11	11	7
Financial assets				
Trade receivables	12	418	366	266
Cash and cash equivalents	13	298	118	187
Security deposits	10	2	109	367
Unbilled receivables		920	569	502
Other non-financial assets	14	6,814	7,283	7,763
		8,463	8,456	9,092
Total		64,455	68,104	75,465
Equity and Liabilities				
Equity				
Equity share capital	15	19,231	19,231	19,231
Other equity		(41,203)	(32,014)	(9,174)
		(21,972)	(12,783)	10,057
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	16	45,615	41,004	33,916
Trade payables	19	1,761	1,497	1,324
Other financial liabilities	17	-	124	1,098
Provisions	18	1,153	549	759
Other non-financial liabilities	20	27	20	13
		48,556	43,194	37,110
Current liabilities				
Financial liabilities				
Borrowings	16	24,315	16,005	11,500
Trade payables	19	7,367	13,908	10,992
Other financial liabilities	17	3,355	3,735	2,245
Provisions	18	150	301	66
Deferred revenue		2,417	2,828	2,791
Other non-financial liabilities	20	267	916	704
		37,871	37,693	28,298
Total		64,455	68,104	75,465

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration No: 101049W/E300004


per Prashant Singhal
Partner
Membership No. 93283




Place: Gurgaon

Date: 18/07/2017



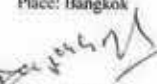
For and on behalf of the Board of Directors of
Telenor (India) Communications Private Limited


Sharad Mehrotra
CEO & Wholetime Director
DIN: 07344741
Place: Bangkok


Suresh Bagrodia
Chief Financial Officer
Place: Bangkok

Date: 18/7/17


Arnstein Sletmoe
Director
DIN: 07339205
Place: Bangkok


Deepak Goyal
Company Secretary
Place: Gurgaon

Telenor (India) Communications Private Limited
(erstwhile Teleswings Communications Services Private Limited)

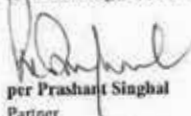
Statement of Profit and Loss for the year ended March 31, 2017
(All amounts are in Rupees million unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2017	For the year ended March 31, 2016
Income			
Revenue from operations	21	46,965	45,233
Other income	22	981	236
Total Income (I)		47,946	45,469
Expenses			
Licence fees		4,250	4,319
Access charge		11,132	10,706
Network operating expenses	23	16,942	16,349
Employee benefits expense	24	3,951	3,218
Sales and marketing expenses	25	3,651	5,682
Other expenses	26	2,866	6,391
Total Expenses (II)		42,792	46,665
Profit / (Loss) before finance costs and depreciation and amortisation (I-II)		5,154	(1,196)
Loss before finance costs and depreciation/amortisation			
Finance costs	27	5,949	5,521
Depreciation and amortisation	28	8,422	16,124
(Loss) before tax		(9,217)	(22,841)
Income Tax Expense		0	0
(Loss) after tax		(9,217)	(22,841)
Other Comprehensive Income ('OCI')			
Items not to be reclassified to profit or loss:			
Remeasurement gain on defined benefits plans		28	1
Other comprehensive gain for the year		28	1
Total comprehensive (loss) for the year		(9,189)	(22,840)
Loss per equity share (in Rs) - basic and diluted		4.79	11.88

The accompanying notes are an integral part of the financial statements.

As per our report of even date


For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W/E300004

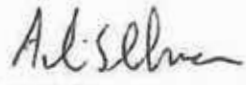

per Prashant Singh
Partner
Membership No.93283

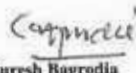


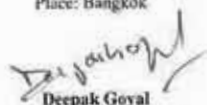
Place: Gurgaon
Date: 18/07/2017

**For and on behalf of the Board of Directors of
Telenor (India) Communications Private Limited**


Sharad Mehrotra
CEO & Wholtime Director
DIN: 07344741
Place: Bangkok


Arnstein Sletmoe
Director
DIN: 07339205
Place: Bangkok


Suresh Bagrodia
Chief Financial Officer
Place: Bangkok


Deepak Goyal
Company Secretary
Place: Gurgaon

Date: 18/7/17



Telenor (India) Communications Private Limited
(erstwhile Telewings Communications Services Private Limited)

Cash Flow Statement for the year ended March 31, 2017
(All amounts are in Rupees million unless otherwise stated)

Cash flow from operating activities:	For the year ended March 31, 2017	For the year ended March 31, 2016
Loss before tax	(9,217)	(22,841)
Adjustments for:		
Depreciation and amortisation	8,422	16,124
Remeasurement gain on defined benefits plans	28	1
Finance costs	5,949	5,521
Interest income	(130)	(123)
Loss/profit on disposal of property, plant and equipment	(307)	29
Debts/advances written off	114	88
Provision for bad & doubtful debts and advances	(392)	299
Provision for gratuity and compensated absences	130	94
Provision for contingencies	(152)	136
Provision for diminution in the value of capital inventory	(205)	1,555
Unrealised foreign exchange loss / (gain)	(417)	204
Provision for diminution in the value of Inventory	2	5
Operating cash flow before changes in working capital	3,825	1,092
Adjustments for changes in working capital :		
- Decrease/(Increase) in trade receivables	226	(487)
-(Decrease)/Increase in trade payables	(1,279)	(647)
- Decrease/(Increase) in inventories	(2)	(9)
- Decrease/(Increase) in other financial and non- financial assets	(126)	622
-(Decrease)/Increase in other financial and non-financial liabilities	(109)	1,107
-(Decrease)/Increase in deferred revenue	(411)	37
Net cash generated from operations before tax	2,124	1,715
- Income tax paid	-	-
Net cash generated from operating activities (A)	2,124	1,715
Cash flow from investing activities:		
Purchase of property, plant and equipment	(9,248)	(7,134)
Proceeds from disposal of property, plant and equipment	451	23
Purchase of bank deposits (having original maturity more than three months)	-	(0)
Purchase consideration/advance to Unitech Wireless (refer note 1 and 2 below)	-	(590)
Interest received	49	71
Net cash used in investing activities (B)	(8,748)	(7,630)
Cash flow from financing activities:		
Proceeds from long term borrowings	5,501	4,000
Proceeds from short term borrowings	17,315	11,505
Repayment of short term borrowings	(9,005)	(5,000)
Interest paid	(7,007)	(4,659)
Net cash generated from financing activities (C)	6,804	5,846
Net (decrease)/increase in cash and cash equivalents (A+B+C)	180	(69)
Cash and cash equivalents at the beginning of the year	118	187
Cash and cash equivalents at the end of the year (Refer Note 13)	298	118

Notes :

1. As explained in Note 3 to the financials, the Company acquired GSM business alongwith actionable claims of Unitech Wireless at a total purchase consideration of Rs 18,677 out of which Rs 18,290 has been paid in cash in previous periods. The unpaid balance of Rs 387 was paid during the FY 2015-16.



2. As explained in Note 3 to the financials, the Company acquired national and international long distance services business of Unitech Wireless at a total purchase consideration of Rs 203 which was paid in FY 2015-16.

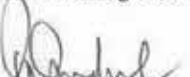
3. During previous year, the tenure of opening borrowing amounting to Rs 2,000 has been extended to April 30, 2018 and therefore the same has been re-classed to long term borrowing.

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration No: 101049W/E300004


per Prashant Singhal
Partner

Membership No.93283

Place: Gurgaon

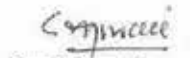
Date: 18/7/2017



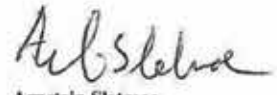
**For and on behalf of the Board of Directors of
Telenor (India) Communications Private Limited**



Sharad Mehrotra
CEO & Wholtime Director
DIN: 07344741
Place: Bangkok


Suresh Bagrodia
Chief Financial Officer
Place: Bangkok

Date: 18/7/17



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Company Secretary
Place: Gurgaon



Telenor (India) Communications Private Limited
(erstwhile Telewings Communications Services Private Limited)

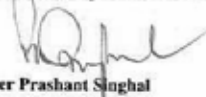
Statement of Changes in Equity for the year ended March 31, 2017
(All amounts are in Rupees million unless otherwise stated)

Particulars	Equity		Other Equity				Total Equity
	No of shares (in Mn)	Amount	Share premium	Retained earnings	Capital Reserve*	Total	
as at April 1, 2015	1,923	19,231	358	(24,724)	15,192	(9,174)	10,057
Loss for the period	-	-	-	(22,841)	-	(22,841)	(22,841)
Other comprehensive income	-	-	-	1	-	1	1
Total comprehensive income	-	-	-	(22,840)	-	(22,840)	(22,840)
as at March 31, 2016	1,923	19,231	358	(47,564)	15,192	(32,014)	(12,783)
Loss for the period	-	-	-	(9,217)	-	(9,217)	(9,217)
Other comprehensive income	-	-	-	28	-	28	28
Total comprehensive income	-	-	-	(9,189)	-	(9,189)	(9,189)
as at March 31, 2017	1,923	19,231	358	(56,753)	15,192	(41,203)	(21,972)

* As discussed in Note 3, on an aggregate basis the Company acquired net assets of GSM business amounting to Rs 17,284 for a purchase consideration of Rs 18,577 resulting into goodwill of Rs 1,394. Included in the above acquisition was the right of refund of 'one time' Licence fees of Rs 16,586 paid by Unitech Wireless to DoT, at a consideration of Rs 1,000 together with indemnification of any regulatory liabilities that arise of Unitech Wireless pertaining to pre-acquisition year. On March 31, 2014, the DoT approved the refund of the said licence fees paid by Unitech Wireless, to the Company by way of adjustment to the liability for spectrum auction fees. As the realization of refund is within a short year of time from the date of business transfer and the transaction was among the related parties, the Company has treated the amount as capital receipt and reflected the same as capital reserve. Accordingly, the Company as a result of above transfer has reflected net amount of Rs 15,192 as capital reserve.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W/E300004

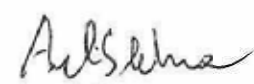

per Prashant Singh
Partner
Membership No.93283



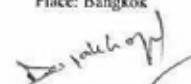
Place: Gurgaon
Date: 18/07/2017

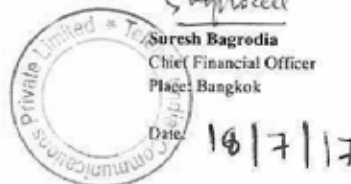
For and on behalf of the Board of Directors of
Telenor (India) Communications Private Limited


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CEO & Wholetime Director
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Place: Bangkok


Arnstein Sletmoe
Director
DIN: 07339205
Place: Bangkok


Suresh Bagrodia
Chief Financial Officer
Place: Bangkok


Deepak Goyal
Company Secretary
Place: Gurgaon



Pre and Post amalgamation shareholding pattern of Bharti Airtel Limited

Category of Shareholders	No. of shares pre - amalgamation August 04, 2017		No. of shares post - amalgamation Effective Date	
	Total	% of Total Shares	Total	% of Total Shares
A. Promoters				
Indian				
Individual /HUF	-	-	-	-
Central Government	-	-	-	-
State Government	-	-	-	-
Bodies Corporate	1,817,987,269	45.48	1,817,987,269	45.48
Banks / FI	-	-	-	-
Any Other	-	-	-	-
Sub-Total (A) (1)	1,817,987,269	45.48	1,817,987,269	45.48
Foreign				
NRIs - Individuals	-	-	-	-
Others - Individuals	-	-	-	-
Bodies Corporate	857,180,286	21.44	857,180,286	21.44
Banks / Financial Institutions	-	-	-	-
Any other (Foreign Institutional Investor)	8,493,000	0.21	8,493,000	0.21
Sub-Total A(2) :	865,673,286	21.66	865,673,286	21.66
Total A=A(1)+A(2)	2,683,660,555	67.14	2,683,660,555	67.14
B. Public Shareholding				
Institutions				
Mutual Funds /UTI	130,761,511	3.27	130,761,511	3.27
Banks / FI	1,097,290	0.03	1,097,290	0.03
Central Government	-	-	-	-
State Government	-	-	-	-
Venture Capital Funds	-	-	-	-
Insurance Companies	265,425,575	6.64	265,425,575	6.64
FII's (including foreign portfolio investors)	664,097,231	16.61	664,097,231	16.61
Foreign Venture	-	-	-	-
Capital Funds	-	-	-	-
Others	-	-	-	-
Sub-Total B(1) :	1,061,381,607	26.55	1,061,381,607	26.55
Non institutions				
Bodies Corporate				
i) Indian	13,595,930	0.34	13,595,935	0.34
ii) Overseas	-	-	-	-
Individual shareholders holding nominal share capital upto Rs.2 lakh	21,290,952	0.53	21,290,952	0.53
Individual shareholders holding nominal share capital in excess of Rs.2 lakh	3,388,743	0.08	3,388,743	0.08
Qualified Foreign Investor	-	-	-	-
Foreign National	-	-	-	-
Foreign Companies	203,177,716	5.08	203,177,716	5.08
Non-resident Indians	1,000,532	0.03	1,000,532	0.03
Non-resident Indians (Non - repatriation)	577,558	0.01	577,558	0.01
Trusts (ESOP)	1,291,916	0.03	1,291,916	0.03
Clearing Members	1,569,736	0.04	1,569,736	0.04
Any other				
Trusts	6464857	0.16	6464857	0.16
Sub-Total B(2) :	252,357,940	6.31	252,357,945	6.31
Total Public shareholding (B) = B(1)+B(2) :-	1,313,739,547	32.86	1,313,739,552	32.86
C. Shares held by Custodians for GDR's & ADR's	-	-	-	-
Total (A) + (B) + (C)	3,997,400,102	100	3,997,400,107	100

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
PRINCIPAL BENCH, AT NEW DELHI
COMPANY APPLICATION NO. CA (CAA)-81(PB)/2017OF 2017
(under Sections 230-232 of the Companies Act, 2013)**

IN THE MATTER OF THE COMPANIES ACT, 2013

AND

IN THE MATTER OF THE SCHEME OF AMALGAMATION BETWEEN TELENOR (INDIA) COMMUNICATIONS PRIVATE LIMITED AND BHARTI AIRTEL LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

AND

IN THE MATTER OF:

Telenor (India) Communications Private Limited, (CIN: U64200DL2012PTC231991), a company incorporated under the Companies Act, 1956 and having its registered office at DBS Business Center, First Floor, World Trade Tower, Barakhamba Lane, Connaught Place, New Delhi – 110001

...Applicant Company 1 / Transferor Company

AND

Bharti Airtel Limited, (CIN: L74899DL1995PLC070609), a company incorporated under the Companies Act, 1956 and having its registered office at Bharti Crescent, 1 Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi – 110070

...Applicant Company 2 / Transferee Company

Form No. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L74899DL1995PLC070609

Name of the Company: Bharti Airtel Limited

Registered office: Bharti Crescent, 1 Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi – 110070

Name of the member (s):

Registered address:

E-mail Id:.....

DP ID and Client ID / Folio No:.....

I/We, being the member (s) of shares of the above named Company, hereby appoint:

1. Name:
Address:
E-mail Id:.....Signature:.....or failing him.
2. Name:
Address:
E-mail Id:.....Signature:.....or failing him.
3. Name:
Address:
E-mail Id:.....Signature:.....or failing him.

as my/our proxy, to act for me/us at the meeting of the equity shareholders of Bharti Airtel Limited to be held at Sri Sathya Sai International Centre, Pragati Vihar, Bhisham Pitamah Marg, Lodhi Road, New Delhi – 110003 on Tuesday, the 19th day of September, 2017 at 9:30 A.M., for the purpose of considering and, if thought fit, approving, with or without modification, the scheme of amalgamation between Telenor (India) Communications Private Limited and Bharti Airtel Limited and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 (hereinafter referred to as the “**Scheme**”) at such Meeting, and any adjournment or adjournments thereof and to vote, for me/us and in my/our name(s) _____ (here, if ‘for’, insert ‘**FOR**’, if ‘against’, insert ‘**AGAINST**’) the said Scheme as my/our proxy.

Signed thisday of2017

Signature of Equity Shareholder(s)

Affix revenue stamp of Re 1/-

Signature of first Proxy Holder

Signature of second Proxy Holder

Signature of third Proxy Holder

Notes:

1. The Form of Proxy in order to be effective should be in the prescribed form, duly completed, stamped and signed or authenticated by the concerned person and deposited at the registered office of Bharti Airtel Limited ("**Transferee Company**") at Bharti Crescent, 1 Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi – 110070, **not later than 48 hours** before the scheduled time of the meeting.
2. In case of multiple proxies, proxy later in time shall be accepted.
3. Please affix a revenue stamp of Re. 1/- before signing across the same.
4. All alterations made in the Form of Proxy should be initialed.
5. Only an equity shareholder of the Transferee Company is entitled to vote by voting in person, by proxy, through postal ballot or through electronic means.
6. An equity shareholder of the Transferee Company is entitled to attend and vote at the tribunal convened meeting of the equity shareholders ("**Meeting**"), either in person or by proxy or through an authorized representative, as the case may be. Where a body corporate which is an equity shareholders authorises any person to act as its representative at the meeting, a copy of the resolution of the board of directors or other governing body of such body corporate authorising such person to act as its representative at the meeting, and certified to be a true copy by a director, the manager, the secretary, or other authorised officer of such body corporate shall be lodged with the Transferee Company at its registered office not later than 48 hours before the scheduled time of the Meeting.
7. An equity shareholder of the Transferee Company is entitled to attend and vote at the meeting, either in person or by proxy or through an authorized representative (in case the equity shareholder is a body corporate), as the case may be. Such equity shareholder is entitled to appoint a proxy to attend and vote at the Meeting instead and on behalf of such equity shareholder and such proxy need not be an equity shareholder. Proxies to be valid and effective should be in the prescribed form of proxy, duly completed and signed or authenticated by the concerned person and should be deposited at the registered office of the Transferee Company not later than 48 hours before the scheduled time of the Meeting.
8. Pursuant to Section 105 of the Companies Act, 2013 read with Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of the equity shareholders not exceeding fifty and holding in the aggregate not more than 10% of the total equity share capital of the Transferee Company carrying voting rights. an equity shareholder holding more than 10% of the total equity share capital of the Transferee Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or equity shareholder.
9. An equity shareholder / its proxy, attending the Meeting, is requested to bring the Attendance Slip duly completed, signed or authenticated by the concerned person along with a copy of the deposited Form of Proxy (in case of a proxy). The equity shareholders who hold shares in dematerialized form are requested to bring their Client Master List / Depository Participant Statement / Delivery Instruction Slip reflecting their Client ID and DP ID No. for easier identification of attendance at the Meeting.



Bharti Airtel Limited

CIN: L74899DL1995PLC070609

Regd. & Corporate Office: Bharti Crescent, 1 Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070, India

Phone: +91-11-4666 6100 **Fax:** +91-11-4166 6137

Email: compliance.officer@bharti.in **Website:** www.airtel.com

**MEETING OF THE EQUITY SHAREHOLDERS OF BHARTI AIRTEL LIMITED ON
TUESDAY, SEPTEMBER 19, 2017 AT 9:30 A.M.**

ATTENDANCE SLIP

DP ID & Client ID / Regd. Folio No.*		No. of Equity Shares	
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**Applicable for shareholders holding shares in physical form.*

I / we hereby record my / our presence at the meeting of the equity shareholders of Bharti Airtel Limited, convened pursuant to the order dated July 28, 2017 of the Hon'ble Special Bench of the National Company Law Tribunal at New Delhi in CA (CAA)-81(PB)/2017, at Sri Sathya Sai International Centre, Pragati Vihar, Bhasham Pitamah Marg, Lodhi Road, New Delhi – 110003, on Tuesday, the 19th day of September, 2017 at 9:30 A.M.

Name of the Equity Shareholder :

Address of the Equity Shareholder :
(complete details in block letters)

Signature of the Equity Shareholder :

OR

Name of the Proxy Holder :

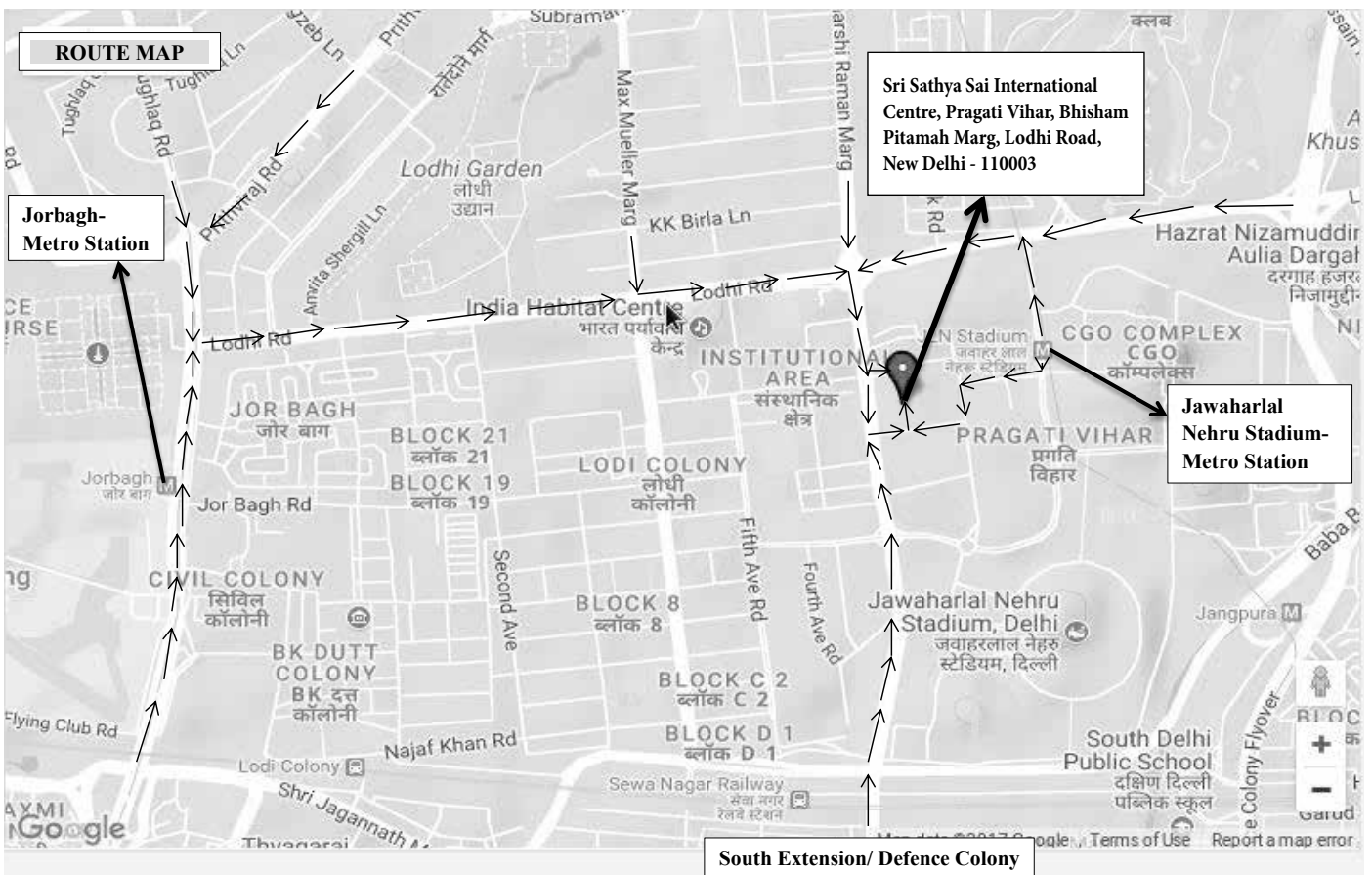
Address of the Proxy Holder :
(complete details in block letters)

Signature of the Proxy Holder :

NOTES:

- Equity shareholders / authorized representatives or their proxies attending the meeting must bring this Attendance Slip to the meeting and hand over the same at the entrance of the meeting venue after completing and signing the same.
- Equity shareholders / authorized representatives or their proxies desiring to attend the meeting should bring his/ her copy of the notice for reference at the meeting.

Route Map





Bharti Airtel Limited

CIN: L74899DL1995PLC070609

Regd. & Corporate Office: Bharti Crescent, 1 Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110070, India

Phone: +91-11-4666 6100 | **Fax:** +91-11-4166 6137

Email: compliance.officer@bharti.in **Website:** www.airtel.com

MEETING OF THE UNSECURED CREDITORS OF BHARTI AIRTEL LIMITED

(convened pursuant to the order dated July 28, 2017 passed by the Hon'ble Special Bench of the National Company Law Tribunal at New Delhi)

DETAILS OF THE MEETING:

Day	Tuesday
Date	September 19, 2017
Time	12:00 Noon (i.e. 12:00 Hours) Indian Standard Time
Venue	Sri Sathya Sai International Centre, Pragati Vihar, Bhisham Pitamah Marg, Lodhi Road, New Delhi - 110003

DOCUMENTS ENCLOSED:

S. No.	Contents	Page Nos.
1	Notice of the meeting of the Unsecured Creditors of Bharti Airtel Limited convened pursuant to the directions of the Hon'ble Special Bench of the National Company Law Tribunal at New Delhi (" Tribunal ").	2
2	Statement under Section 230(3) of the Companies Act, 2013 read with Rule 6(3) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.	5
3	Scheme of Amalgamation between Telenor (India) Communications Private Limited and Bharti Airtel Limited and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 as filed before the Tribunal, enclosed as ANNEXURE 1 .	16
4	Valuation Report dated February 23, 2017 issued by Walker Chandiook & Co LLP, Chartered Accountants, to the Board of Directors of Bharti Airtel Limited and Telenor (India) Communications Private Limited, enclosed as ANNEXURE 2 .	33
5	Fairness Opinion dated February 23, 2017 issued by RBSA Capital Advisors LLP, a SEBI registered Category I Merchant Banker, to the Board of Directors of Bharti Airtel Limited, enclosed as ANNEXURE 3 .	41
6	Complaint Report dated April 4, 2017 submitted by Bharti Airtel Limited to BSE Limited and the National Stock Exchange of India Limited, enclosed as ANNEXURE 4 .	45
7	Observation Letter dated May 31, 2017 issued by BSE Limited to Bharti Airtel Limited, enclosed as ANNEXURE 5 .	47
8	Observation Letter dated May 31, 2017 issued by the National Stock Exchange of India Limited to Bharti Airtel Limited, enclosed as ANNEXURE 6 .	49
9	Report adopted by the Board of Directors of Bharti Airtel Limited pursuant to Section 232(2)(c) of the Companies Act, 2013, enclosed as ANNEXURE 7 .	51
10	Report adopted by the Board of Directors of Telenor (India) Communications Private Limited pursuant to Section 232(2)(c) of the Companies Act, 2013, enclosed as ANNEXURE 8 .	53
11	Audited Financials of Bharti Airtel Limited as on March 31, 2017, enclosed as ANNEXURE 9 .	55
12	Audited Supplemental Financials of Bharti Airtel Limited as on June 30, 2017, enclosed as ANNEXURE 10 .	72
13	Audited Financials of Telenor (India) Communications Private Limited as on March 31, 2017, enclosed as ANNEXURE 11 .	84
14	Pre and Post amalgamation shareholding pattern of Bharti Airtel Limited, enclosed as ANNEXURE 12 .	99
15	Form of Proxy.	100
16	Attendance Slip.	102
17	Route Map.	103

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
PRINCIPAL BENCH, AT NEW DELHI
COMPANY APPLICATION NO. CA (CAA)-81(PB)/2017 OF 2017
(under Sections 230-232 of the Companies Act, 2013)
IN THE MATTER OF THE COMPANIES ACT, 2013**

AND

IN THE MATTER OF THE SCHEME OF AMALGAMATION BETWEEN TELENOR (INDIA) COMMUNICATIONS PRIVATE LIMITED AND BHARTI AIRTEL LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS

AND

IN THE MATTER OF:

Telenor (India) Communications Private Limited, (CIN: U64200DL2012PTC231991), a company incorporated under the Companies Act, 1956 and having its registered office at DBS Business Center, First Floor, World Trade Tower, Barakhamba Lane, Connaught Place, New Delhi – 110001

...Applicant Company 1 / Transferor Company

AND

Bharti Airtel Limited, (CIN: L74899DL1995PLC070609), a company incorporated under the Companies Act, 1956 and having its registered office at Bharti Crescent, 1 Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi – 110070

...Applicant Company 2 / Transferee Company

NOTICE OF THE TRIBUNAL CONVENED MEETING OF THE UNSECURED CREDITORS OF BHARTI AIRTEL LIMITED

Notice is hereby given that by an order dated the 28th day of July, 2017 ("**Order**"), the Hon'ble Special Bench of the National Company Law Tribunal at New Delhi ("**Tribunal**"), has directed a meeting to be held of the unsecured creditors of Bharti Airtel Limited ("**Transferee Company**") for the purpose of considering, and if thought fit, approving with or without modification, the proposed scheme of amalgamation between Telenor (India) Communications Private Limited and Bharti Airtel Limited (i.e. the Transferee Company) and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 ("**Scheme**").

In pursuance of the said Order and as directed therein, further notice is hereby given that a meeting of the unsecured creditors of the Transferee Company will be held at Sri Sathya Sai International Centre, Pragati Vihar, Bhisham Pitamah Marg, Lodhi Road, New Delhi - 110003 on Tuesday, the 19th day of September, 2017 at 12:00 Noon ("**Meeting**"), at which place, day, date and time, the said unsecured creditors of the Transferee Company are requested to attend.

Copies of the said Scheme and of the statement under Section 230 of the Companies Act, 2013 read with Rule 6(3) of the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016 can be obtained free of charge on any day (except Saturday, Sunday and public holidays) from the registered office of the Transferee Company at Bharti Crescent, 1 Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110070 and / or from the office of its advocates, M/s. AZB & Partners situated at Plot No. A8, Sector 4, Noida - 201301, Uttar Pradesh.

Persons entitled to attend and vote at the Meeting, may vote in person or by proxy, provided that all proxies in the prescribed form, duly completed, stamped and signed or authenticated by the concerned person, are deposited at the registered office of the Transferee Company not later than 48 hours before the scheduled time of the Meeting. Form of Proxy can be obtained free of charge on any day (except Saturday, Sunday and public holidays) from the registered office of the Transferee Company and/ or from the office of its advocates as mentioned above.

The Hon'ble Tribunal has appointed Mr. S. Balasubramanian, former Chairman, Company Law Board, as the Chairperson of the Meeting, including for any adjournment(s) thereof and failing him, Mr. Virender Ganda, Senior Advocate, as the Alternate Chairperson of the Meeting, including for any adjournment(s) thereof. The Tribunal has also appointed Mr. Sanjay Grover, a practicing Company Secretary, as the Scrutinizer for the Meeting, including for any adjournment(s) thereof. The Scheme, if approved by the Meeting, will be subject to the subsequent approval of the Tribunal.

TAKE NOTICE that the following resolutions are proposed under Section 230(3) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (“**Act**”) and the provisions of the Memorandum of Association and the Articles of Association of Bharti Airtel Limited (“**Transferee Company**”), for the purpose of considering, and if thought fit, approving, with or without modification, the proposed scheme of amalgamation between Telenor (India) Communications Private Limited (“**Transferor Company**”) and Bharti Airtel Limited (i.e. the Transferee Company) and their respective shareholders and creditors under Sections 230 to 232 of the Act (“**Scheme**”).

“RESOLVED THAT pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (“**Act**”), the applicable rules, circulars and notifications made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the provisions of Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 and Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, both issued by the Securities and Exchange Board of India (to the extent applicable), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (to the extent applicable), the observation letters issued by each of the BSE Limited and the National Stock Exchange of India Limited, both dated May 31, 2017 and subject to the provisions of the Memorandum of Association and the Articles of Association of Bharti Airtel Limited (“**Transferee Company**”) and subject to the approval of the Hon’ble National Company Law Tribunal, New Delhi (“**Tribunal**”) and subject to such other approvals, permissions and sanctions of any regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the Tribunal or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the board of directors of the Transferee Company (“**Board**”, which term shall be deemed to mean and include one or more committee(s) constituted / to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), the scheme of amalgamation between Telenor (India) Communications Private Limited (“**Transferor Company**”) and Bharti Airtel Limited (i.e. the Transferee Company) and their respective shareholders and creditors under Sections 230 to 232 of the Act (“**Scheme**”) as enclosed to the notice of the Tribunal convened meeting of the unsecured creditors of the Transferee Company and placed before this meeting and initialed by the Chairperson or the Alternate Chairperson of the meeting, as the case may be, for the purpose of identification, be and is hereby approved.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to the preceding resolution and effectively implement the amalgamation embodied in the Scheme and to accept such modifications, amendments, limitations and/ or conditions, if any, which may be required and / or imposed by the Tribunal while sanctioning

the Scheme or by any authorities under applicable law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise including passing of such accounting entries and/or making such adjustments in the books of accounts of the Transferee Company as considered necessary in giving effect to the Scheme, as the Board may deem fit and proper.”

A copy of the statement under Section 230(3) of the Act read with Rule 6(3) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (“**Merger Rules**”) (“**Explanatory Statement**”), the Scheme and other enclosures including the Form of Proxy and the Attendance Slip are enclosed and form part of the notice.

Dated this 11th day of August, 2017.

For Bharti Airtel Limited

Sd/-
Gopal Vittal
Managing Director and CEO (India & South Asia)
(Authorized Signatory)

Registered Office: Bharti Crescent, 1 Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110070, India.

CIN: L74899DL1995PLC070609

Email: compliance.officer@bharti.in

Notes:

- 1. ONLY AN UNSECURED CREDITOR OF BHARTI AIRTEL LIMITED (I.E. THE TRANSFEE COMPANY) (HEREINAFTER REFERRED TO AS “UNSECURED CREDITOR(S)”) IS ENTITLED TO ATTEND AND VOTE AT THE TRIBUNAL CONVENED MEETING OF THE UNSECURED CREDITORS (“MEETING”), EITHER IN PERSON OR BY PROXY OR THROUGH AN AUTHORIZED REPRESENTATIVE, AS THE CASE MAY BE. WHERE A BODY CORPORATE WHICH IS AN UNSECURED CREDITOR AUTHORISES ANY PERSON TO ACT AS ITS REPRESENTATIVE AT THE MEETING, A COPY OF THE RESOLUTION OF THE BOARD OF DIRECTORS OR OTHER GOVERNING BODY OF SUCH BODY CORPORATE AUTHORISING SUCH PERSON TO ACT AS ITS REPRESENTATIVE AT THE MEETING, AND CERTIFIED TO BE A TRUE COPY BY A DIRECTOR, THE MANAGER, THE SECRETARY, OR OTHER AUTHORISED OFFICER OF SUCH BODY CORPORATE SHALL BE LODGED WITH THE TRANSFEE COMPANY AT ITS REGISTERED OFFICE NOT LATER THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.**
- 2. AN UNSECURED CREDITOR IS ENTITLED TO ATTEND AND VOTE AT THE MEETING, EITHER IN PERSON OR THROUGH AN AUTHORIZED REPRESENTATIVE (IN CASE THE UNSECURED CREDITOR IS A BODY CORPORATE) OR BY PROXY, AS THE CASE MAY**

BE. SUCH UNSECURED CREDITOR IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AT THE MEETING INSTEAD AND ON BEHALF OF SUCH UNSECURED CREDITOR AND SUCH PROXY NEED NOT BE AN UNSECURED CREDITOR. PROXIES TO BE VALID AND EFFECTIVE SHOULD BE IN THE PRESCRIBED FORM OF PROXY, DULY COMPLETED, STAMPED AND SIGNED OR AUTHENTICATED BY THE CONCERNED PERSON AND SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE TRANSFEE COMPANY NOT LATER THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.

3. An Unsecured Creditor / its proxy, attending the Meeting, is requested to bring the Attendance Slip duly completed and signed or authenticated by the concerned person along with a copy of the deposited Form of Proxy (in case of a proxy).
4. An Unsecured Creditor (in case such Unsecured Creditor is an individual) or the authorized representative of the Unsecured Creditor (in case such Unsecured Creditor is a body corporate) or the proxy should carry their valid and legible identity proof (i.e. a PAN Card / Aadhaar Card / Passport / Driving License / Voter ID Card). Additionally, an Unsecured Creditor (in case such Unsecured Creditor is a sole proprietorship concern) or the proxy should carry a valid and legible document evidencing that the individual is the sole proprietor of the sole proprietorship concern (such as GST registration certificate).
5. The notice together with the documents accompanying the same, are being sent to all the Unsecured Creditors by permitted mode whose names appear in the chartered accountant's certificate certifying the list of Unsecured Creditors as on April 30, 2017 as had been filed with the Hon'ble Tribunal. Such Unsecured Creditors shall be entitled to vote at the Meeting. The notice together with the documents accompanying the same, will be displayed and will be available on the website of the Transferee Company (www.airtel.com), besides being communicated to the stock exchanges where the equity shares of the Transferee Company are listed, namely, the National Stock Exchange of India Limited and BSE Limited.
6. In terms of the directions contained in the Order, the quorum for the Meeting shall be 4,500 unsecured creditors in terms of number or 20% in terms of the value of total unsecured debt of the Transferee Company as on April 30, 2017 (i.e. Rs. 19,840,20,00,000). Further, in case the aforesaid quorum for the Meeting is not present, then the Meeting shall be adjourned by 30 minutes and thereafter, the unsecured creditors present and voting shall be deemed to constitute the quorum. For the purposes of computing the quorum, the valid proxies shall also be considered.
7. In terms of Sections 230 to 232 of the Act, the Scheme

shall be considered approved by the Unsecured Creditors of the Transferee Company if the resolutions mentioned above in the notice have been approved at the Meeting by a majority of persons representing three-fourths in value of the total unsecured debt of the Unsecured Creditors of the Transferee Company, voting in person or by proxy.

8. In terms of the directions contained in the Order, the advertisement of the Meeting will be / has been published in the "Indian Express" (Daily edition in English) and "Jansatta" (Daily edition in Hindi) indicating the day, date, place and time of the Meeting and stating that the copies of the Scheme, the Explanatory Statement and the Form of Proxy can be obtained free of charge on any day (except Saturday, Sunday and public holidays) from the registered office of the Transferee Company and / or from the office of its advocates, M/s. AZB & Partners situated at Plot No. A8, Sector 4, Noida - 201301, Uttar Pradesh.
9. It may be noted that the voting facility through ballot / polling paper will be provided at the Meeting venue.
10. The scrutinizer will submit his report to the Chairperson or the Alternate Chairperson (as the case may be) after completion of the scrutiny of the proxies as well as the ballot / polling papers submitted by the Unsecured Creditors at the Meeting during the voting process. The scrutinizer's decision on the validity of the proxy as well as the vote shall be final. The results of the voting on the above resolutions at the Meeting shall be announced on or before Thursday, September 21, 2017. The results along with the report of the scrutinizer shall be displayed at the registered office of the Transferee Company situated at Bharti Crescent, 1 Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110070 and its website (www.airtel.com) as well as the website of Karvy Computershare Private Limited (<https://evoting.karvy.com>), the Registrar and Transfer Agent of the Transferee Company, besides being communicated to the stock exchanges where the equity shares of the Transferee Company are listed, namely, the National Stock Exchange of India Limited and BSE Limited.
11. All documents referred to in the notice and the accompanying Explanatory Statement will be available for inspection by the Unsecured Creditors at the registered office of the Transferee Company on all days, except Saturday, Sunday and public holidays, between 11:00 A.M. and 1:00 P.M. upto the date of the Meeting.
12. Any queries / grievances in relation to notice may be addressed to the Company Secretary of the Transferee Company through e-mail (compliance.officer@bharti.in). The Company Secretary of the Transferee Company can also be contacted at +91-11-4666 6100.

Enclosures: As above

STATEMENT UNDER SECTION 230(3) OF THE COMPANIES ACT, 2013 READ WITH RULE 6(3) OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 TO THE NOTICE OF THE TRIBUNAL CONVENED MEETING OF THE UNSECURED CREDITORS OF BHARTI AIRTEL LIMITED

1. This statement is being furnished pursuant to Section 230(3) of the Companies Act, 2013 (“**Act**”) read with Rule 6(3) of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 (“**Merger Rules**”) (the “**Explanatory Statement**”).
2. Pursuant to the order dated July 28, 2017 (“**Order**”), passed by the Hon’ble Special Bench of the National Company Law Tribunal, New Delhi Bench (“**Tribunal**”) in CA (CAA)-81(PB)/2017, a meeting of the unsecured creditors of Bharti Airtel Limited (“**Transferee Company**”) is being convened at Sri Sathya Sai International Centre, Pragati Vihar, Bhisham Pitamah Marg, Lodhi Road, New Delhi – 110003 on Tuesday, September 19, 2017 at 12:00 Noon (i.e. 12:00 Hours) Indian Standard Time (“**Meeting**”), for the purpose of considering and, if thought fit, approving with or without modification, the scheme of amalgamation between Telenor (India) Communications Private Limited (“**Transferor Company**”) and Bharti Airtel Limited (i.e. the Transferee Company) and their respective shareholders and creditors under Sections 230 to 232 of the Act (“**Scheme**”). The Scheme as filed before the Tribunal is enclosed as **ANNEXURE 1**. Please refer to paragraphs 36 to 38 for the rationale and salient features of the Scheme.
3. The Audit & Risk Management Committee of the Transferee Company (“**Audit Committee**”) vide resolution dated March 3, 2017, recommended the Scheme to the Board of Directors of the Transferee Company, after having taken into consideration, *inter alia*, the valuation report dated February 23, 2017 issued by Walker Chandiook & Co LLP, Chartered Accountants and the Fairness Opinion dated February 23, 2017 issued by RBSA Capital Advisors LLP, a SEBI registered Category I Merchant Banker. All the members of the Audit Committee unanimously approved the resolution recommending the Scheme to the Board of Directors of the Transferee Company, namely, (i) Craig Ehrlich; (ii) Shishir Priyadarshi; (iii) Tan Yong Choo; and (iv) V.K Viswanathan.
4. The Board of Directors of the Transferee Company, based on the recommendation of the Audit Committee, approved the Scheme vide resolution dated March 4, 2017. All the directors on the Board of Directors of the Transferee Company unanimously voted in favour of the resolution approving the Scheme, namely, (i) Sunil Bharti Mittal; (ii) Ben Verwaayen; (iii) Chua Sock Koong; (iv) Craig Ehrlich; (v) Dinesh Kumar Mittal; (vi) Sheikh Faisal Thani Al-Thani; (vii) Gopal Vittal; (viii) Manish Kejriwal; (ix) Rakesh Bharti Mittal; (x) Shishir Priyadarshi; (xi) Tan Yong Choo; and (xii) V.K. Viswanathan.
5. The Board of Directors of the Transferor Company

approved the Scheme vide resolution dated March 7, 2017. The resolution approving the Scheme was unanimously voted in favour by all the directors present at the said meeting, namely, (i) Sharad Mehrotra; and (ii) Arnstein Sletmoe.

6. The Scheme is presented pursuant to the provisions of Sections 230 to 232 and other relevant provisions of the Act, as may be applicable, and also read with Section 2(1B) and other relevant provisions of the Income-tax Act, 1961, as applicable, for the amalgamation of the Transferor Company into the Transferee Company, on a going concern basis. Additionally, the Scheme also provides for various other matters consequential or otherwise integrally connected with the Scheme.
7. In terms of Sections 230 to 232 of the Act, the Scheme shall be considered approved by the Unsecured Creditors of the Transferee Company if the resolutions mentioned in the notice have been approved at the Meeting by a majority of persons representing three-fourths in value of the total unsecured debt of the Unsecured Creditors of the Transferee Company, voting in person or by proxy.

DETAILS OF THE TRANSFEE COMPANY AS PER RULE 6(3) OF THE MERGER RULES

8. Details of the Transferee Company:

Bharti Airtel Limited (Transferee Company)	
Corporate Identification No. (CIN)	L74899DL1995PLC070609
Permanent Account No. (PAN)	AAACB2894G
Incorporation Date	July 7, 1995
Type of Company	Public Limited Company
Regd. Office Address	Bharti Crescent, 1 Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070, India
Email	compliance.officer@bharti.in
Stock Exchange(s) where securities of the Transferee Company are listed	(i) BSE Limited; and (ii) National Stock Exchange of India Limited

9. Summary of the Main Objects as per the Memorandum of Association of the Transferee Company:

The main objects of the Transferee Company are set out under Clause III(A) of its Memorandum of Association, which are as under:

“1. To promote & establish Companies, Funds, Associations or Partnerships for providing telecom networks and/or to run and maintain telecom services like basic/fixed line services, cellular/mobile services, paging, videotext, voice mail and data systems,

private switching network services, transmission network of all types, computer networks i.e. local area network, wide area network, Electronic Mail, Intelligent network. Multimedia communication systems or the combinations thereof and for execution of undertakings. Works, projects or enterprises in the Industry whether of a private or public character or any joint venture re with any government or other authority in India or elsewhere and to acquire and dispose of shares /securities in such companies, and funds and interest in such associations or partnerships.

2. To provide telecom networks and to run and maintain telecom services like basic/fixed line services, cellular/mobile services, paging, video-text, voice mail & data systems, private switching network services, transmission networks of all types, computer networks like local area network, wide area network, Electronic Mail, Intelligent network, Multi media communication systems or the combinations thereof.
3. To carry on the business of manufacturers, merchants, dealers, distributors, importers, exporters, buyers, sellers, agents and stockists, and to market, hire, lease, rent out, assemble, alter, install, service, design, research and improve, develop, exchange, maintain, repair, refurbish, store and otherwise deal in any manner in all types of telephone exchanges, telephone instruments -whether corded, cordless, mobile or of any other kind; tele- terminals, fax machines, telegraphs, recording instruments and devices, telephone message/ answering machines and devices; dialing machines, trunk dialing barring devices, wireless sets and other wireless communication devices like radio pagers, cellular phones, satellite phones etc; telecom switching equipments of all kinds; telecom transmission equipments of all kinds, test equipments, instruments, apparatus, appliances and accessories and equipment and machinery for the manufacture thereof and to provide technical services in respect thereof or relating thereto.
4. To buy, sell, manufacture, assemble, repair, design, alter, research and improve, develop, exchange, ware- house, let on hire, import, export, and deal in all sorts of Electronic, non- Electronic, Computerized and Electrical items and equipment including Computer and Data Processing Equipment, Peripherals. Printers. Disc-drives, Intelligent Terminals, Modems, Software, Hardware, Personal Computers, 'CAD/CAM' Computer, Graphic Systems, Office Automation Equipments, Word processors, Photoposetting, Text Editing and Electronic Printing and/or Typing Systems, Circuits, including integrated, hybrid, 'VLSI' Chips, Microprocessors and Microprocessor based equipment, Semiconductor Memories including

bubble Memories, Discrete electronic devices, Facsimile Equipments, Copying Machines. Xerox Machines, Telephone Cable Pressurization Systems, Printed Circuit Boards, all sorts of automatic Float charges, Electronic, Electrical and Computerized Systems and Equipment and Plant and Machineries and Field Engineering support and for all above, their incidental and allied equipment, accessories, components, parts, sub-parts, tools, manufactured and semi manufactured goods, raw materials, plant and machineries, substance, goods, articles and things and VCR, VCP, Cassettes, Cameras, Radios, Stereo and Amplifiers, television sets, audio visual equipment, teleprinters, telecommunications satellite Station and electronic equipment, remote control systems, business machines, calculators, hoists, elevators, trolleys and their components including valves, transistors, resistors, condensers, coils and circuits.

5. To guarantee/ counter guarantee the obligations of any of its subsidiary/ associate/ group companies and/ or other companies in which the company has equity interest under any agreements/ contracts/ debentures, bonds, stocks, mortgages, charges and securities."

10. Main business carried on by the Transferee Company:

The Transferee Company is engaged in the business of providing global telecommunication services with operations in 17 countries across Asia and Africa. In India, the Transferee Company's product offerings include 2G, 3G and 4G wireless services, mobile commerce, fixed line services, high speed home broadband, DTH, enterprise services including national and international long distance services to carriers. In the rest of the geographies, it offers 2G, 3G and 4G wireless services and mobile commerce.

11. Details of change of name, registered office and objects of the Transferee Company during the last five years:

Change of Name: The Transferee Company was incorporated on July 7, 1995 under the provisions of the Companies Act, 1956 under the name 'Bharti Tele-Ventures Limited'. Thereafter, on April 24, 2006, the name of the Transferee Company was changed to its present name i.e. "Bharti Airtel Limited". Further, there has been no change in the name of the Transferee Company during the last five years.

Change of Registered Office: There has been no change in the registered office of the Transferee Company during the last five years.

Change of Objects: There has been no change in the objects of the Transferee Company during the last five years.

12. Details of the capital structure of the Transferee Company including authorized, issued, subscribed and paid-up share capital:

Particulars	Amount (INR)
Authorized Share Capital as on August 11, 2017	
5,50,00,00,000 equity shares having face value of Rs. 5/- each	27,50,00,00,000
Total	27,50,00,00,000
Issued, Subscribed and Fully Paid-up Share Capital as on August 11, 2017	
3,99,74,00,102 equity shares having face value of Rs. 5/- each	19,98,70,00,510
Total	19,98,70,00,510

13. Details of the capital structure of the Transferee Company post the amalgamation as envisaged under the Scheme:

Particulars	Amount (INR)
Authorized Share Capital	
29,50,60,00,000 equity shares having face value of Rs. 5/- each	147,53,00,00,000
Total	147,53,00,00,000
Issued, Subscribed and Fully Paid-up Share Capital	
3,99,74,00,107 equity shares having face value of Rs. 5/- each	19,98,70,00,535
Total	19,98,70,00,535

14. Names of the Promoters of the Transferee Company along with their addresses:

S. No.	Name of the Promoter	Address
1.	Bharti Telecom Limited	Plot No. 16, Udyog Vihar, Phase IV, Gurgaon, - 122001, Haryana, India
2.	Pastel Limited	Level 3, Alexander House, 36 Cybercity, Ebene, Mauritius
3.	Indian Continent Investment Limited	6, Sir William Newton Street, Port Louis, Mauritius
4.	Viridian Limited	C/o Intercontinental Trust Limited, Level 3, Alexander House, 36 Cybercity, Ebene, Mauritius

15. Names of the Directors of the Transferee Company as on August 11, 2017 along with their addresses:

S. No.	Name of the Director and Designation	Address
1.	Mr. Sunil Bharti Mittal Chairman	19, Amrita Shergill Marg, New Delhi - 110003, India
2.	Mr. Gopal Vittal Managing Director & CEO (India & South Asia)	A2/1202, World Spa East, Sector 30 & 41, Gurgaon - 122001, Haryana, India
3.	Ms. Chua Sock Koong Non-Executive Director	15A, Oei Tiong Ham Park, Singapore - 268302
4.	Mr. Rakesh Bharti Mittal Non-Executive Director	4, Pearl Lane, DLF Chattarpur Farms, New Delhi - 110074, India
5.	Rashed Fahad O J Al- Noaimi Non-Executive Director	P.O. Box 1959, Doha, Qatar

S. No.	Name of the Director and Designation	Address
6.	Ms. Tan Yong Choo Non-Executive Director	22, Park Villas Green, Singapore - 545430
7.	Mr. Ben Verwaayen Independent Director	Prince's Gate 1, Flat 7, London SW7 1QJ, UK
8.	Mr. Craig Ehrlich Independent Director	Block - B, 6/F, Best View Court, 66, Mac Donnell Road, Hong Kong
9.	Mr. D. K. Mittal Independent Director	B-71, Sector 44, Noida - 201301, Uttar Pradesh, India
10.	Mr. Manish Kejriwal Independent Director	Flat No. 3703, 37th & 38th Floor, Vivarea Building, B Wing, Sane Guruji Marg, Jacob Circle Mumbai - 400011, Maharashtra, India
11.	Mr. Shishir Priyadarshi Independent Director	24, Cret De Champel, Geneva, 1206, Switzerland
12.	Mr. V.K. Viswanathan Independent Director	F - 01, First Floor, Legacy Caldera, 56, SRT Road, Cunningham Road, Bangalore - 560052, Karnataka, India

16. The date of the board meeting at which the Scheme was approved by the Board of Directors of the Transferee Company, including the name of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution:

The Scheme was unanimously approved by the Board of Directors of the Transferee Company on March 4, 2017. The details of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution are as under:

S.No.	Names of the Directors	Votes
1.	Mr. Sunil Bharti Mittal Chairman	In Favour
2.	Mr. Gopal Vittal Managing Director & CEO (India & South Asia)	In Favour
3.	Ms. Chua Sock Koong Non-Executive Director	In Favour
4.	Mr. Rakesh Bharti Mittal Non-Executive Director	In Favour
5.	Sheikh Faisal Thani Al-Thani Non-Executive Director	In Favour
6.	Ms. Tan Yong Choo Non-Executive Director	In Favour
7.	Mr. Ben Verwaayen Independent Director	In Favour
8.	Mr. Craig Ehrlich Independent Director	In Favour
9.	Mr. D. K. Mittal Independent Director	In Favour
10.	Mr. Manish Kejriwal Independent Director	In Favour
11.	Mr. Shishir Priyadarshi Independent Director	In Favour
12.	Mr. V. K. Viswanathan Independent Director	In Favour

17. As on April 30, 2017, the Transferee Company has a total of 18,179 (Eighteen Thousand One Hundred Seventy Nine Only) unsecured creditors representing a total outstanding unsecured debt of Rs. 19,840,20,00,000/- (Rupees Nineteen Thousand Eight Hundred and Forty Crores Twenty Lakhs Only).

18. Disclosure about the effect of the Scheme on the material interests of directors, key managerial personnel and debenture trustee of the Transferee Company:

None of the directors nor the key managerial personnel of the Transferee Company have any material interest in the Scheme, save to the extent of shares / directorships / managerial positions held by the directors / key managerial personnel in the Transferee Company, if any. Further, neither does the security/ bond trustee appointed in connection with the overseas bonds issued by the Transferee Company have any material interest in the Scheme.

19. Disclosure about the effect of the Scheme on the following persons of the Transferee Company:

S. No.	Persons	Effect of the Scheme
1.	Key Managerial Personnel ("KMP")	The Scheme will have no effect on the KMP's of the Transferee Company.
2.	Directors	Upon the Effective Date, the existing directors shall continue on the board of the Transferee Company.
3.	Promoter Shareholders	The Scheme will have no effect on the promoters and the non-promoter shareholders of the Transferee Company since upon the Effective Date, the Transferee Company shall issue five fully paid-up equity shares of the Transferee Company having a face value Rs. 5/- each to Telenor South Asia Investment Pte. Ltd., the promoter shareholder of the Transferor Company.
4.	Non-Promoter Shareholders	The Transferee Company has only a single class of shareholders being the equity shareholders of the Company.
5.	Depositors	Not Applicable
6.	Creditors	Upon the Effective Date (as defined under Clause 1.11 of Part A of the Scheme) and with effect from the Appointed Date (as defined under Clause 1.4 of Part A of the Scheme), all Liabilities (as defined under Clause 1.16 of Part A of the Scheme) of the Transferor Company, shall be transferred to, or be deemed to be transferred to the Transferee Company so as to become from the Appointed Date, the Liabilities of the Transferee Company and the Transferee Company had undertaken to meet, discharge and satisfy the same.

S. No.	Persons	Effect of the Scheme
7.	Debenture Holders	Not Applicable
8.	Deposit Trustee and Debenture Trustee	The Transferee Company has appointed certain security/ bond trustees in connection with the overseas bonds issued by the Transferee Company. The Scheme will have no effect on the aforesaid security/ bond trustees.
9.	Employees	The Scheme will have no effect on the employees of the Transferee Company.

20. Sub-clause 6 of Clause III(B) of the Memorandum of Association of the Transferee Company contains enabling provisions for undertaking an amalgamation as envisaged in the Scheme and the same is extracted below:

"6. To amalgamate with any other Company having objects altogether or in part, similar to those of this Company"

DETAILS OF THE TRANSFEROR COMPANY AS PER RULE 6(3) OF THE MERGER RULES

21. Details of the Transferor Company:

Telenor (India) Communications Private Limited (Transferor Company)	
Corporate Identification No. (CIN)	U64200DL2012PTC231991
Permanent Account No. (PAN)	AAECT1511C
Incorporation Date	February 24, 2012
Type of Company	Private Limited Company
Regd. Office Address	DBS Business Center, First Floor, World Trade Tower, Barakhamba Lane, Connaught Place, New Delhi – 110001, India
Email ID	deepak.goyal@telenor.in
Stock Exchange(s) where securities of the Transferor Company are listed	Not Applicable

22. Summary of the Main Objects as per the Memorandum of Association of the Transferor Company:

The main objects of the Transferor Company are set out under Clause III(A) of its Memorandum of Association, which are as under:

"1. To carry on the business of all kinds of communication services mainly telecommunication services like basic/fixed line services, National long distance services, international long distance services, cellular/mobile services, paging, video, text, voice, mail and data systems, private switching network services, transmission network of all types, computer networks i.e. local area networks, wide area, network, electronic mail, intelligent network, multi-media communication,

systems or the combinations thereof.

2. *To carry on the business of manufactures, dealers, distributors, importers, exporters, buyers, sellers, merchants, agents and stockists, and to market, hire, lease, rent out, assemble, alter, install, service, design, research and improve, develop, exchange, establish, provide, run, maintain, repair, refurbish, store and otherwise deal in any manner in all types of telecom infrastructure and services including telecom network, telephone exchanges, telephone instruments-whether corded, cordless, mobile or of any other kind teleterminals, fax machines, telegraphs, recording instruments and dialing barring devices, wireless sets and other wireless communication devices like radio pagers, cellular phones, satellite phones etc. telecom switching equipments of all kinds telecom transmission equipments of all kinds, test equipments, instruments apparatus, appliances and accessories and equipment and machinery for the manufacturer thereof and to provide technical services in respect thereof or relating thereto.*
3. *To undertake and execute works, projects or enterprises in the telecom industry whether of a private or public character any joint venture with any government or other authority in India or elsewhere.*
4. *To apply for and procure licenses and approvals from or enter into agreements with any government, judicial or other authority, body or institution for carrying out any or all of the above objects, and comply with all the applicable provisions of such license(s) and approvals, and the appropriate laws, guidelines rules and regulations (including any statutory modification(s) or re-enactment thereof for the time being in force), and any violation of which shall automatically lead to the Company being unable to carry on its business in this regard.”*

23. Main business carried on by the Transferor Company:

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. Additionally, the Transferor Company has procured spectrum and authorization to provide Access Services in the Assam circle. Further, the Transferor Company also possesses authorizations to provide NLD, ILD and ISP 'Category A' as granted by the Department of Telecommunications, Government of India.

24. Details of change of name, registered office and objects of the Transferor Company during the last five years:

Change of Name: The Transferor Company was incorporated on February 24, 2012 under the provisions of the Companies Act, 1956 under the name “*Telewings*

Communications Services Private Limited”. Thereafter, on August 21, 2015, the name of the Transferor Company was changed to its present name i.e. “*Telenor (India) Communications Private Limited*”.

Change of Registered Office: The registered office of the Transferor Company has been shifted within the same city i.e. from Unit No. 902, 9th Floor, Le Meridian, Commercial Tower, Windsor Place, New Delhi – 110001 to its present registered office address situated at DBS Business Center, First Floor, World Trade Tower, Barakhamba Lane, Connaught Place, New Delhi – 110001 with effect from January 15, 2017.

Change of Objects: In the last five years, the objects clause of the Transferor Company have been amended vide special resolutions passed in the extra-ordinary general meetings of the shareholders held on September 27, 2012 and December 3, 2013 respectively.

Pursuant to the special resolution dated September 27, 2012, the Objects Clause under Clause III(A) of the Memorandum of Association of the Transferor Company was altered as under:

- “1. *To carry on the business of all kinds of communication services mainly telecommunication services like basic/ fixed line services, cellular/mobile services, paging, video text, voice, mail and data systems, private switching network services, transmission network of all types, computer networks i.e. local area networks, wide area, network, electronic mail, intelligent network, multi-media communication, systems or the combinations thereof.*
2. *To carry on the business of manufacturers, dealers, distributors, importers, exporters, buyers, sellers, merchants, agents and stockists, and to market, hire, lease, rent out, assemble, alter, install, service, design, research and improve, develop, exchange, establish, provide, run, maintain, repair, refurbish, store and otherwise deal in any manner in all types of telecom infrastructure and services including telecom network, telephone exchanges, telephone instruments-whether corded, cordless, mobile or of any other kind teleterminals, fax machines, telegraphs, recording instruments and dialing barring devices, wireless sets and other wireless communication devices like radio pagers, cellular phones, satellite phones etc. telecom switching equipments of all kinds telecom transmission equipments of all kinds, test equipments, instruments, apparatus, appliances and accessories and equipment and machinery for the manufacturer thereof and to provide technical services in respect thereof or relating thereto.*
3. *To undertake and execute works, projects or enterprises in the telecom industry whether of a private or public character or any joint venture with any government or other authority in India or elsewhere.*

4. To apply for and procure licenses and approvals from or enter into agreements with any government, judicial, quasi judicial or other authority, body or institution for carrying out any or all of the above objects, and comply with all the applicable provisions of such license(s) and approvals, and the appropriate laws, guidelines, rules and regulations (including any statutory modification(s) or re-enactment thereof for the time being in force), and any violation of which shall automatically lead to the Company being unable to carry on its business in this regard.”

Pursuant to the special resolution dated December 3, 2013, sub-clause (1) of the Objects Clause under Clause III(A) of the Memorandum of Association of the Transferor Company was altered as under:

- “1. To carry on the business of all kinds of communication services mainly telecommunication services like basic/fixed line services, National long distance services, International long distance services, cellular/mobile services, paging, video text, voice, mail and data systems, private switching network services, transmission network of all types, computer networks i.e. local area networks, wide area, network, electronic mail, intelligent network, multi-media communication, systems or the combinations thereof.”

25. Details of the capital structure of the Transferor Company including authorized, issued, subscribed and paid-up share capital:

Particulars	Amount (INR)
Authorized Share Capital as on August 11, 2017	
12,00,30,00,000 equity shares having face value of Rs. 10/- each	120,03,00,00,000
Total	120,03,00,00,000
Issued, Subscribed and Fully Paid-up Share Capital as on August 11, 2017	
1,92,30,76,923 equity shares having face value of Rs. 10/- each	19,23,07,69,230
Total	19,23,07,69,230

26. Details of the capital structure of the Transferor Company post the amalgamation as envisaged under the Scheme:

Upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up.

27. Names of the Promoters of the Transferor Company along with their addresses:

S. No.	Name of the Promoter	Address
1.	Telenor South Asia Investment Pte Ltd	1, Wallich Street, #28-01, Guoco Tower, Singapore – 078881

28. Names of the Directors of the Transferor Company as on August 11, 2017 along with their addresses:

S. No.	Name of the Director and Designation	Address
1.	Mr. Sharad Mehrotra Whole time Director	B-4/140, Second Floor, Safdarjung Enclave, New Delhi - 110029, India
2.	Mr. Rajiv Bawa Director	A5-901, World Spa East Sector - 30 Gurgaon - 122001 Haryana, India
3.	Mr. Arnstein Sletmoe Director	Eilert Sundts gate 57 0355 Oslo, Norway
4.	Mr. Sampath Kumar Rajagopalan Director	12-B, Shantiniketan, V Cross, Ganesha Block R T Nagar Bangalore - 560032, Karnataka, India
5.	Ms. Charandeep Kaur Chandhok Director	342, Pocket C, Sarita Vihar, New Delhi - 110076, India

29. The date of the board meeting at which the Scheme was approved by the Board of Directors of Transferor Company, including the name of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution:

The Scheme was unanimously approved by the board of directors of the Transferor Company on March 7, 2017. The details of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolution are as under:

S. No.	Name of the Director and Designation	Votes
1.	Mr. Sharad Mehrotra Whole time Director	In Favour
2.	Mr. Rajiv Bawa Director	Not Present, although ratified the decision taken at the meeting
3.	Mr. Arnstein Sletmoe Director	In Favour
4.	Mr. Sampath Kumar Rajagopalan Director	Not present
5.	Ms. Charandeep Kaur Chandhok Director	Not present

30. As on April 30, 2017, the Transferor Company has a total of 6,656 (Six Thousand Six Hundred and Fifty Six Only) unsecured creditors representing a total outstanding unsecured debt of Rs. 7,983,56,69,449/- (Rupees Seven Thousand Nine Hundred and Eighty Three Crores Fifty Six Lakhs Sixty Nine Thousand Four Hundred and Forty Nine Only).

31. Disclosure about the effect of the Scheme on the material interests of directors, key managerial personnel and debenture trustee of the Transferor Company:

None of the directors nor the key managerial personnel of the Transferor Company have any material interest in

the Scheme, save to the extent of shares / directorships / managerial positions held by the directors / key managerial personnel in the Transferor Company, if any. Further, the Transferor Company has not appointed any debenture trustee.

32. Disclosure about the effect of the Scheme on the following persons of the Transferor Company:

S. No.	Persons	Effect of the Scheme
1.	Key Managerial Personnel ("KMP")	Upon the Scheme becoming effective ("Effective Date"), all employees of the Transferor Company (including the KMP's) as on the Effective Date, shall be deemed to have become employees of the Transferee Company, without any interruption of service and on the basis of continuity of service and terms and conditions no less favourable than those applicable to them with reference to the Transferor Company, on the Effective Date.
2.	Directors	Upon the Effective Date, the Transferor Company shall stand dissolved without winding up and accordingly, its board shall cease to exist.
3.	Promoter Shareholders	Upon the Effective Date, the Transferee Company shall issue five fully paid-up equity shares of the Transferee Company having a face value Rs. 5/- each to Telenor South Asia Investment Pte. Ltd., the promoter shareholder of the Transferor Company. The Transferor Company has only a single class of shareholders being the equity shareholders of the Transferor Company. On the Effective Date, the Transferor Company shall stand dissolved without being wound up in accordance with the Act.
4.	Non-Promoter Shareholders	The Transferor Company does not have any non-promoter shareholders.
5.	Depositors	Not Applicable
6.	Creditors	Upon the Effective Date (as defined under Clause 1.11 of Part A of the Scheme) and with effect from the Appointed Date (as defined under Clause 1.4 of Part A of the Scheme), all Liabilities (as defined under Clause 1.16 of Part A of the Scheme) of the Transferor Company, shall be transferred to, or be deemed to be transferred to the Transferee Company so as to become from the Appointed Date, the Liabilities of the Transferee Company and the Transferee Company had undertaken to meet, discharge and satisfy the same.
7.	Debenture Holders	Not Applicable

8.	Deposit Trustee and Debenture Trustee	Not Applicable
9.	Employees	Please refer to S. No. 1 of this table.

33. Sub-clause 1 of Clause III (B) of the Memorandum of Association of the Transferor Company contains enabling provisions for undertaking an amalgamation as envisaged in the Scheme and the same is extracted below:

"1. To amalgamate, or enter into partnership or into any arrangement for sharing profit, union of interest, co-operation, joint venture, merger, de-merger, reciprocal concession or otherwise with any person, firm or company carrying on or engaged in or about to carry on or engage in any business or transaction which this Company is authorised to carry on or engage in or to purchase from such company its business as a going concern."

34. Relationship between the Transferor Company and the Transferee Company:

The Transferor Company and the Transferee Company are not related to each other.

35. Capitalized terms used herein but not defined shall have the meaning assigned to them in the Scheme, unless otherwise stated.

36. Rationale of the Scheme and the benefits of the Scheme as perceived by the Board of Directors of the Transferor Company and the Transferee Company

Part (B) of the Preamble to the Scheme (i.e. Purpose and Rationale of the Scheme) states as under:

"The rationale for the amalgamation of the Transferor Company into the Transferee Company is, inter alia, as follows:

- (i) *consolidate the telecom business of the Transferor Company with the Transferee Company;*
- (ii) *further expansion of the Transferee Company's business into the growing markets of India;*
- (iii) *availability of increased resources and assets for the Transferee Company which can be utilized for strengthening customer base and servicing existing as well as new customers innovatively and efficiently;*
- (iv) *building a strong infrastructural capability to effectively meet future challenges in the ever-evolving telecom business and a strategic fit for serving existing market; and*
- (v) *leading to increased competitive strength and efficiencies for the Transferee Company."*

37. Appointed Date, Effective Date, Record Date and Share Exchange Ratio and Other Considerations:

In terms of Clause 1.4 of Part A of the Scheme, the Appointed Date “means the Effective Date”.

In terms of Clause 1.11 of Part A of the Scheme, the Effective Date “means the date that occurs upon the expiry of 5 (five) Business Days from the later of: (a) the date on which the certified copy of the NCLT’s order sanctioning this Scheme is filed by the Companies with the concerned Registrar of Companies; or (b) the fulfillment of the last of the conditions precedent as set out in the Implementation Agreement and delivery of the CP Completion Notice, as stated thereunder”.

The Scheme does not specifically define any Record Date.

For details regarding the share exchange ratio and consideration, please refer to paragraph 38(g) below.

38. Salient Features of the Scheme:

a) The Scheme is divided into the following parts:

Part A - Definitions and Share Capital;

Part B - Amalgamation of the Transferor Company into the Transferee Company; and

Part C - General Terms and Conditions.

b) The Scheme provides that upon the Scheme becoming effective and with effect from the Appointed Date, the Transferor Company shall stand amalgamated and all its Assets, Liabilities, interests and obligations, as applicable, be transferred and vested in the Transferee Company on a going concern basis without any requirement of a further act or deed so as to become as and from the Appointed Date, the Assets, Liabilities, interests and obligations, as applicable, of the Transferee Company.

c) The Scheme provides that upon the Scheme becoming effective and with effect from the Appointed Date:

(i) all Assets of the Transferor Company, as are movable in nature or are incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery shall stand transferred to and vested in the Transferee Company and shall become the property and an integral part of the Transferee Company (to the extent permissible under applicable law);

(ii) all movable Assets of the Transferor Company, other than those specified in (i) above, including cash and cash equivalents, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons shall without any requirement of a further act, instrument or deed become the property of the Transferee Company;

(iii) all Intellectual Property (as defined in the Scheme) of the Transferor Company shall stand transferred and vested in the Transferee Company;

(iv) all Liabilities (as defined in the Scheme) of the Transferor Company shall be transferred to, or be deemed to be transferred to the Transferee Company so as to become from the Appointed Date, the Liabilities of the Transferee Company and the Transferee Company undertakes to meet, discharge and satisfy the same; and

(v) subject to the provisions of the Scheme, all contracts, deeds, bonds, lease deeds, agreements entered into with various persons, arrangements and other instruments of whatsoever nature in relation to the Transferor Company and to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect as on the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder, in all cases subject to the terms and provisions of such contracts, deeds, bonds, lease deeds, agreements, arrangements or instruments.

d) Upon the Effective Date, all employees of the Transferor Company as on the Effective Date shall be deemed to have become employees of the Transferee Company, without any interruption of service and on the basis of continuity of service and terms and conditions no less favourable than those applicable to them with reference to the Transferor Company, on the Effective Date.

e) From the Effective Date, all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company, whether pending on the Appointed Date, or which may be instituted any time in the future (irrespective of whether they relate to periods on or prior to the Appointed Date) and in each case relating to the Transferor Company shall be continued and enforced by or against the Transferee Company after the Effective Date, to the extent legally permissible.

f) The Scheme provides for the reclassification/reorganization of the authorized share capital of the Transferor Company and that such reclassified/reorganized authorized share capital of the Transferor Company, shall be deemed to be added to the authorized share capital of the Transferee Company in terms of and pursuant to the Scheme.

g) On the Effective Date, the Transferee Company shall

issue and allot 5 (five) fully paid-up equity shares of face value Rs. 5/- (rupees five only) to Telenor South Asia Investment Pte. Limited, the principal shareholder of the Transferor Company and shall take all such steps as required for the purposes of listing and receiving the final trading approval for the aforesaid shares, within a reasonable period of time.

- h) On the Effective Date, the Transferor Company shall stand dissolved without being wound up without any requirement for any further act by the parties, in accordance with the Companies Act, 2013.

THE FEATURES SET OUT ABOVE BEING ONLY THE SALIENT FEATURES OF THE SCHEME, THE UNSECURED CREDITORS ARE REQUESTED TO READ THE ENTIRE TEXT OF THE SCHEME (ANNEXED HEREWITH) TO GET FULLY ACQUAINTED WITH THE PROVISIONS THEREOF AND THE RATIONALE OF THE SCHEME.

39. Summary of the Valuation Report including basis of valuation and the Fairness Opinion of the Registered Valuer:

Please refer to the Valuation Report and the Fairness Opinion that are enclosed as **Annexure 2** and **Annexure 3**, respectively.

40. Details of capital or debt restructuring, if any:

The details of the capital structure of the Transferee Company (as on August 11, 2017 and post the amalgamation as envisaged under the Scheme) are provided at paragraphs 12 and 13. Further, the details of the capital structure of the Transferor Company (as on August 11, 2017 and post the amalgamation as envisaged under the Scheme) are provided at paragraphs 25 and 26. Moreover, the Scheme does not contemplate any debt restructuring nor are the Transferor Company and the Transferee Company undergoing any debt restructuring.

41. No investigation or proceedings have been instituted and are pending in relation to either the Transferor Company or the Transferee Company under Sections 235 to 251 (corresponding to Sections 210 to 227 of the Act) of the Companies Act, 1956.

42. To the knowledge of each of the Transferor Company and the Transferee Company, no winding-up petition under Section 433 read with Section 434 of the Companies Act, 1956 has been filed and is pending against either of the Companies.

43. Details of approvals, sanctions or no-objection(s), if any, from regulatory or any other governmental authorities required, received or pending for the proposed Scheme:

- a) The equity shares of the Transferee Company are listed on BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**"). The National Stock Exchange of India Limited was appointed as the designated stock exchange by the Transferee Company for the purpose of coordinating with SEBI, pursuant to the Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 issued by "the Securities and Exchange Board of India ("**SEBI Circular**")". The Transferee Company has received separate observation letters, both dated May 31, 2017, regarding the Scheme from BSE and NSE and the same have been enclosed as **Annexure 5** and **Annexure 6**, respectively. In terms of the aforesaid observation letters, both BSE and NSE conveyed their no adverse observations/ no objection to the Scheme.

- b) As required by the SEBI Circular, the Transferee Company has filed its Complaint Report dated April 4, 2017 with BSE and NSE respectively. The Complaints Report filed by the Transferee Company indicates that it has received 'NIL' complaints. A copy of the Complaint Report dated April 4, 2017 is enclosed as **Annexure 4**.

- c) The Competition Commission of India *vide* its order dated May 30, 2017, has approved the proposed amalgamation between the Transferor Company and the Transferee Companies as envisaged under the Scheme.

- d) Pursuant to Clause 3(a) of the "Guidelines for transfer/ merger of various categories of telecommunication service / licenses / authorization under unified license on compromises, arrangements, and amalgamation of the Companies" dated February 20, 2014 ("**DoT Merger Guidelines**") issued by the Department of Telecommunications ("**DoT**"), each of the Transferor Company and the Transferee Company were required to notify the DoT of the Scheme. Accordingly, in accordance with the DoT Merger Guidelines, the aforesaid companies notified the DoT on June 5, 2017 and June 6, 2017, respectively, after filing the Scheme before the Hon'ble Tribunal on June 1, 2017. Consequently, the DoT has provided its in-principle approval to the Scheme *vide* its separate letters to each of the Transferor Company and the Transferee Company, both dated July 5, 2017. Thereafter, the DoT also issued a corrigendum to its previous letters dated July 5, 2017 to each of the Transferor Company and the Transferee Company, both dated July 20, 2017.

- e) The Scheme was jointly filed by the Transferor Company and the Transferee Company before the Hon'ble National Company Law Tribunal, New Delhi Bench on

June 1, 2017, and the Special Bench of the Hon'ble Tribunal has given directions to *inter alia* convene the Meeting of unsecured creditor of Transferee Company vide an order dated July 28, 2017.

44. It is confirmed that a copy of the draft Scheme has been filed by the Transferor Company and the Transferee Company, respectively, with the Registrar of Companies, NCT of Delhi & Haryana pursuant to Section 232(2)(b) of the Act.

45. Inspection of Documents: The following documents will be open for inspection to the unsecured creditors of the Transferee Company at the registered office of the Transferee Company situated at Bharti Crescent, 1 Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi – 110070, India on all days except Saturday, Sunday and public holidays between 11:00 A.M. and 1:00 P.M. up to the date of the ensuing Meeting:

- a) Copy of the order dated July 28, 2017 passed by the Special Bench of the Hon'ble Tribunal in CA (CAA)-81(PB)/2017 directing *inter alia* the convening of the Meeting;
- b) Copy of the Scheme as filed before the Hon'ble Tribunal;
- c) Copy of the Valuation Report dated February 23, 2017 issued by Walker Chandiook & Co LLP, Chartered Accountants, to the Board of Directors of the Transferor Company and the Transferee Company;
- d) Copy of the Fairness Opinion dated February 23, 2017 issued by RBSA Capital Advisors LLP, a SEBI registered Category I Merchant Banker, to the Board of Directors of the Transferee Company;
- e) Copy of the Undertaking and Statutory Auditor's certificate dated March 3, 2017 confirming non-applicability of paragraph (I)(A)(9)(a) of Annexure I of SEBI Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015;
- f) Copy of the certificate issued by the statutory auditors of the Transferee Company confirming the compliance of the accounting treatment etc. as specified in paragraph (I)(A)(5)(a) of Annexure I of the Circular no. CIR/CFD/CMD/16/2015 dated November 30, 2015 issued by the Securities and Exchange Board of India;
- g) Copy of the Complaint Report dated April 4, 2017 submitted by the Transferee Company to BSE Limited and the National Stock Exchange of India Limited;
- h) Copy of the Observation Letter dated May 31, 2017 issued by BSE Limited to the Transferee Company;

- i) Copy of the Observation Letter dated May 31, 2017 issued by the National Stock Exchange of India Limited to the Transferee Company;
- j) Copy of the order of the Competition Commission of India dated May 30, 2017;
- k) Copies of the certificate of incorporation dated February 24, 2012, the certificate of incorporation pursuant to change of name dated August 21, 2015 along with the latest Memorandum of Association and Articles of Association of the Transferor Company;
- l) Copies of the certificate of incorporation dated July 7, 1995, the certificate for commencement of business dated January 18, 1996 and the fresh certificate of incorporation consequent upon change of name dated April 24, 2006 along with the latest Memorandum of Association and Articles of Association of the Transferee Company;
- m) Certificate dated May 30, 2017 issued by S.R. Batliboi & Associates LLP, the statutory auditors of the Transferor Company on the accounting treatment as per the Scheme being in conformity with the accounting standards prescribed under Section 133 of the Act;
- n) Certificate dated May 31, 2017 issued by S.R. Batliboi & Associates LLP, the statutory auditors of the Transferee Company on the accounting treatment as per the Scheme being in conformity with the accounting standards prescribed under Section 133 of the Act;
- o) Copies of the Annual Reports of each of the Transferor Company and the Transferee Company for the last three financial years ended March 31, 2017, March 31, 2016 and March 31, 2015;
- p) Copies of the Audited Financial Statements as on March 31, 2017 of each of the Transferor Company and the Transferee Company;
- q) Copy of the Supplemental Audited Financials as on June 30, 2017 of the Transferee Company;
- r) Copies of the resolutions dated March 7, 2017 and March 4, 2017 passed by the Board of Directors of the Transferor Company and the Transferee Company, respectively, *inter alia* approving the Scheme;
- s) Report dated March 3, 2017 from the Audit Committee of the Transferee Company recommending the draft Scheme;
- t) Report adopted by the Board of Directors of each of the Transferor Company and the Transferee Company

pursuant to Section 232(2)(c) of the Act;

- u) Other documents displayed on the Stock Exchange and the Transferee Company's website, in terms of the Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015 and Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 issued by SEBI;
- v) Copies of the separate letters issued by the Department of Telecommunications, Ministry of Communication, Government of India, both dated July 5, 2017, to each the Transferor Company and the Transferee Company;
- w) Copies of the separate corrigendum letters issued by the Department of Telecommunications, Ministry of Communication, Government of India, both dated July 20, 2017, to each the Transferor Company and the Transferee Company;
- x) Copy of the Implementation Agreement dated February 23, 2017 executed between Telenor South Asia Investment Pte. Limited, the Transferor Company and the Transferee Company; and
- y) Copy of the record of proceedings in the above Company Application i.e. CA (CAA)-81(PB)/2017.

Dated this 11th day of August, 2017.

For Bharti Airtel Limited

Sd/-

Gopal Vittal

Managing Director and CEO

(India & South Asia) (Authorized Signatory)

Registered Office: Bharti Crescent, 1 Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070, India.

CIN: L74899DL1995PLC070609

Email: compliance.officer@bharti.in

SCHEME OF AMALGAMATION
BETWEEN
TELENOR (INDIA) COMMUNICATIONS PRIVATE LIMITED
(TRANSFEROR COMPANY)
AND
BHARTI AIRTEL LIMITED
(TRANSFeree COMPANY)
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
(UNDER SECTIONS 230 TO 232 OF THE COMPANIES ACT, 2013)

Telenor (India) Communications Private Limited

Authorized Signatory

For BHARTI AIRTEL LIMITED

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PREAMBLE


(A) BACKGROUND AND DESCRIPTION OF THE COMPANIES WHO ARE PARTIES TO THIS SCHEME

1. This Scheme is presented pursuant to the provisions of Sections 230 to 232 and other relevant provisions of the Companies Act, 2013, as may be applicable, and also read with Section 2(1B) and other relevant provisions of the IT Act, as applicable, for the amalgamation of the Transferor Company into the Transferee Company, on a going concern basis. Additionally, this Scheme also provides for various other matters consequential or otherwise integrally connected herewith.
2. **Telenor (India) Communications Private Limited**, the Transferor Company, is a private limited company incorporated on February 24, 2012 under the provisions of the Companies Act, 1956, having Corporate Identification Number (CIN) as U64200DL2012PTC231991 and having its registered office situated at DBS Business Center, First Floor, World Trade Tower, Barakhamba Lane, Connaught Place, New Delhi -110001.
3. 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).
4. **Bharti Airtel Limited**, the Transferee Company, is a public limited company incorporated on July 7, 1995 under the provisions of the Companies Act, 1956, having Corporate Identification Number (CIN) as L74899DL1995PLC070609 and having its registered office situated at Bharti Crescent 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110070. The equity shares of the Transferee Company are listed on the Stock Exchanges.
5. The Transferee Company is engaged in the business of providing global telecommunications with operations in 17 (seventeen) countries across Asia and Africa. In India, the Transferee Company's product offerings include 2G, 3G and 4G wireless services, mobile commerce, fixed line services, high speed home broadband, DTH, enterprise services including national & international long distance services to carriers. In the rest of the geographies, it offers 2G, 3G wireless services and mobile commerce.

(B) PURPOSE AND RATIONALE OF THIS SCHEME


1. The rationale for the amalgamation of the Transferor Company into the Transferee Company is, *inter alia*, as follows:
 - (i) consolidate the telecom business of the Transferor Company with the Transferee Company;
 - (ii) further expansion of the Transferee Company's business into the growing markets of India;
 - (iii) availability of increased resources and assets for the Transferee Company which can be utilized for strengthening customer base and servicing existing as well as new customers innovatively and efficiently;
 - (iv) building a strong infrastructural capability to effectively meet future challenges in the ever-evolving telecom business and a strategic fit for serving existing market; and

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(v) leading to increased competitive strength and efficiencies for the Transferee Company.

(C) **PARTS OF THIS SCHEME**


This Scheme is divided into the following parts:

- PART A - Definitions and Share Capital;
- PART B - Amalgamation of the Transferor Company into the Transferee Company; and
- PART C - General Terms and Conditions.

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PART A


1. **DEFINITIONS**

In this Scheme, unless repugnant to the subject or meaning or context thereof, the following expressions shall have the meaning attributed to them as below:

- 1.1 **"Accounting Standards"** means the Indian Accounting Standard as notified under Section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by the Ministry of Corporate Affairs and the other accounting principles generally accepted in India;
- 1.2 **"Act"** means the Companies Act, 1956 and/or the Companies Act, 2013 (as the case may be and to the extent applicable);
- 1.3 **"Applicable Law(s)"** means (a) all applicable statutes, enactments, acts of legislature or parliament, laws, ordinances, rules, bye-laws, regulations, listing agreements, notifications, guidelines or policies of any applicable country and/or jurisdiction, (b) administrative interpretation, writ, injunction, directions, directives, judgment, arbitral award, decree, orders or approvals of, or agreements with, any governmental authority or recognized stock exchange, and (c) international treaties, conventions and protocols, as may be in force from time to time;
- 1.4 **"Appointed Date"** means the Effective Date;
- 1.5 **"Asset(s)"** mean assets or properties of every kind, nature, character and description, whether immovable, movable, tangible, intangible, whether owned or leased or otherwise acquired by or in the possession of the Transferor Company;
- 1.6 **"Board"** means the respective board of directors of the Companies and shall, unless repugnant to the context, include a committee of directors or any person authorized by the Board of Directors or such committee of directors;
- 1.7 **"Business Day"** means a day on which scheduled commercial banks are open for business in Delhi, Mumbai, Singapore and Oslo;
- 1.8 **"Companies"** means the Transferor Company and the Transferee Company;
- 1.9 **"DoT"** means the Department of Telecommunications, Ministry of Communications and Information Technology, Government of India;
- 1.10 **"DoT Merger Guidelines"** means Guidelines for Transfer / Merger of various categories of Telecommunication service licenses / authorisation under Unified License on compromises, arrangements and amalgamation of companies issued by the DoT on February 20, 2014;
- 1.11 **"Effective Date"** means the date that occurs upon the expiry of 5 (five) Business Days from the later of: (a) the date on which the certified copy of the NCLT's order sanctioning this Scheme is filed by the Companies with the concerned Registrar of Companies; or (b) the fulfillment of the last of the conditions precedent as set out in the Implementation Agreement and delivery of the CP Completion Notice, as stated thereunder;


Any references in this Scheme to "upon this Scheme becoming effective" or "effectiveness

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of this Scheme” shall be a reference to the Effective Date;

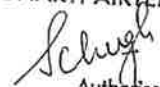
- 1.12 “NCLT” means the National Company Law Tribunal at New Delhi and shall include, if applicable, such other forum or authority as may be vested with the powers of a NCLT under the Act;
- 1.13 “Implementation Agreement” means the agreement dated February 23, 2017 entered into between the Transferor Company, the Transferee Company and Telenor South Asia Investment Pte. Limited;
- 1.14 “Intellectual Property” means all intellectual properties including trademarks, service marks, logos, trade names, domain names, database rights, design rights, rights in know-how, trade secrets, copyrights, moral rights, confidential processes, patents, inventions and any other intellectual property or proprietary rights (including rights in computer software) pertaining to the Transferor Company, in each case whether registered or unregistered and including applications for the registration or grant of any such rights and any and all forms of protection having equivalent or similar effect anywhere in the world;
- 1.15 “IT Act” means the Income-tax Act, 1961 and shall include any statutory modifications, re-enactments or amendments thereof for the time being in force;
- 1.16 “Liability(ies)” means liabilities of every kind, nature and description, whether present or future, whether or not required to be reflected on a balance sheet in accordance with the Accounting Standards and includes contingent liabilities, secured loans, unsecured loans, borrowings, statutory liabilities (including those under taxation laws and stamp duty laws), contractual liabilities, duties, obligations, guarantees and those arising out of proceedings of any nature;
- 1.17 “Listing Regulations” means the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, and shall include any statutory modification, amendment, and re-enactment thereof for the time being in force or any act, regulations, rules and the like, that may replace the Listing Regulations;
- 1.18 “RBI” means the Reserve Bank of India;
- 1.19 “Relevant SEBI Circular” mean the SEBI Circular on ‘Scheme of Arrangement’ by Listed Companies and relaxation under sub-rule (7) of Rule 19 of the Securities Contracts Regulation Rules, 1957 dated November 30, 2015, including any amendments or modifications thereto;
- 1.20 “Rs.” means rupees being the lawful currency of the Republic of India;
- 1.21 “Scheme” means this scheme of amalgamation in its present form, or with any modification(s), as may be approved or directed by the NCLT;
- 1.22 “SEBI” means the Securities and Exchange Board of India;
- 1.23 “Stock Exchanges” means the National Stock Exchange of India Limited and the BSE Limited;
- 1.24 “Telenor Singapore” means Telenor South Asia Investment Pte. Limited, a private company incorporated under the laws of Singapore and with its registered office located at 101 Thomson Road, #14-01 United Square, Singapore 307591, shareholder of the Transferor Company;

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- 1.25 “**Transferee Company**” means Bharti Airtel Limited, a public limited company incorporated on July 7, 1995 under the provisions of the Companies Act, 1956, having Corporate Identification Number as L74899DL1995PLC070609 and having its registered office situated at Bharti Crescent 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110070. The equity shares of the Transferee Company are listed on the Stock Exchanges;
- 1.26 “**Transferee Merger Shares**” means 5 (five) fully paid-up equity shares of face value Rs. 5/- (rupees five only) of the Transferee Company to be issued to Telenor Singapore, in accordance with this Scheme; and
- 1.27 “**Transferor Company**” means Telenor (India) Communications Private Limited, a private limited company incorporated on February 24, 2012 under the provisions of the Companies Act, 1956, having Corporate Identification Number (CIN) as U64200DL2012PTC231991 and having its registered office situated at DBS Business Centre, First Floor, World Trade Tower, Barakhamba Lane, Connaught Place, New Delhi- 110001.

The expressions, which are used but are not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the rules, regulations made thereunder), the Depositories Act, 1996, the IT Act and other Applicable Laws.

2. COMPLIANCE WITH TAX LAWS

- 2.1 This Scheme complies with the conditions relating to “amalgamation” as defined under Section 2(1B) and other relevant sections and provisions of the IT Act and are intended to apply accordingly. If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any of the said provisions (including the conditions set out therein) at a later date whether as a result of a new enactment or any amendment or coming into force of any provision of the IT Act or any other law or any judicial or executive interpretation or for any other reason whatsoever, this Scheme may be modified to the extent required with the consent of each of the Companies (acting through their respective Board) to ensure compliance of this Scheme with such provisions.

3. CAPITAL STRUCTURE

3.1 Transferor Company

- 3.1.1 The authorized, issued, subscribed and paid-up share capital of the Transferor Company as on March 2, 2017 is as under:

Authorized Share Capital	Amount in Rs.
2,00,30,00,000 equity shares of Rs. 10/- each	20,03,00,00,000
Total	20,03,00,00,000
Issued, Subscribed and paid up Share Capital	Amount in Rs.
1,92,30,76,923 equity shares of Rs. 10/- each	19,23,07,69,230
Total	19,23,07,69,230

3.2 Transferee Company

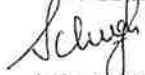
- 3.2.1 The authorized, issued, subscribed and paid-up share capital of the Transferee Company, as on March 2, 2017 is as under:

Telenor (India) Communications Private Limited


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Authorized Share Capital	Amount in Rs.
5,00,00,00,000 equity shares of Rs.5/- each	25,00,00,00,000
Total	25,00,00,00,000
Issued, Subscribed and paid up Share Capital	Amount in Rs.
3,99,74,00,102 equity shares of Rs. 5/- each	19,98,70,00,510
Total	19,98,70,00,510

3.2.2 The Transferor Company may in accordance with the provisions of the Implementation Agreement and Clause 8 of Part C of this Scheme, make further issuances of equity shares including without limitation, for the purposes of conversion of the Transferor Company's external commercial borrowings into equity and/ or repayment of the Transferor Company's debt or for efficient functioning of the Transferor Company's business and consequently, the Transferor Company may increase its authorized equity share capital to enable the issuance of further equity shares for the aforesaid purposes.

3.3 Reclassification/ Reorganization of the Share Capital of the Transferor Company

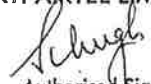
3.3.1 Upon this Scheme becoming effective, in part or in whole, the resultant authorized, issued, subscribed and paid up share capital of the Transferor Company shall be reclassified/ reorganized such that each equity share of Rs. 10/- each of the Transferor Company is reclassified/ reorganized as two equity shares of Rs. 5/- each.

3.3.2 It is clarified that the approval of the shareholders of the Transferor Company to this Scheme shall be deemed to be their consent/ approval to the reclassification of the authorized share capital envisaged under Clause 3.3.1 above as required under Sections 13, 61 and other applicable provisions of the Companies Act, 2013.

Telenor (India) Communications Private Limited


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PART B

AMALGAMATION OF THE TRANSFEROR COMPANY INTO THE TRANSFEEE COMPANY

1. Transfer and vesting of the Transferor Company

1.1 Upon this Scheme becoming effective and with effect from the Appointed Date, the Transferor Company shall stand amalgamated and all its Assets, Liabilities, interests and obligations, as applicable, be transferred and vested in the Transferee Company on a going concern basis without any requirement of a further act or deed so as to become as and from the Appointed Date, the Assets, Liabilities, interests and obligations, as applicable, of the Transferee Company.

2. Transfer of Assets

2.1 Upon this Scheme becoming effective and with effect from the Appointed Date, all Assets of the Transferor Company, as are movable in nature or are incorporeal property or are otherwise capable of transfer by manual delivery or by endorsement and delivery shall stand transferred to and vested in the Transferee Company and shall become the property and an integral part of the Transferee Company (to the extent permissible under Applicable Law). The vesting pursuant to this Clause 2.1 shall be deemed to have occurred by manual delivery or endorsement and delivery, as appropriate to the property being vested and title to the property shall be deemed to have been transferred accordingly.

2.2 Upon this Scheme becoming effective and with effect from the Appointed Date, all movable Assets of the Transferor Company, other than those specified in Clause 2.1 above, including cash and cash equivalents, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with government, semi-government, local and other authorities and bodies, customers and other persons shall without any requirement of a further act, instrument or deed become the property of the Transferee Company.

2.3 Upon this Scheme becoming effective and with effect from the Appointed Date, any and all immovable properties (including land together with the buildings and structures standing thereon) of the Transferor Company, whether freehold or leasehold and any documents of title, rights and easements in relation thereto shall stand transferred to and be vested in the Transferee Company, subject to Applicable Law, without any act or deed required by the Transferor Company and the Transferee Company. Upon this Scheme becoming effective and with effect from the Appointed Date, the Transferee Company shall be entitled to exercise all rights and privileges and be liable to pay ground rent, municipal taxes and fulfil all obligations, in relation to or applicable to such immovable properties (if any). The mutation of title to the immovable properties in the name of the Transferee Company (if any) shall be made and duly recorded by the appropriate authorities pursuant to the sanction of this Scheme becoming effective in accordance with the terms hereof without any requirement of a further act or deed on part of the Transferee Company.

2.4 Without prejudice to the generality of the clauses mentioned above, the assets of the Transferor Company shall also include all permits, licenses including Unified Access Service License ("UASL") and Unified License issued by the DoT, authorization, spectrum, and any other licenses, approvals, clearances, authorities, quotas, allocations granted to the Transferor Company, all municipal approvals, permission for establishing cellular towers (including cell site licenses) or receiving stations or any broadband and/ or approvals for bandwidth,

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authorizations, statutory rights, permissions, registrations, certificates, consents, authorities (including for the operation of bank accounts), powers of attorneys (given by, issued to or executed in favour of the Transferor Company), the concerned licensor and grantors of such approvals, clearances, permissions, approvals, arrangements, authorizations, benefits, concessions, rights and benefits of all contracts, agreements, allotments, consents, quotas, rights, easements, engagements, exemptions, entitlements, advantages of whatever nature and howsoever named, properties, movable, in possession or reversion, present or contingent of whatsoever nature and where-so-ever situated, liberties, ownerships rights and benefits, earnest moneys payable pertaining to the assets mentioned in the aforesaid clauses, if any, all other rights and benefits, licenses, powers, privileges and facilities of every kind, nature and description whatsoever; right to use and avail of telephones, telexes, facsimile, connections, installations and other communication facilities and equipment, titles, all other utilities, benefits of all agreements, contracts, government contracts, memoranda of understanding, project service agreement, prequalification, applications, bids, tenders, letters of intent, concessions, non-possessory contractual rights or any other contracts, development rights, allocated deferred tax and all other interest in connection with or relation to the Transferor Company on the Appointed Date ("Licenses") shall stand transferred to the Transferee Company in accordance with the DoT Merger Guidelines. A list of the existing licenses in favour of the Transferor Company are provided in **Annexure – A**.

- 2.5 Upon this Scheme becoming effective and with effect from the Appointed Date, all Intellectual Property of the Transferor Company shall without any requirement of any further act or deed stand transferred and vested in the Transferee Company. This Scheme shall serve as a requisite consent for use and transfer of Intellectual Property without requiring the execution of any further deed or document so as to transfer of the said Intellectual Property in favour of the Transferee Company.
- 2.6 Upon this Scheme becoming effective and with effect from the Appointed Date, the Transferor Company agrees to execute and deliver at the request of the Transferee Company, all papers and instruments required in respect of all Intellectual Property, to vest such rights, title and interest in the name of the Transferee Company and in order to update the records of the respective registries to reflect the name and address of the Transferee Company as the current owner of the Intellectual Property.
- 2.7 Upon this Scheme becoming effective and with effect from the Appointed Date, in relation to Assets (if any) belonging to the Transferor Company which require separate documents for vesting in the Transferee Company, the Transferor Company and the Transferee Company will execute such deeds, documents or such other instruments, if any, as may be mutually agreed.
- 2.8 Upon this Scheme becoming effective, the past track record of the Transferor Company including without limitation, the profitability, experience, credentials and market share, shall be deemed to be the track record of the Transferee Company for all commercial and regulatory purposes including for the purposes of eligibility, standing, evaluation and participation of the Transferee Company in all existing and future bids, tenders and contracts of all authorities, agencies and clients.
- 2.9 In relation to certain trademarks identified under the Implementation Agreement, the Transferee Company has agreed to transfer the same to Telenor ASA, in the manner agreed in the Implementation Agreement. Further, certain trademarks also identified under the Implementation Agreement will be licensed by Telenor ASA to the Transferee Company.

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3. Transfer of Liabilities

- 3.1 Upon this Scheme becoming effective and with effect from the Appointed Date, all Liabilities of the Transferor Company, shall, without any requirement of a further act or deed, be transferred to, or be deemed to be transferred to the Transferee Company so as to become from the Appointed Date, the Liabilities of the Transferee Company and the Transferee Company undertakes to meet, discharge and satisfy the same.
- 3.2 It is hereby clarified that, unless expressly provided for, it shall not be necessary to obtain the consent of any third party or other person who is a party to any contract or arrangement by virtue of which such debts and Liabilities, have arisen, in order to give effect to the provisions of Clause 3.
- 3.3 Upon this Scheme becoming effective and with effect from the Appointed Date, all loans raised and used, if any, and Liabilities incurred, if any, by the Transferor Company after the Appointed Date shall be deemed to be transferred to, and discharged by the Transferee Company without any requirement of a further act or deed.
- 3.4 The vesting of the Transferor Company as aforesaid, shall be subject to the existing securities, charges, hypothecation and mortgages, if any, subsisting in relation to any loans or borrowings of the Transferor Company, provided however, any reference in any security documents or arrangements to which the Transferor Company is a party, wherein the Assets of the Transferor Company have been or are offered or agreed to be offered as securities for any financial assistance or obligations, shall be construed as a reference to only the Assets pertaining to the Transferor Company as are vested in the Transferee Company as per this Scheme, to the end and intent that any such security, charge, hypothecation and mortgage shall not extend or be deemed to extend to any of the other Assets of the Transferor Company or any of the Assets of the Transferee Company. Provided further that the securities, charges, hypothecation and mortgages (if any subsisting) over and in respect of the Assets or any part thereof of the Transferee Company shall continue with respect to such Assets or part thereof and this Scheme shall not operate to enlarge such securities, charges, hypothecation and mortgages.
- 3.5 The provisions of Clause 3 above shall operate notwithstanding anything to the contrary contained in any deed or writing or the terms of sanction or issue or any security document, all of which instruments shall stand modified and/or superseded by the foregoing provisions. For avoidance of doubt the provisions of Clause 3 above shall not be construed as limiting the operation of Part C of this Scheme.

4. Contracts, Deeds, Bonds and Other Instruments

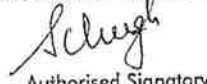
- 4.1 Upon this Scheme becoming effective and with effect from the Appointed Date and subject to the provisions of this Scheme, all contracts, deeds, bonds, lease deeds, agreements entered into with various persons, arrangements and other instruments of whatsoever nature in relation to the Transferor Company and to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible, and which are subsisting or have effect as on the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party or beneficiary or obligee thereto or thereunder, in all cases subject to the terms and provisions of such contracts, deeds, bonds, lease deeds, agreements, arrangements or instruments.
- 4.2 Without prejudice to the other provisions of this Scheme and notwithstanding that the vesting of the Transferor Company with the Transferee Company occurs by virtue of this Scheme

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itself, the Transferee Company may, at any time after the coming into effect of this Scheme in accordance with the provisions hereof, if so required, under any law or otherwise, execute deeds, confirmations or other writings or arrangements with any party to any contract or arrangement to which the Transferor Company is a party or any writings as may be necessary to be executed merely in order to give formal effect to the above provisions. The Transferee Company shall, under the provisions of this Scheme, be deemed to be authorized to execute any such writings on behalf of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of the Transferor Company to be carried out or performed.

- 4.3 Without prejudice to the generality of the foregoing, it is clarified that upon this Scheme becoming effective and with effect from the Appointed Date, all consents, agreements, permissions, all statutory or regulatory licences, certificates, insurance covers, clearances, authorities, powers of attorney given by, issued to or executed in favour of the Transferor Company shall stand transferred to the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company, and the Transferee Company shall be bound by the terms thereof, the obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company. In so far as the various incentives, subsidies, schemes, special status and other benefits or privileges enjoyed, granted by any governmental body, local authority, or by any other person, or availed by the Transferor Company are concerned, the same shall vest with and be available to the Transferee Company on the same terms and conditions as applicable to the Transferor Company, as if the same had been allotted and/or granted and/or sanctioned and/or allowed to the Transferee Company.

5. Employees

- 5.1 Upon this Scheme becoming effective, all employees of the Transferor Company as on the Effective Date shall be deemed to have become employees of the Transferee Company, without any interruption of service and on the basis of continuity of service and terms and conditions no less favourable than those applicable to them with reference to the Transferor Company, on the Effective Date. The services of such employees with the Transferor Company up to the Effective Date shall be taken into account for the purposes of all benefits to which the employees may be eligible under Applicable Law.
- 5.2 Upon this Scheme becoming effective, all contributions to funds and schemes in respect of provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme or any other special schemes or benefits created or existing for the benefit of such employees of the Transferor Company shall be made by the Transferee Company in accordance with the provisions of such schemes or funds and Applicable Law.
- 5.3 Subject to Applicable Law, the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, the staff welfare scheme and any other schemes or benefits created by the Transferor Company for the employees shall be continued on the same terms and conditions and be transferred to the existing provident fund, employee state insurance contribution, gratuity fund, superannuation fund, staff welfare scheme, etc., being maintained by the Transferee Company without any separate act or deed/approval.

6. Continuation of Legal Proceedings

- 6.1 From the Effective Date, all legal or other proceedings (including before any statutory or quasi-judicial authority or tribunal) by or against the Transferor Company, whether pending on the Appointed Date, or which may be instituted any time in the future (irrespective of whether they relate to periods on or prior to the Appointed Date) and in each case relating to the Transferor Company ("Proceedings") shall be continued and enforced by or against the

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Transferee Company after the Effective Date, to the extent legally permissible.

- 6.2 If any Proceeding(s) is/are pending, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of this Scheme and the proceedings may be continued, prosecuted and enforced, by or against the Transferee Company in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against the Transferor Company, as if this Scheme had not been made.
- 6.3 Nothing contained in this Scheme shall be construed as prejudicing any rights granted to any shareholder of the Transferor Company to defend and control proceedings in relation to any claims in accordance with the provisions of the Implementation Agreement.

7. Treatment of Taxes

- 7.1 Upon this Scheme becoming effective and with effect from the Appointed Date, all taxes and duties payable by the Transferor Company (including under the IT Act, Customs Act, 1962, Central Excise Act, 1944, State Sales Tax laws), Central Sales Tax Act, 1956, VAT/ Service tax and all other Applicable Laws), accruing and relating to the Transferor Company from the Appointed Date onwards, including but not limited to advance tax payments, tax deducted at source, minimum alternate tax, any refund and claims shall, for all purposes, be treated as advance tax payments, tax deducted at source or refunds and claims, as the case may be, of the Transferee Company.
- 7.2 Upon this Scheme becoming effective, all unutilized credits and exemptions, benefit of carried forward losses and other statutory benefits, including in respect of income tax (including but not limited to tax deducted at source, tax collected at source, advance tax, minimum alternate tax credit etc.), cenvat, customs, value added tax, sales tax, service tax etc. to which the Transferor Company is entitled to shall be available to and vest in the Transferee Company, without any requirement of a further act or deed.
- 7.3 Upon this Scheme becoming effective, Transferor Company and the Transferee Company are permitted to revise and file their respective income tax returns, withholding tax returns, including tax deducted at source certificates, sales tax/value added tax returns, service tax returns and other tax returns for the period commencing on and from the Appointed Date, and to claim refunds/credits, pursuant to the provisions of this Scheme.
- 7.4 Upon this Scheme becoming effective, any tax deposited, certificates issued or returns filed by the Transferor Company relating to the Transferor Company shall continue to hold good as if such amounts were deposited, certificates were issued and returns were filed by the Transferee Company.
- 7.5 All the expenses incurred by the Transferor Company and the Transferee Company in relation to the amalgamation of the Transferor Company with the Transferee Company as per this Scheme, including stamp duty expenses, if any, shall be allowed as deduction to the Transferee Company in accordance with Section 35DD of the IT Act over a period of 5 years beginning with the previous year in which this Scheme becomes effective.
- 7.6 Any refund under the tax laws due to the Transferor Company pertaining to the Transferor Company consequent to the assessments made on the Transferor Company and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall belong to and be received by the Transferee Company. The relevant authorities shall be bound to transfer to the account of and give credit for the same to the Transferee Company upon the passing of the orders on this Scheme by the NCLT and upon relevant proof and documents being provided to the said authorities.

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7.7 The Transferor Company may be entitled to various incentive schemes and pursuant to this Scheme, it is declared that the benefits under all such schemes and policies pertaining to the Transferor Company shall stand transferred to and vested in the Transferee Company and all benefits, entitlements and incentives of any nature whatsoever including benefits under the income tax, excise, sales tax, service tax, exemptions, concessions, remissions, subsidies and other incentives in relation to the consumer products business, to the extent statutorily available, shall be claimed by the Transferee Company.

8. Saving of concluded transactions

8.1 The transfer of Assets and Liabilities to, and the continuance of proceedings by or against, the Transferee Company as envisaged in this Scheme shall not affect any transaction or proceedings already concluded by the Transferor Company on or before the Appointed Date to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of itself.

9. Conduct of Business

9.1 Subject to the effectiveness of this Scheme, with effect from the date of approval of this Scheme by the Board of the Transferor Company and the Transferee Company, and up to and including the Effective Date, the Transferor Company shall carry on the business with reasonable diligence and business prudence and in the same manner as it had been doing hitherto.

9.2 The Transferee Company shall also be entitled, pending the sanction of this Scheme, to apply to the central government, state government, and all other agencies, departments and statutory authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Transferee Company may require including the registration, approvals, exemptions, reliefs, etc., as may be required/granted under any law for time being in force for carrying on business.

10. Issue of shares

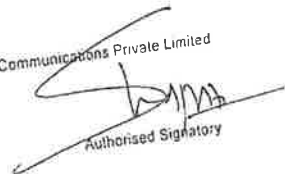
10.1 Upon this Scheme becoming effective, the Transferee Company shall, without requirement of any further act or deed, issue and allot the Transferee Merger Shares to Telenor Singapore and shall take all such steps as required for the purposes of listing and receiving the final trading approval for the Transferee Merger Shares, within a reasonable period of time. The Transferee Merger Shares shall be issued by the Transferee Company, free from all liens, charges, equitable interests, encumbrances and other third party rights of any nature whatsoever.

10.2 The Transferee Merger Shares shall be subject to the memorandum and articles of association of the Transferee Company and shall rank *pari passu* in all respects, including dividend, with the existing shares of the Transferee Company.

10.3 The issue and allotment of the Transferee Merger Shares by the Transferee Company to Telenor Singapore as provided in this Scheme is an integral part thereof and shall be deemed to have been carried out as if the procedure laid down under Section 62 read with Section 42 of the Companies Act, 2013 and any other applicable provisions of the Act were duly complied with.

10.4 Approval of this Scheme by the shareholders of the Transferee Company shall be deemed to mean that the shareholders have also accorded all relevant consents under the Act for the issue and allotment of Transferee Merger Shares by the Transferee Company to Telenor

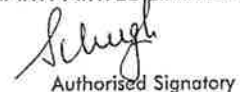
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Singapore.

- 10.5 The Board of the Transferee Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of Telenor Singapore as a shareholder in the Transferee Company on account of the difficulties if any in the transition period.

11. Combination of the Authorized Share Capital

- 11.1 Upon this Scheme becoming effective and pursuant to the reclassification/ reorganization of the resultant authorized share capital of the Transferor Company as per Clause 3.3 of Part A of this Scheme, the resultant authorized share capital of the Transferor Company, shall be deemed to be added to the authorized share capital of the Transferee Company without any requirement of a further act or deed on the part of the Transferee Company including payment of stamp duty and fees payable to the relevant Registrar of Companies, and the memorandum of association and articles of association of the Transferee Company (relating to the authorized share capital) shall, without any requirement of a further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders to this Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under Sections 4, 13, 14 and 61 and all other applicable provisions of the Companies Act, 2013 Act, if any, would be required to be separately passed, as the case may be, and for this purpose, the stamp duties and fees paid on the resultant authorized capital of the Transferor Company shall be utilized and applied to the increased authorized share capital of the Transferee Company and there would be no requirement of any further payment of stamp duty and/or fee by the Transferee Company for increase in the authorized share capital to that extent.
- 11.2 Clause V of the memorandum of association of the Transferee Company shall stand amended to give effect to the relevant provisions of this Scheme.
- 11.3 It is clarified that the approval of the shareholders of the Transferee Company to this Scheme shall be deemed to be their consent/ approval also to the alteration of the memorandum of association and articles of association of the Transferee Company as required under Sections 13, 14, 61, 64 and other applicable provisions of the Companies Act, 2013.

12 Accounting treatment in the books of the Transferee Company

- 12.1 The Amalgamation will be accounted in accordance with applicable Indian Accounting Standard as notified under Section 133 of the Companies Act, 2013, read together with Paragraph 3 of The Companies (Indian Accounting Standard) Rules, 2015 and the other accounting principles generally accepted in India.

13 Dissolution of the Transferor Company

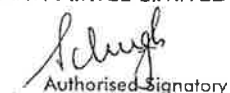
- 13.1 Upon this Scheme becoming effective, the Transferor Company shall, without any requirement of a further act or deed, stand dissolved without being wound up without any requirement for any further act by the parties, in accordance with the Act. The name of the Transferor Company shall be struck off the concerned Registrar of Companies. The Transferee Company shall make necessary filings in this regard.

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PART C

GENERAL TERMS AND CONDITIONS

1. **Application to the NCLT**
 - 1.1 Each of the Companies shall jointly make the requisite company applications/ petitions under Sections 230 to 233 of the Companies Act, 2013 and other applicable provisions of the Act to the NCLT for seeking sanction of this Scheme.
2. **Modification or Amendment to this Scheme**
 - 2.1 Each of the Companies (acting through their respective Board) may, in their full and absolute discretion, assent to any amendments, alterations or modifications to this Scheme, in part or in whole, which the NCLT and/or any other authorities may deem fit to direct, approve or impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and/or carrying out this Scheme, including any individual part thereof, or if the Board are of the view that the coming into effect of this Scheme, in part or in whole, in terms of the provisions of this Scheme, could have an adverse implication on all or any of the Companies. Each of the Companies (acting through their respective Board) be and are hereby authorized to take such steps and do all acts, deeds and things, as may be necessary, desirable or proper to give effect to this Scheme, in part or in whole and to resolve any doubts, difficulties or questions whether by reason of the order of the NCLT or of any directive or orders of any other authorities or otherwise howsoever arising out of, under or by virtue of this Scheme and/or any matters concerning or connected therewith and may also in their full and absolute discretion, withdraw or abandon this Scheme, or any individual part thereof, at any stage prior to the Effective Date.
 - 2.2 If any part of this Scheme is held invalid, ruled illegal by any court of competent jurisdiction, or becomes unenforceable for any reason, whatsoever, whether under present or future laws, then it is the intention of the Companies that such part shall be severable from the remainder of this Scheme and this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to either of the Companies in which case the Companies shall attempt to bring about a modification in this Scheme, as will best preserve for the Companies the benefits and obligations of this Scheme, including but not limited to such part.
3. **Conditions Precedent**
 - 3.1 The Scheme is conditional on and subject to the satisfaction of the condition precedents as mutually agreed between the Transferee Company and Transferor Company under the Implementation Agreement and delivery of the CP Completion Notice, as stated thereunder.
4. **Revocation, Withdrawal of this Scheme**
 - 4.1 The Transferor Company and / or the Transferee Company acting through their respective board of directors shall each be at liberty to withdraw this Scheme, in the event of termination of the Implementation Agreement.
 - 4.2 In the event of revocation under Clauses 4.1 above, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* to the Companies or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior

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thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the Applicable Laws.

- 4.3 In the event of revocation under Clauses 4.1 above, the Companies shall take all necessary steps to withdraw the Scheme from the NCLT and any other authority and to make all necessary filings/ application as may be required to withdraw the Scheme.

5. Costs, charges, expenses

- 5.1 Each of the Parties shall bear its own costs in relation to the negotiations leading up to the transactions contemplated hereunder and to the preparation, execution and carrying into effect of this Scheme.
- 5.2 Costs and expenses for satisfying the conditions precedents, stamp duty costs, registration charges and statutory amounts shall be borne in the manner agreed in the Implementation Agreement.

6. Dividend/ Distribution of Profits

- 6.1 The Companies shall be entitled to declare and make a distribution/ pay dividends, whether interim or final, and/or issue bonus shares, to their respective members/shareholders prior to the Effective Date in accordance with Applicable Law.

7. Indemnity

- 7.1 The provisions of this Scheme shall not prejudice any indemnity obligations undertaken by any shareholder of the Transferor Company in favour of the Transferee Company. The Transferor and Transferee Company have agreed to indemnify each other for certain events as provided in an Implementation Agreement.

8. Permission to raise capital


- 8.1 Notwithstanding anything contained in this Scheme and subject to Applicable Law and subject to the provisions of the Implementation Agreement, until this Scheme becomes effective, the Transferor Company shall have the right to raise capital for the efficient functioning of the business of the Transferor Company or for any other purpose including for purposes of refinancing, repayment, conversion or prepayment of any loans.

9. Compliance with Applicable Laws

- 9.1 The Companies undertake to comply with all Applicable Laws (including all applicable compliances required by the Securities and Exchange Board of India and the Stock Exchanges and all applicable compliances required under the Foreign Exchange Management Act, 1999 and the rules, regulations and guidelines issued thereunder as may be prescribed by the RBI, from time to time) including making the requisite intimations and disclosures to any statutory or regulatory authority and obtaining the requisite consent, approval or permission of the Competition Commission of India, DoT or any other statutory or regulatory authority, which by law may be required for the implementation of this Scheme or which by law may be required in relation to any matters connected with this Scheme.

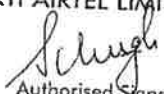
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ANNEXURE – A (Telecom Licenses)

S. No.	Name of License/Service authorization (Type of service)	Service Area	No. and date of license/authorization	Spectrum allotted / using (MHz)	GSM Spots	MWA -1 (MHz)	MWA -2 (MHz)	MWA -3 (MHz)	
1	UL-Access Services Chapter VIII	Andhra Pradesh	20-365/2012 AS-I/Voll.-II dt 27.11.2013	6.4	1720.1 - 1726.5	18085.0 / 19095.0	27.5	21378.0 / 22610.0	28.0
2	UL-Access Services Chapter VIII	Bihar & Jharkand	20-365/2012 AS-I/Voll.-II dt 27.11.2013	7.2	1715.1 - 1722.3	18112.5 / 19122.5	27.5	21266.0 / 22498.0	28.0
3	UL-Access Services Chapter VIII	Maharashtra	20-365/2012 AS-I/Voll.-II dt 27.11.2013	5	1724.1 - 1729.1	18030.0 / 19040.0	27.5	21266.0 / 22498.0	28.0
4	UL-Access Services Chapter VIII	Gujarat	20-365/2012 AS-I/Voll.-II dt 27.11.2013	5	1728.9 - 1733.9	18030.0 / 19040.0	27.5	21266.0 / 22498.0	28.0
5	UL-Access Services Chapter VIII	UP-East	20-365/2012 AS-I/Voll.-II dt 27.11.2013	6.8	1715.1 - 1721.9	18030.0 / 19040.0	27.5	21266.0 / 22498.0	28.0
6	UL-Access Services Chapter VIII	UP-West	20-365/2012 AS-I/Voll.-II dt 27.11.2013	7	1717.3 - 1724.3	18030.0 / 19040.0	27.5	21266.0 / 22498.0	28.0
7	UL-Access Services Chapter VIII	Assam	Additional Auth dt 28.08.2014	6	1715.1 - 1721.1	18030.0 / 19040.0	27.5	14795.0 / 15215.0	28.0
8	UL-NLD Services Chapter X	National	Additional Auth dt 21.08.2014						
9	UL-ILD Services Chapter XI	National	Additional Auth dt 21.08.2014						
10	UL-ISP Category 'A' Chapter IX	National	Additional Auth dt 28.08.2014						

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For BHARTI AIRTEL LIMITED

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Walker Chandiook & Co LLP

STRICTLY PRIVATE & CONFIDENTIAL

To,

The Board of Directors
Bharti Airtel Limited
 Bharti Crescent,
 1, Nelson Mandela Road,
 Vasant Kunj, Phase – II,
 New Delhi, 110070

Walker Chandiook & Co LLP
 (Formerly Walker, Chandiook & Co)
 21st Floor, DLF Square
 Jaccaranda Marg, DLF Phase II
 Gurgaon 122002
 India

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The Board of Directors
Telenor (India) Communications Private Limited
 The Masterpiece,
 Plot No. 10, Golf Course Road,
 Sector 54, DLF Phase 5,
 Gurgaon 122 002, Haryana

Sub: Recommendation of the fair share exchange ratio for the purpose of the Proposed Amalgamation between Telenor (India) Communications Private Limited into Bharti Airtel Limited

Dear Sirs,

We refer to our engagement letter, wherein Management of Bharti Airtel Limited (hereinafter referred to as "BAL") and Management of Telenor (India) Communications Private Limited (hereinafter referred to as "Telenor India" and jointly referred to as the "Companies") has requested Walker Chandiook & Co LLP (hereinafter referred to as "WCC" or the "Valuer") to recommend the fair share exchange ratio for the proposed amalgamation of Telenor India into BAL ("Proposed Amalgamation") to the Board of Directors of the Companies.

SCOPE AND PURPOSE OF THIS REPORT

Telenor (India) Communications Private Limited ("Telenor") is ultimately owned by Telenor ASA, a global telecom company with direct presence in 13 countries. It also has an equity interest of 23.7% in VimpelCom, which operates in 14 countries. Telenor provides mobile services in 6 telecom circles in India, with a subscriber base of over 54.5 MN as of December 2016. In addition, Telenor India has 1800 MHz spectrum in Assam.

BAL is a global telecommunications company with operations in 18 countries across Asia and Africa. Headquartered in New Delhi, India, the company ranks amongst the top 3 mobile service providers globally in terms of subscribers. In India, BAL started operations in July 1995 and the company's product offerings include 2G, 3G and 4G wireless services, mobile commerce, fixed line services, high speed DSL broadband, IPTV, DTH, enterprise services including national & international long distance services to carriers. In the rest of the geographies, it offers 2G, 3G/4G wireless services and mobile commerce. BAL had over 364



Chartered Accountants

Offices in Bangalore, Chandigarh, Chennai, Gurgaon, Hyderabad, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker Chandiook & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

Walker Chandio & Co LLP

million customers across its operations at the end of December 2016. BAL is listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") in India.

We have been informed that the Board of Directors of BAL and Telenor India are considering a proposal for the amalgamation of Telenor India into BAL ("Proposed Amalgamation") as per the draft scheme of Amalgamation under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and corresponding provisions of the Companies Act, 1956 ("Scheme of Amalgamation"). Under the Scheme of Amalgamation, the shareholders of Telenor India will be issued equity shares of BAL pursuant to share exchange ratio being approved.

In this connection, WCC has been requested by the managements of BAL and Telenor India (the "Management") to submit a report recommending a fair share exchange ratio in the event of the Proposed Amalgamation for the consideration of the Boards of BAL and Telenor India.

The scope of our services is to conduct relative valuation for recommending a fair share exchange ratio for the Proposed Amalgamation in accordance with generally accepted professional standards.

This report is our deliverable in respect of our recommendation of fair share exchange ratio for the purpose of the Proposed Amalgamation.

This report is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the report is to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

SOURCES OF INFORMATION

In connection with this exercise, we have used information received from the Management and/or available in the public domain as follows:

- With respect to Telenor India
 - Audited financial statements of Telenor India for the years ended 31 March 2014, 2015 and 2016.
 - Unaudited financial statements of Telenor India for the 9 months ended 31 December 2016.
 - Projected business plan of Telenor India for the period January 2017 to December 2017.
 - Audited financial statements under IFRS of Telenor India for the quarter ended 31 December 2016 of Telenor ASA.
 - Fixed Asset Register as of December 2016 and the updated net book value as of December 2017.
 - Details of Circle wise spectrum holding



Chartered Accountants

With respect to BAL

- Audited financial statements of BAL for the years ended 31 March 2014, 2015 and 2016.
- Share prices and the traded volumes considered from NSE and BSE

Walker Chandniok & Co LLP

- Draft Scheme of Amalgamation
- Details of the working capital (including tower deposits) transferred to BAL as on the expected effective date of transfer, confirmed jointly by BAL and Telenor India
- Details on the liabilities to be transferred to BAL, confirmed jointly by BAL and Telenor India.
- Other relevant information made available to us by the Management of BAL and Telenor India through Virtual Dataroom ("VDR"), emails and discussions

Telenor India and BAL have been provided with the opportunity to review the draft report (excluding the recommended ratios) for this engagement to make sure that factual inaccuracies are avoided in our final report.

SCOPE LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

Provision of valuation opinions and consideration of the issues described herein are areas of our regular corporate advisory practice. The services do not represent accounting, assurance, accounting / tax due diligence, consulting or tax related services that may otherwise be provided by WCC or our affiliates.

This report, its contents and the results herein (i) are specific to the purpose of valuation agreed as per the terms of our engagement; (ii) are specific to the date of this report and (iii) are based on the data detailed in the section – Sources of Information.

A valuation of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular as in effect on, and the information made available to us as of 22 February 2017. Events occurring after this date may affect this report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this report.

The recommendation(s) rendered in this report only represent our recommendation(s) based upon information provided by Telenor India and/or BAL, available in the public domain as well as information sourced from international data bases and the said recommendation(s) shall be considered to be in the nature of non-binding advice (our recommendation will however not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors). We have no obligation to update this report.

In the course of the valuation, we have assumed and relied upon, without independently verifying, (i) the accuracy of the information that was publicly available and formed a substantial basis for this report and (ii) the accuracy of information sourced from data bases. In accordance with our engagement letter and in accordance with the customary approach adopted in valuation exercises, we have not audited, reviewed or otherwise investigated the historical financial information available in the public domain. Accordingly, we do not express an opinion or offer any form of assurance regarding the truth and fairness of the financial position as indicated in the historical financial statements.



Chartered Accountants

The report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations unless otherwise stated, and that the Companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this valuation report has given no consideration to matters of a legal nature, including issues of legal title and compliance with local laws, and litigation and other

Walker Chandiook & Co LLP

contingent liabilities that are not recorded in the audited/unaudited balance sheet of the Companies.

This report does not look into the business / commercial reasons behind the Proposed Amalgamation nor the likely benefits arising out of the same. Similarly, it does not address the relative merits of the Proposed Amalgamation as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available.

No investigation / enquiry of the Companies' claim to title of assets has been made for the purpose of this report and the Companies' claim to such rights has been assumed to be valid. No consideration has been given to liens or encumbrances against the assets, beyond the loans disclosed in the accounts. Therefore, no responsibility is assumed for matters of a legal nature.

The fee for the engagement is not contingent upon the results reported.

We owe responsibility to only the Boards of Directors of Telenor India and BAL under the terms of our engagement, and nobody else. We do not accept any liability to any third party in relation to the issue of this report. It is understood that this analysis does not represent a fairness opinion.

This valuation report is subject to the laws of India. We have not prepared the Report for inclusion in a registration statement under the US Securities Act of 1933 and would not be referred to as an 'expert' in any regulatory filings under the US Securities Act of 1933 or under any of the securities laws/ regulations of any other state or jurisdiction in the United States/ United Kingdom.

Neither the valuation report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the Proposed Amalgamation, without our prior written consent. In addition, this report does not in any manner address the prices at which BAL's shares will trade following the announcement of the Proposed Amalgamation and we express no opinion or recommendation as to how the shareholders of the Companies should vote at any shareholders' meeting(s) to be held in connection with the Proposed Amalgamation.



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SHARE CAPITAL DETAILS OF THE COMPANIES

The following tables set out the shareholding patterns of Telenor India as of 31 December 2016 and BAL as of 31 December 2016 before the Proposed Amalgamation as provided by the Managements of the Companies:

Telenor India

Particulars	Number of equity shares	Percentage holding
Telenor South Asia Investment Pte Ltd., Holding Company	1,923,076,923	100.0%

BAL

Particulars	Number of equity shares	Percentage holding
Promoter Group	2,683,660,555	67.14%
Public Shareholding	1,312,367,926	32.83%
Non Promoter-Non Public	1,371,621	0.03%
Total	3,997,400,102	100.0%

APPROACH - BASIS OF PROPOSED AMALGAMATION

The Scheme of Amalgamation contemplates the Proposed Amalgamation of the Companies under the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and corresponding provisions of the Companies Act, 1956. Arriving at the fair share exchange ratio for the Proposed Amalgamation would require determining the relative values of the concerned shares of the Companies.

Hence we have carried out a relative valuation of the shares of Telenor India and BAL in order to determine the fair share exchange ratio for the Proposed Amalgamation.

There are several commonly used and accepted methods for determining the fair share exchange ratio for the Proposed Amalgamation, which have been considered in the present case, to the extent relevant and applicable, including:

1. Net Asset Value method
2. Market Price method
3. Discounted Cash Flows method

It should be understood that the valuation of any company or its assets is inherently subjective and is subject to certain uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made assumptions with respect to industry performance and general business and economic conditions, many of which are beyond the control of the companies. In addition, this valuation will fluctuate with changes in prevailing market conditions, the conditions and prospects, financial and otherwise, of the companies, and other factors which generally influence the valuation of companies and their assets.



The application of any particular method of valuation depends on the purpose for which the valuation is done. Although different values may exist for different purposes, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of a similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

Adjusted Net Asset Value (ANAV) Method

The value arrived at under this approach is based on the audited / unaudited financial statements of the business and may be defined as Shareholders' Funds or Net Assets owned by the business. The Adjusted Net Asset Value of the business is arrived at after making adjustments for the fair value of Assets (including investments) and Liabilities. The Net Asset Value is generally used as the minimum break-up value for any business since this methodology ignores the future return the assets can produce and is calculated using historical accounting data that does not reflect how much the business is worth to someone who may buy or invest in the business as a going concern. Hence, we have not considered ANAV for the valuation of BAL.

However, in case of Telenor India, we understand that the company was incurring significant losses that have eroded its net worth. Further, the statutory auditors of Telenor India have provided a qualified opinion on the financial statements as of 31 March 2016 and have concluded that there is an existence of material uncertainty for the company to continue as a going concern in the absence of the funding commitments. Therefore, given that the going concern for Telenor India is in doubt and the cash flows cannot be estimated, the ANAV methodology has been considered in carrying out the valuation of the Telenor India as on the expected effective date.

Under the ANAV method, we have considered the fair values of the assets (Tangible and Intangible) and liabilities taken over by BAL from Telenor India under the Proposed Amalgamation. The assets mainly comprise of the spectrum, subscriber base, equipment and tax losses. The key assets such as spectrum and equipment have been valued on a replacement cost basis based on publicly available information including spectrum auction pricing benchmarks etc. and representation provided by the Management. Further, the value realizable by Telenor India for these assets on its own has also been considered while arriving at the concluded values for the assets. We understand from the managements of BAL and Telenor India that the liabilities are expected to be transferred, if the Scheme of Amalgamation is approved, as of 31 December 2017, being the expected effective date of transfer as per the Scheme of Amalgamation. Hence the value of the assets has also been considered as of the expected effective date of transfer.

Market Price Method

The market price of an equity share as quoted on a stock exchange is normally considered as the value of the equity shares of that company where such quotations are arising from the shares being regularly and freely traded in, subject to the element of speculative support that may be inbuilt in the value of the shares. But there could be situations where the value of the share as quoted on the stock market would not be regarded as a proper index of the fair value of the share especially where the market values are fluctuating in a volatile capital market. Further, in the case of a merger, where there is a question of evaluating the shares of one company against those of another, the volume of transactions and the number of shares available for trading on the stock exchange over a reasonable period would have to be of a



comparable standard. This method would also cover any other transactions in the shares of the company including primary / preferential issues / open offer in the shares of the company as envisaged in the overall scheme of arrangement and reported to the stock exchanges / available in the public domain.

In the present case, the equity shares of BAL are listed on BSE and NSE and there are regular transactions on the bourses in their equity shares. Accordingly, the share price over reasonable periods for the shares of BAL, as deemed appropriate for the purpose of our valuation analysis, have been considered for determining the value of BAL under the market price methodology.

Discounted Cash Flows (DCF) Method

The DCF method uses the future free cash flows of the firm discounted by the cost of capital to arrive at the present value. In general, the DCF method is a strong and widely accepted valuation tool, as it concentrates on cash generation potential of a business. Given the industry, competitive and pricing scenarios and Telenor India's spectrum position, Telenor India has not been able to provide a business plan beyond 31 December 2017. Therefore, we have not considered this method for determining the swap ratio

BASIS OF FAIR SHARE EXCHANGE RATIO

The fair basis for the Proposed Amalgamation would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. For the purposes of recommending a swap ratio, it is necessary to arrive at a single value for the shares of the concerned companies. It is however important to note that in doing so, we are not attempting to arrive at the absolute equity values of the shares of the companies but at their relative values to facilitate the determination of the swap ratio.

In the ultimate analysis, valuation will have to be arrived at by the exercise of judicious discretion by the Valuer and judgments taking into account all the relevant factors. There will always be several factors, e.g. quality of the management, present and prospective competition, yield on comparable securities and market sentiment, etc. which are not evident from the face of the balance sheets but which will strongly influence the worth of a share. This concept is also recognised in judicial decisions.

The fair share exchange ratio of equity shares of Telenor India and BAL has been arrived at on the basis of a relative valuation of Telenor India and BAL based on the methodologies explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potentials of the businesses of the Companies, having regard to information base, key underlying assumptions and limitations.



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Walker Chandiok & Co LLP

In the light of the above, and on a consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, as per our analysis no material consideration is to be paid to the equity shareholder of Telenor India. However, the Management has represented to us that they would like to issue 5 (Five) equity shares of Airtel of INR 5 each fully paid up, to Telenor South Asia Investment Pte Ltd. for its equity shares held in Telenor India, as a token consideration. Considering that Telenor South Asia Investment Pte Ltd. holds all shares in Telenor India, we believe this is reasonable.

Yours faithfully,

Walker Chandiok & Co LLP

For Walker Chandiok & Co LLP
(Formerly Walker, Chandiok & Co)
Chartered Accountants
Firm Registration No.: 001076N



Rajesh Jain

Rajesh Jain
Partner
Membership No.: 81203

Place: Gurgaon
Dated: 23 February 2017



SEBI Registered Category 1 Merchant Banker
Registration Code: INM000011724

Report Ref No: RCA/FAS/2016-17/0203

February 23, 2017

**The Board of Directors,
Bharti Airtel Limited**
Bharti Crescent 1,
Nelson Mandela Road,
Vasant Kunj, Phase – II,
New Delhi – 110070

Sub: Fairness Opinion on the report of Walker Chandio & Co LLP, Chartered Accountants with respect to the proposed amalgamation of Telenor (India) Communications Private Limited with Bharti Airtel Limited

Dear Sirs,

We refer our engagement letter dated February 10, 2017, wherein Bharti Airtel Limited ("Bharti Airtel") has requested us to provide fairness opinion on the report by Walker Chandio & Co LLP, Chartered Accountants (the "Valuer") dated February 23, 2017, in relation to the proposed amalgamation of Telenor India Communications Private Limited ("Telenor India") with Bharti Airtel ("Amalgamation").

Bharti Airtel and Telenor India are hereinafter jointly referred as the "Companies".

Scope and Purpose of this Report

Bharti Airtel is leading integrated pan-India telecom service provider. The company is engaged in the business of providing global telecommunications with operations in 18 countries across Asia and Africa. In India, the company's product offerings include 2G, 3G and 4G wireless services, mobile commerce, fixed line services, high speed DSL broadband, IPTV, DTH, enterprise services including national & international long distance services to carriers. In the rest of the geographies, it offers 2G, 3G/4G wireless services and mobile commerce.

The company reported consolidated revenues of INR 1,009,373 Mn (as per IGAAP) for the financial year ended March 31, 2016. The shares of Bharti Airtel are listed on the National Stock Exchange and BSE Limited. The issued, subscribed and paid up share capital of the company as on December 31, 2016 is INR 19,987 Mn consisting of 3,997,400,102 equity shares of INR 5 each fully paid up.

Telenor (India) Communications Private Limited ("Telenor India") ultimately owned by Telenor ASA, is a global telecom company with presence in 13 countries. Telenor India provides mobile services in 6 telecom circles in India, with a subscriber base of over 54.5 Mn as on December 31, 2016. The issued, subscribed and paid up share capital of Telenor as on December 31, 2016 is INR 19,231 Mn consisting of 1,923,076,923 equity shares of INR 10 each fully paid up.

Page 1 of 4

Head Office: 912, Venus Atlantis Corporate Park, Anandnagar Main Road, Prahaladnagar, Ahmedabad – 380015 Tel: +91 79 4050 6000
Corporate Office: 21-23, T.V. Industrial Estate, 248-A, S.K. Ahire Marg, Off. Dr. A.B. Road, Worli, Mumbai – 400030 Tel: +91 22 6130 6000





We understand that the Board of Directors of Companies are proposing to amalgamate Telenor India with Bharti Airtel pursuant to a scheme of amalgamation under the provisions of Section 230-232 and other applicable provisions of the Companies Act, 2013 and corresponding provisions of the Companies Act, 1956 (the "Scheme").

In order to comply with the requirements of the regulator, the Companies have appointed a Valuer for the Amalgamation. In this connection, the Management has engaged RBSA Capital Advisors LLP ("RBSA Advisors") to submit a report on the fairness of the report provided by the Valuer with respect to Amalgamation. Our scope of work includes commenting only on the fairness of the recommendation in the report by the Valuer and not on the fairness or economic rationale of the Amalgamation per se.

This report is our deliverable in respect of our fairness opinion on report by Valuer for the amalgamation of Telenor India with Bharti Airtel.

This report is subject to the scope, assumption, exclusion, limitations and disclaimers detailed hereinafter. As such the report is to be read in totality, not in parts and in conjunction with the relevant documents referred to herein. The report has been issued only for the purpose of facilitating the Amalgamation and should not be used for any other purpose.

Sources of Information

For arriving at the fairness opinion set forth below, we have relied upon the following sources of information received from Management and/ or available in public domains as follows:

- a) Valuation Report by Walker Chandiook & Co LLP dated February 23, 2017;
- b) Annual Report of Telenor India for FY 2015-16;
- c) Unaudited accounts of Telenor India for the 9 months period ended December 31, 2016;
- d) Details of circle wise spectrum holding of Telenor India
- e) Draft Scheme of Amalgamation
- f) Other relevant information made available to us by Management of Telenor India through Virtual Data Room, emails and discussions.

In addition to the above, we have also obtained such other information and explanations, which were considered relevant for the purpose of our analysis. Further we have also relied on the representation given to us by the management of the Company.

Exclusions and Limitations

We have not carried out any due diligence or independent verification or validation of such information to establish its accuracy or sufficiency. We have not conducted any independent appraisal of any assets or liabilities of Telenor India / Bharti Airtel.

Our work did not constitute a validation of the financial statements of the Companies, and accordingly, we do not express any opinion on the same. If there were any omissions, inaccuracies or misrepresentations of the information provided by the Management, it may have a material effect on our findings.





No consideration has been given to liens or encumbrances against the assets, beyond the loans and disclosed in the accounts. Therefore no liabilities have been assumed for matters of legal nature.

In rendering our opinion, we have assumed that the scheme will be implemented on the terms described therein, without any waiver or modification of any material terms or conditions, and that in the course of obtaining the necessary regulatory or third party approvals for the Scheme, no delay, limitations, restrictions or condition will be imposed that would have an adverse effect on the Companies.

This opinion is based on business, economic, market and other conditions as they existed as of February 22, 2017. Subsequent events or circumstances that could affect the conclusions set forth in the Opinion include, without limitation, adverse changes in industry performance or market conditions and changes to the business, financial condition and results of operations of the Company. RBSA Advisors is under no obligation to update, revise or reaffirm the Opinion.

RBSA Advisors has relied upon the representations that the information provided by it, or on its behalf, is accurate and complete in all material respects. While all public information (including industry and statistical information) was obtained from sources we believe are reliable, RBSA Advisors makes no representation as to the accuracy or completeness thereof, and we have relied upon such public information without further verification.

The opinion should not be construed, to be investment advice in any manner whatsoever. Furthermore, no opinion, counsel or interpretation is intended in matters that require legal, accounting, tax or other appropriate professional advice. It is assumed that such opinions, counsel or interpretations have been or will be obtained from the appropriate professional sources.

The fee for our services is not contingent upon the results of the proposed Amalgamation. This opinion is subject to laws of India.

Our opinion is not intended to and does not constitute a recommendation to any shareholder as to how such holder should vote or act in connection with Scheme or any matter related thereto.

Valuer's Recommendation

As stated in the valuation report, the Valuer has recommended a token consideration of 5 (Five) equity shares of Bharti Airtel to be issued to Telenor South Asia Investment Pte. Ltd. against its equity shares held in Telenor India.

Our Comment on the Valuer's Report

In the circumstance, having regards to the relevant factors and on the basis of information and explanations provided to us, in our view, the proposed token consideration as recommended by the Valuer, which forms the basis for the proposed Amalgamation, is fair in our opinion.

The aforesaid Amalgamation shall be pursuant to the scheme of amalgamation and shall be subject to receipt of approval from the National Company Law Tribunal, New Delhi and other statutory approvals as may be required. The detailed terms and conditions of the Amalgamation shall be more fully set forth in the draft scheme of amalgamation. We have issued the fairness opinion with the understanding that





scheme of amalgamation shall not be materially altered and the parties hereto agree that the Fairness Opinion would not stand good in case the final scheme of amalgamation alters the transaction.

Yours Truly,
For RBSA Capital Advisors LLP
SEBI Registered Category I Merchant Banker
Registration Code: INM000011724

Rajeev Shah
Managing Director





April 04, 2017

National Stock Exchange of India Limited
Exchange Plaza, C-1 Block G
Bandra Kurla Complex, Bandra (E)
Mumbai – 400051

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400001

Ref.: Bharti Airtel Limited (532454/BHARTIARTL)

Sub: Submission of Complaint Report as per Regulation 37 of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 for the proposed scheme of Merger of Telenor (India) Communications Private Limited with Bharti Airtel Limited

Dear Sir / Madam,

Please refer to our application under aforementioned regulation for the proposed scheme of Merger of Telenor (India) Communications Private Limited with Bharti Airtel Limited submitted on March 08, 2017.

In this regard, we are enclosing herewith the Complaint Report.

This is for your kind perusal.

Thanking you,

Yours faithfully,

For Bharti Airtel Limited

Rohit Krishan Puri
Dy. Company Secretary



Bharti Airtel Limited
(a Bharti Enterprise)

Regd. & Corporate Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070
T.: +91-11-4666 6100, F.: +91-11-4166 6137, Email id: compliance.officer@bharti.in, www.airtel.com
CIN: L74899DL1995PLC070609



Part A

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchanges	Nil
3.	Total Number of complaints/comments received (1+2)	Nil
4.	Number of complaints resolved	N.A.
5.	Number of complaints pending	N.A.

Part B

Sr. No.	Name of complainant	Date of complaint	Status (Resolved / Pending)
----- Not Applicable -----			

For Bharti Airtel Limited

Rohit Krishan Puri
Dy. Company Secretary



Bharti Airtel Limited
(a Bharti Enterprise)
Regd. & Corporate Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070
T.: +91-11-4666 6100, F.: +91-11-4166 6137, Email id: compliance.officer@bharti.in, www.airtel.com
CIN: L74899DL1995PLC070609



DCS/AMAL/ND/R37/800/2017-18

May 31, 2017

The Company Secretary
 Bharti Airtel Limited
 Bharti Crescent, 1,
 Nelson Mandela Road,
 Vasant Kunj, Phase - II,
 New Delhi, Delhi, 110070

Sir,

Sub: Observation letter regarding the Draft Scheme of Amalgamation between Telenor (India) Communications Private Limited and Bharti Airtel Limited and their respective shareholders and creditors.

We are in receipt of Draft Scheme of Amalgamation between Telenor (India) Communications Private Limited and Bharti Airtel Limited and their respective shareholders and creditors filed as required under SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015; SEBI vide its letter dated May 30, 2017, has inter alia given the following comment(s) on the draft scheme of arrangement:

- "Company shall ensure that additional information, if any, submitted by the Company, after filing the Scheme with the Stock Exchange, from the date of receipt of this letter is displayed on the websites of the listed company and the stock exchanges."
- "Company shall duly comply with various provisions of the Circulars."
- "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT."
- "It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments / observations / representations."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

..... 2/-

AD



BSE Limited (Formerly Bombay Stock Exchange Ltd.)
 Registered Office : Floor 25, P J Towers, Dalal Street, Mumbai 400 001 India
 T: +91 22 2272 1234/33 E: corp.comm@bseindia.com www.bseindia.com
 Corporate Identity Number : L67120MH2005PLC155188

: 2 :

Further, pursuant to the above SEBI circulars, upon sanction of the Scheme by the Hon'ble NCLT, the listed company shall submit to the stock exchange the following:

- Copy of the NCLT approved Scheme;
- Result of voting by shareholders for approving the Scheme;
- Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme;
- Copy of the observation letter issued by all the Stock Exchanges where Company is listed.
- Status of compliance with the Observation Letter/s of the stock exchanges;
- The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- Complaints Report as per Annexure II of this Circular.
- Any other document/disclosure as informed by the Exchange.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

Yours faithfully,



Nitin Pujari
Manager

210



Ref: NSE/LIST/10944

May 31, 2017

The Deputy Company Secretary
 Bharti Airtel Limited
 Bharti Crescent, 1
 Nelson Mandela Road
 Vasant Kunj, Phase II,
 New Delhi - 110070

Kind Attn.: Mr. Rohit Puri

Dear Sir,

Sub: Observation letter for draft Scheme of Amalgamation between Telenor (India) Communications Private Limited (Transferor Company) And Bharti Airtel Limited (Transferee Company) And Their Respective Shareholders and Creditors (Under Sections 230 to 232 of the Companies Act, 2013)

This has reference to draft Scheme of Scheme Of Amalgamation Between Telenor (India) Communications Private Limited (Transferor Company) And Bharti Airtel Limited (Transferee Company) And Their Respective Shareholders And Creditors (Under Sections 230 To 232 Of The Companies Act, 2013), submitted to NSE on March 08, 2017.

Based on our letter reference no Ref: NSE/LIST/2508 submitted to SEBI and pursuant to SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015, SEBI has vide letter dated May 30, 2017, has given the following comments on the draft Scheme of Amalgamation:

- a. *Company shall ensure that additional information, if any, submitted by the company, after filing the scheme with the stock exchange, from the date of receipt of this letter is displayed on the website of the company.*
- b. *The company shall duly comply with various provisions of the circular.*
- c. *Company is advised that the observations of SEBI / Stock Exchanges shall be incorporated in the petition filed before National Company Law Tribunal (NCLT) and the company is obliged to bring the observations to the notice of NCLT.*
- d. *It is to be noted that the petitions are filed by the Company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/stock exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of the Companies Act, 2013 to SEBI again for its comments/observations/representations.*

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of regulation 11 of SEBI (LODR) Regulation, 2015, we hereby convey our “No-objection” in terms of regulation 94 of SEBI (LODR) Regulation, 2015, so as to enable the Company to file the draft scheme with the NCLT.



However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement / Regulations, Guidelines issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from May 31, 2017, within which the Scheme shall be submitted to the NCLT. Further pursuant to the above cited SEBI circulars upon sanction of the Scheme by the NCLT, you shall submit to NSE the following:

- a) Copy of Scheme as approved by the NCLT;
- b) Result of voting by shareholders for approving the Scheme;
- c) Statement explaining changes, if any, and reasons for such changes carried out in the Approved Scheme vis-à-vis the Draft Scheme,
- d) Status of compliance with the Observation Letter/s of the stock exchanges.
- e) The application seeking exemption from Rule 19(2)(b) of SCRR, 1957, wherever applicable; and
- f) Complaints Report as per SEBI Circular No. CIR/CFD/CMD/16/2015 dated November 30, 2015.

Yours faithfully,
For National Stock Exchange of India Ltd.

Divya Poojari
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL http://www.nseindia.com/corporates/content/further_issues.htm



REPORT ADOPTED BY THE BOARD OF DIRECTORS OF BHARTI AIRTEL LIMITED IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013

1. Background

- 1.1 The proposed scheme of amalgamation between Telenor (India) Communications Private Limited ("**Transferor Company**") and Bharti Airtel Limited ("**Company**") and their respective shareholders and creditors ("**Scheme**") under Sections 230 to 232 of the Companies Act, 2013 ("**Act**") was approved by the Board of Directors of the Company ("**Board**") vide its resolution dated March 4, 2017.
- 1.2 Thereafter, the Scheme was filed before the Hon'ble Principal Bench of National Company Law Tribunal, New Delhi ("**NCLT**"). The Hon'ble NCLT, by an order dated July 28, 2017, has directed convening the meetings of the equity shareholders and unsecured creditors of the Company on Tuesday, September 19, 2017 for the purpose of considering, and if thought fit, approving with or without modification(s), the Scheme.
- 1.3 The provisions of Section 232(2)(c) of the Act requires the directors of the Company to adopt a report explaining the effect of the amalgamation pursuant to the Scheme, on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders and to lay out in particular, the share exchange ratio, specifying any special valuation difficulties. In terms of Section 232(2) of the Companies Act, 2013, the said report as adopted by the directors of the Company is required to be circulated along with the notice convening the meeting of the shareholders and creditors.
- 1.4 Accordingly, this report of the Board is being made in pursuance of the requirements of Section 232(2)(c) of the Act and in this connection, the following documents were presented/ shared with the Board:
- (a) The Scheme as approved by the Board *vide* resolution dated March 4, 2017;
- (b) The valuation report dated February 23, 2017 issued by Walker Chandiook & Co. LLP ("**Valuation Report**");
- (c) The fairness opinion dated February 23, 2017 obtained from RBSA Capital Advisors LLP ("**Fairness Opinion**"); and
- (d) Report of Audit & Risk Management Committee dated March 3, 2017.

2. Effect of the Scheme in terms of Section 232(2)(c) of the Act

S. NO.	EFFECT OF THE SCHEME ON	
1.	Key Managerial Personnel of the Company	The Scheme will have no effect on the key managerial personnel of the Company except to the extent of their respective shareholding and the effect thereon is detailed in point no. 3 of this table.

Bharti Airtel Limited

(a Bharti Enterprise)

Regd. & Corporate Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070
T.: +91-11-4666 6100, F.: +91-11-4166 6137, Email id: compliance.officer@bharti.in, www.airtel.com

CIN: L74899DL1995PLC070609

2.	Equity shareholders: Promoters of the Company	The Scheme will have no effect on the promoters and the non-promoter shareholders of the Company since upon the Scheme becoming effective, the Company shall issue five fully paid-up equity shares of the Company having a face value Rs. 5/- each to Telenor South Asia Investment Pte. Ltd., the promoter shareholder of the Transferor Company. The Company has only a single class of shareholders being the equity shareholders of the Company.
3.	Equity shareholders: Non promoter shareholders of the Company	

3. Valuation

- 3.1 The above mentioned Valuation Report recommended the issuance of 5 (five) fully paid-up equity shares of the Company of face value Rs. 5/- (rupees five only) to Telenor South Asia Investments Pte. Ltd. for its equity shares held in the Transferor Company. Further, the above mentioned Fairness Opinion has also been issued in respect of the Valuation Report.
- 3.2 The scope of work, valuation, approach and limitations form part of the aforesaid Valuation Report and Fairness Opinion. No special valuation difficulties were reported by the valuers.

4. Adoption of the Report by the Board

- 4.1 The Board has adopted this report after noting and considering the information set forth in this report.

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

**Sd/-
Pankaj Tewari
Company Secretary**

Place: New Delhi
Date: August 11, 2017

Bharti Airtel Limited
(a Bharti Enterprise)

Regd. & Corporate Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070
T.: +91-11-4666 6100, F.: +91-11-4166 6137, Email id: compliance.officer@bharti.in, www.airtel.com
CIN: L74899DL1995PLC070609



Telenor (India) Communications Pvt. Ltd.
 (Erstwhile Telewings Communications Services Pvt. Ltd.)
 The Masterpiece, Plot No. 10, Golf Course Road, Sector 54,
 DLF Phase-V, Gurgaon, Haryana-122002.
 www.telenor.in

T: +91-124-3329000
 F: +91-124-3329996

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF TELENOR (INDIA) COMMUNICATIONS PRIVATE LIMITED (ERSTWHILE TELEWINGS COMMUNICATIONS SERVICES PRIVATE LIMITED) AT ITS MEETING HELD ON JULY 18, 2017 IN ACCORDANCE WITH SECTION 232(2)(C) OF THE COMPANIES ACT, 2013

1. Background

- 1.1 The proposed scheme of amalgamation between Telenor (India) Communications Private Limited (“**Company**”) and Bharti Airtel Limited (“**Transferee Company**”) and their respective shareholders and creditors (“**Scheme**”) under Sections 230 to 232 of the Companies Act, 2013 (“**Act**”) was approved by the board of directors of the Company (“**Board**”) *vide* resolution dated March 7, 2017.
- 1.2 The provisions of Section 232(2)(c) of the Act requires the directors of the Company to adopt a report explaining the effect of the amalgamation pursuant to the Scheme on each class of shareholders, key managerial personnel, promoters and non-promoter shareholders and to lay out in particular, the share exchange ratio, specifying any special valuation difficulties.
- 1.3 Accordingly, this report of the Board is being made in pursuance of the requirements of Section 232(2)(c) of the Act and in this connection, the following documents were presented/ shared with the Board:
 - (a) The Scheme as approved by the Board *vide* resolution dated March 7, 2017; and
 - (b) The valuation report dated February 23, 2017 issued by Walker Chandok & Co. LLP (“**Valuation Report**”).

2. Effect of the Scheme in terms of Section 232(2)(c) of the Act

S. No.	EFFECT OF THE SCHEME ON	
1.	Key Managerial Personnel of the Company	Upon this Scheme becoming effective (“ Effective Date ”), all employees of the Company (including the key managerial personnel) as on the Effective Date, shall be deemed to have become employees of the Transferee Company, without any interruption of service and on the basis of continuity of service and terms and conditions no less favourable than those applicable to them with reference to the Company, on the Effective Date, save and except that the designations/salary structure of such employees (including key managerial personnel) may be aligned/harmonised pursuant to and in accordance with the human resources policy of the Transferee Company.



Registered Office:
 DBS Business Center, First Floor, World Trade Tower,
 Barakhamba Lane, Connaught Place, New Delhi-110001.
 CIN: U64200DL2012PTC231991



Telenor (India) Communications Pvt. Ltd.
(Erstwhile Telewings Communications Services Pvt. Ltd.)
The Masterpiece, Plot No. 10, Golf Course Road, Sector 54,
DLF Phase-V, Gurgaon, Haryana-122002.
www.telenor.in

T: +91-124-3329000
F: +91-124-3329996

2.	Equity shareholders: Promoters of the Company	Upon the Effective Date, the Transferee Company shall issue five fully paid-up equity shares of the Transferee Company having a face value Rs. 5/- each to Telenor South Asia Investment Pte. Ltd., the promoter shareholder of the Company. The Company has only a single class of shareholders being the equity shareholders of the Company. On the Effective Date, the Company shall stand dissolved without being wound up in accordance with the Act.
3.	Equity shareholders: Non-promoter shareholders of the Company	The Company does not have any non-promoter shareholders.

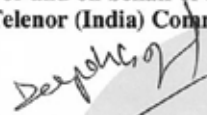
3. Valuation

- 3.1 The above mentioned Valuation Report recommended the issuance of 5 (five) fully paid-up equity shares of the Transferee Company of face value Rs. 5/- (rupees five only) to Telenor South Asia Investments Pte. Ltd. for its equity shares held in the Company.
- 3.2 The scope of work, valuation, approach and limitations form part of the aforesaid Valuation Report. No special valuation difficulties were reported by the valuers.

4. Adoption of the Report by the Board

- 4.1 The Board has adopted this report after noting and considering the information set forth in this report.

**For and on behalf of the Board of Directors
Telenor (India) Communications Private Limited**


Deepak Goyal
Company Secretary
Membership No. A18961



Place: Gurgaon
Date: August 9, 2017

Registered Office:
DBS Business Center, First Floor, World Trade Tower,
Barakhamba Lane, Connaught Place, New Delhi-110001.
CIN: U64200DL2012PTC231991

Independent Auditor's Report

To the Members of Bharti Airtel Limited

Report on the Standalone Ind AS financial statements

We have audited the accompanying standalone Ind AS financial statements of Bharti Airtel Limited ("the Company"), which comprise the standalone Balance Sheet as at March 31, 2017, the standalone Statement of Profit and Loss including other comprehensive income, the standalone Cash Flow Statement and standalone Statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by Ministry of Corporate Affairs. This responsibility 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether these standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, these standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, its loss including other comprehensive loss and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note 22(i)(f)(v) to the standalone Ind AS financial statements which describes the uncertainties related to the legal outcome of the Department of Telecommunications' demand with respect to One Time Spectrum Charge. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") 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 paragraphs 3 and 4 of the Order.
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 purpose 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, Statement of Profit and Loss including the Statement of Other Comprehensive

Independent Auditor's Report

Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

- (d) In our opinion, these standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by Ministry of Corporate Affairs;
- (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, 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 of the Company and the operating effectiveness of such controls, refer to our separate Report dated May 9, 2017 in "Annexure 2" to this report;
- (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 and Companies (Audit and Auditors) Amendment Rules, 2017, in our opinion and to the best of our information and according to the explanations given to us:
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 9 to the standalone Ind AS financial statements;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
 - iv. The Company has provided requisite disclosures in Note 15 to these standalone Ind AS financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management.
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer 19 to the standalone Ind AS financial statements;

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W / E300004

per Nilangshu Katriar
Partner
Membership No: 58814

Place: New Delhi
Date: May 9, 2017

Independent Auditor's Report

Annexure 1

Annexure referred to in paragraph 1 of 'Report on other Legal and Regulatory Requirements'

Re: [BHARTI AIRTEL LIMITED] ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars with respect to most of its fixed assets, and is in the process of updating quantitative and situation details with respect to certain fixed assets in the records maintained by the Company.
- (b) The capitalised fixed assets are physically verified by the management according to a regular programme designed to cover all the items over a period of three years. Pursuant to the planned programme during the year, a substantial portion of fixed assets and capital work in progress has been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noted on such verification.
- (c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.
- (ii) The management has conducted physical verification of inventory (other than inventory with third parties) at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnership firm or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the

provision of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of Section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, related to the service of telecommunication and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of records with a view to determine whether they are accurate or complete.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, value added tax, cess and other material statutory dues applicable to it. The provisions relating to duty of excise are not applicable to the Company.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, value added tax, cess and other material undisputed statutory dues were outstanding, as at the year end, for a period of more than six months from the date they became payable.

- (b) According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, duty of customs, value added tax and cess on account of any dispute, are as follows:

Name of Statutes	Nature of the Dues	Amount Disputed (In ₹ Mn)	Period to Which It Relates	Forum where The Dispute Is Pending
Andhra Pradesh Value Added Tax Act, 2005	Sales Tax	87	2004-13	Tribunal
Bihar Value Added Tax Act, 2005	Sales Tax	58	2005-10	Tribunal
Bihar Value Added Tax Act, 2005	Sales Tax	0	2015-16	Assistant Commissioner
Bihar Value Added Tax Act, 2005	Sales Tax	82	2010-15	Joint Commissioner, Appeal
Bihar Value Added Tax Act, 2005	Sales Tax	2	2006-07	Commercial Tax Officer
Bihar Value Added Tax Act, 2005	Sales Tax	1	2016-17	Deputy Commissioner
Chhattisgarh Value Added Tax Act, 2003	Sales Tax	0	2005-07	Assistant Commissioner
Gujarat Value Added Tax Act, 2003	Sales Tax	1	2005-07	Assistant Commissioner
J&K General Sales Tax	Sales Tax	34	2004-07	High Court, Jammu & Kashmir
Karnataka VAT Act, 2003	Sales Tax	291	2005-06	Assistant Commissioner
Karnataka VAT Act, 2003	Sales Tax	2	2016-17	Joint Commissioner
Kerala Sales Tax Act	Sales Tax	1	2002-05	Tribunal
Kerala Sales Tax Act	Sales Tax	0	2005-11	Commercial tax Officer
Kerala Sales Tax Act	Sales Tax	16	2005-10	Deputy Commissioner, Appeal
Kerala Sales Tax Act	Sales Tax	0	2008-10	Intelligence Officer Squad
Kerala Value Added Tax Act, 2003	Sales Tax	71	2006-07	High Court of Kerala

Independent Auditor's Report

Name of Statutes	Nature of the Dues	Amount Disputed (In ₹ Mn)	Period to Which It Relates	Forum where The Dispute Is Pending
Kerala Value Added Tax Act, 2003	Sales Tax	44	2007-12	Asst. Commissioner, Spl Circle III, Ernakulam
Kerala Value Added Tax Act, 2003	Sales Tax	0	2016-17	Intelligence Officer, Ernakulam
Kerala Value Added Tax Act, 2003	Sales Tax	0	2015-16	Intelligence Inspector, Squad No. 1, Tellichery
Kerala Value Added Tax Act, 2003	Sales Tax	0	2015-16	Intelligence Inspector, Squad No. 3, Ernakulam
Kerala Value Added Tax Act, 2003	Sales Tax	1	2005-17	Commercial tax Officer
Madhya Pradesh Value Added Tax Act, 2002	Sales Tax	24	2006-13	Tribunal
Madhya Pradesh Value Added Tax Act, 2002	Sales Tax	22	1997-04	Deputy Commissioner, Appeal
Madhya Pradesh Value Added Tax Act, 2002	Sales Tax	1	2008-10	Deputy Commissioner
Madhya Pradesh Value Added Tax Act, 2002	Sales Tax	0	2004-08	Commercial Tax Officer
Maharashtra Sales Tax Act	Sales Tax	0	2003-04	Joint Commissioner, Appeal
Punjab Value Added Tax Act, 2005	Sales Tax	30	2003-04	High Court
Punjab Value Added Tax Act, 2005	Sales Tax	1	2008-10	Tribunal
Punjab Value Added Tax Act, 2005	Sales Tax	1	2002-03	Jt. Director(Enforcement)
Punjab Value Added Tax Act, 2005	Sales Tax	1	2009-16	Deputy Excise and Taxation Commissioner
UP Value Added Tax Act	Sales Tax	6	2008-10	High court
UP Value Added Tax Act	Sales Tax	21	2002-05	Assistant Commissioner
UP Value Added Tax Act	Sales Tax	9	2005-10	Tribunal
UP Value Added Tax Act	Sales Tax	1	2007-08	Joint Commissioner
UP Value Added Tax Act	Sales Tax	2	2003-10	Joint Commissioner, Appeal
UP Value Added Tax Act	Sales Tax	2	2014-16	Additional Commissioner
UP Value Added Tax Act	Sales Tax	9	2003-17	Deputy Commissioner
UP Value Added Tax Act	Sales Tax	11	2005-13	Assessing officer
Uttarakhand Value Added Tax Act, 2005	Sales Tax	0	2013-14	AO
West Bengal Value Added Tax Act, 2003	Sales Tax	3	1997-12	Tribunal
West Bengal Value Added Tax Act, 2003	Sales Tax	0	1996-97	The Deputy Commissioner of Commercial Taxes
West Bengal Value Added Tax Act, 2003	Sales Tax	0	1995-98	Commercial Tax Officer
West Bengal Value Added Tax Act, 2003	Sales Tax	9	2005-06	Revision Board
Sub Total (A)		844		
Finance Act, 1994 (Service tax provisions)	Service Tax	278	1995-08	Supreme Court
Finance Act, 1994 (Service tax provisions)	Service Tax	7	2002-07	High court
Finance Act, 1994 (Service tax provisions)	Service Tax	9,966	1995-12	Tribunal
Finance Act, 1994 (Service tax provisions)	Service Tax	7	1999-16	Commissioner Adjudication
Finance Act, 1994 (Service tax provisions)	Service Tax	19	2003-10	Commissioner Appeal
Finance Act, 1994 (Service tax provisions)	Service Tax	382	2003-13	Commissioner of Service Tax
Sub Total (B)		10,659		
Income Tax Act, 1961	Income Tax	128	2001-03, 2004-08	Supreme Court
Income Tax Act, 1961	Income Tax	10,622	1996-97, 2003-10	High Court
Income Tax Act, 1961	Income Tax	31,580	1995-2011	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	2,882	1998-2015	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	16	1994-95, 1996-98, 2004-16	Assessing Officer
Sub Total (C)		45,228		
Custom Act, 1962	Custom Act	4,128	2001-05	Supreme Court
Custom Act, 1962	Custom Act	189	2003-12	Tribunal
Sub Total (D)		4,317		
Grand Total:		61,048		

The above mentioned figures represent the total disputed cases without any assessment of Probable, Possible and Remote, as done in case of Contingent Liabilities. Of the above cases, total amount deposited in respect of Sales Tax is ₹302 Mn, Service Tax is ₹452 Mn, Income Tax is ₹11,056 Mn and Custom Duty is ₹2,141 Mn.

Independent Auditor's Report

- (viii) Based on our audit procedures for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution, bank, debenture holders or government.
- (ix) In our opinion and according to information and explanations given by the management, monies raised by the company by way of term loans were applied for the purpose for which they were raised.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xi) of the order are not applicable to the Company and hence not commented upon.
- (xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W / E300004

per Nilangshu Katriar
Partner
Membership No: 58814

Place: New Delhi
Date: May 9, 2017

Independent Auditor's Report

Annexure 2 To the Independent Auditor's Report of even date on the standalone Ind AS financial statements of Bharti Airtel Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of Bharti Airtel Limited

We have audited the internal financial controls over financial reporting of Bharti Airtel Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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. 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 the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 as specified under Section 143(10) of the Act, to the extent 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgement, including the assessment of the risks of material misstatement of the 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 internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting 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.

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W / E300004

per Nilangshu Katriar
Partner
Membership No: 58814

Place: New Delhi
Date: May 9, 2017

Standalone Balance Sheet

(All amounts are in millions of Indian Rupees)

Particulars	Notes	As of March 31, 2017	As of March 31, 2016	As of April 1, 2015
Assets				
Non-current assets				
Property, plant and equipment	6	381,176	312,673	258,156
Capital work-in-progress	6	11,818	28,588	26,898
Intangible assets	7	734,052	606,582	277,892
Intangible assets under development	7	84,184	9,715	64,108
Investment in subsidiaries, joint ventures and associates	8	459,538	698,913	652,478
Financial assets				
- Investments	8	52	52	52
- Derivative instruments	9	213	396	154
- Loans and security deposits	10	10,389	28,861	42,892
- Others	11	556	598	487
Deferred tax assets (net)	12	8,875	23,070	27,241
Other non-current assets	13	39,854	26,622	17,041
		1,730,707	1,736,070	1,367,399
Current assets				
Inventories		39	53	94
Financial assets				
- Investments	8	-	8	47,567
- Derivative instruments	9	634	462	168
- Trade receivables	14	32,118	31,724	33,047
- Cash and cash equivalents	15	1,087	466	3,852
- Loans	10	72,081	43,376	40,552
- Others	11	8,772	13,959	9,665
Current tax assets (net)		15,297	820	-
Other current assets	13	32,952	23,342	12,945
Assets-held-for-sale	5	13,729	-	-
		176,709	114,210	147,890
Total Assets		1,907,416	1,850,280	1,515,289
Equity and Liabilities				
Equity				
Share capital	16	19,987	19,987	19,987
Other equity		992,086	1,097,304	1,037,395
		1,012,073	1,117,291	1,057,382
Non-current liabilities				
Financial liabilities				
- Borrowings	17	503,421	414,570	194,209
- Derivative instruments	9	186	8	121
- Others	18	21,881	20,736	19,713
Deferred revenue		18,321	16,984	15,887
Provisions	19	2,330	2,223	1,926
		546,139	454,521	231,856
Current liabilities				
Financial liabilities				
- Borrowings	17	65,478	6,999	6,259
- Current maturities of long-term borrowings	17	33,451	33,434	13,171
- Derivative instruments	9	1,662	696	223
- Trade Payables	21	149,698	119,706	105,769
- Others	18	55,671	78,772	65,250
Deferred revenue		30,311	29,485	28,726
Provisions	19	1,291	1,189	1,174
Current tax liabilities (net)		-	-	507
Other current liabilities	20	11,642	8,187	4,972
		349,204	278,468	226,051
Total Liabilities		895,343	732,989	457,907
Total Equity and Liabilities		1,907,416	1,850,280	1,515,289

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W / E300004

For and on behalf of the Board of Directors of Bharti Airtel Limited

per Nilangshu Katriar
Partner
Membership No: 58814

Sunil Bharti Mittal
Chairman
DIN: 00042491

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

Place: New Delhi
Date: May 9, 2017

Nilanjan Roy
Global Chief Financial Officer

Statement of Profit and Loss

(All amounts are in millions of Indian Rupees; except per share data)

Particulars	Notes	For the year ended March 31, 2017	For the year ended March 31, 2016
Income			
Revenue from operations	23	622,763	603,003
Other income		1,843	1,729
		624,606	604,732
Expenses			
Network operating expenses	25	145,360	137,889
Access charges		80,505	80,236
License fee / spectrum charges (revenue share)		69,416	69,635
Employee benefits	24	17,385	18,648
Sales and marketing expenses	25	32,320	32,824
Other expenses	25	38,524	39,640
		383,510	378,872
Profit from operating activities before depreciation, amortisation and exceptional items		241,096	225,860
Depreciation and amortisation	26	122,034	95,753
Finance costs	27	52,546	35,453
Finance income	27	(23,421)	(15,708)
Non-operating expense	28	2,324	1,019
Profit before exceptional items and tax		87,613	109,343
Exceptional items	29	172,708	6,799
(Loss) / profit before tax		(85,095)	102,544
Tax expense			
Current tax	12	(45)	20,558
Deferred tax	12	14,206	4,183
(Loss) / profit for the year		(99,256)	77,803
Other comprehensive income ('OCI')			
Items not to be reclassified to profit or loss:			
Re-measurement losses on defined benefit plans	24	(36)	(46)
Income tax credit	12	11	12
Other comprehensive loss for the year		(25)	(34)
Total comprehensive (loss) / gain for the year		(99,281)	77,769
Earnings per share (In Rupees) (Face value ₹ 5/- each)			
Basic and Diluted	30	(24.84)	19.46

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W / E300004

per Nilangshu Katriar
Partner
Membership No: 58814

Place: New Delhi
Date: May 9, 2017

For and on behalf of the Board of Directors of Bharti Airtel Limited

Sunil Bharti Mittal
Chairman
DIN: 00042491

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

Nilanjan Roy
Global Chief Financial Officer

Standalone Statement of Changes in Equity

(All amounts are in millions of Indian Rupees; except per share data)

Particulars	Share capital		Other equity - Reserves and Surplus							Total equity
	No of shares (in '000)	Amount	Share premium	Retained earnings	General reserve	Business restructuring reserve	Share based payment reserve	Capital reserve	Total	
As of April 1, 2015	3,997,400	19,987	106,650	875,263	27,030	24,912	3,489	51	1,037,395	1,057,382
Profit for the year	-	-	-	77,803	-	-	-	-	77,803	77,803
Other comprehensive loss	-	-	-	(34)	-	-	-	-	(34)	(34)
Total comprehensive income	-	-	-	77,769	-	-	-	-	77,769	77,769
Transaction with owners of equity										
Employee share-based payment expense	-	-	-	-	-	-	209	-	209	209
Exercise of share options	-	-	-	-	-	-	127	-	127	127
Dividend paid (including tax)	-	-	-	(8,872)	-	-	-	-	(8,872)	(8,872)
Merger of subsidiary	-	-	-	(9,425)	-	(8,599)	-	8,700	(9,324)	(9,324)
As of March 31, 2016	3,997,400	19,987	106,650	934,735	27,030	16,313	3,825	8,751	1,097,304	1,117,291
Loss for the year	-	-	-	(99,256)	-	-	-	-	(99,256)	(99,256)
Other comprehensive loss	-	-	-	(25)	-	-	-	-	(25)	(25)
Total comprehensive loss	-	-	-	(99,281)	-	-	-	-	(99,281)	(99,281)
Transaction with owners of equity										
Employee share-based payment expense	-	-	-	-	-	-	298	-	298	298
Exercise of share options	-	-	-	-	-	-	(144)	-	(144)	(144)
Dividend paid (including tax)	-	-	-	(5,456)	-	-	-	-	(5,456)	(5,456)
Merger of subsidiary	-	-	530	(720)	(445)	-	-	-	(635)	(635)
As of March 31, 2017	3,997,400	19,987	107,180	829,278	26,585	16,313	3,979	8,751	992,086	1,012,073

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W / E300004

For and on behalf of the Board of Directors of Bharti Airtel Limited

per Nilangshu Katriar
Partner
Membership No: 58814

Sunil Bharti Mittal
Chairman
DIN: 00042491

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

Place: New Delhi
Date: May 9, 2017

Nilanjan Roy
Global Chief Financial Officer

Standalone Statement of Cash Flows

(All amounts are in millions of Indian Rupees)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Cash flows from operating activities		
(Loss) / profit before tax	(85,095)	102,542
Adjustments for:		
Depreciation and amortisation	122,034	95,753
Finance costs	52,546	35,453
Finance income	(23,421)	(15,708)
Exceptional items	152,405	(2,925)
Employee share-based payment expenses	298	209
Other non-cash items	795	434
Operating cash flow before changes in working capital	219,562	215,758
Changes in working capital		
Trade receivables	(151)	(3,087)
Trade payables	27,092	9,556
Inventories	14	68
Provisions	180	48
Other financial and non-financial liabilities	225	5,816
Other financial and non-financial assets	(20,827)	(11,863)
Net cash generated from operations before tax	226,095	216,296
Income tax paid	(14,439)	(21,797)
Net cash generated from operating activities (a)	211,656	194,499
Cash flows from investing activities		
Purchase of property, plant and equipment	(156,143)	(111,568)
Proceeds from sale of property, plant and equipment	3,053	4,853
Purchase of intangible assets	(179,939)	(71,709)
Net proceeds from current investments	47	47,376
Proceeds from buyback of share by subsidiary	12,350	-
Proceeds from sale of investment of subsidiaries	146,223	-
Investment in joint venture / associate	-	113
Investment in subsidiaries	(74,283)	(111,685)
Advances given to subsidiaries	(98,797)	(17,773)
Loan repayment by subsidiaries	82,288	26,517
Dividend received	16,511	9,470
Interest received	5,858	4,513
Net cash used in investing activities (b)	(242,833)	(219,893)
Cash flows from financing activities		
Proceeds from borrowings	140,419	74,520
Repayment of borrowings	(122,391)	(38,490)
Net proceeds / repayment of short-term borrowings	32,832	(3,316)
Interest and other finance charges paid	(10,850)	(5,087)
Proceeds from exercise of share options	3	231
Dividend paid (including tax)	(5,456)	(8,874)
Net cash generated from financing activities (c)	34,557	18,984
Net increase / (decrease) in cash and cash equivalents during the year (a+b+c)	3,380	(6,410)
Add: Cash and cash equivalents as at the beginning of the year	(2,558)	3,852
Cash and cash equivalents as at the end of the year (refer Note 15)	822	(2,558)

The accompanying notes form an integral part of these standalone financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W / E300004

For and on behalf of the Board of Directors of Bharti Airtel Limited

per Nilangshu Katriar
Partner
Membership No: 58814

Sunil Bharti Mittal
Chairman
DIN: 00042491

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

Place: New Delhi
Date: May 9, 2017

Nilanjan Roy
Global Chief Financial Officer

Independent Auditor's Report

To the Members of Bharti Airtel Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Bharti Airtel Limited ('the Holding Company'), its subsidiaries (together referred to as "the Group"), its associates and jointly controlled entities, comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement, the consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statement").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and jointly controlled entities and in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by Ministry of Corporate Affairs. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates and jointly controlled entities and for preventing and detecting frauds and other irregularities; the 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS 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 Ind AS financial statements by the Directors of the Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the financial statements. 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 paragraph (a) of the Other Matters below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

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 other auditors on separate financial statements and on the other financial information of an associate and a jointly controlled entity, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at March 31, 2017, their consolidated profit including other comprehensive loss, and their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to Note 26(i)(f)(v) to these consolidated Ind AS financial statements which, describes the uncertainties related to the legal outcome of the Department of Telecommunications' demand with respect to One Time Spectrum Charge. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, an associate and a jointly controlled entity, as noted in the 'other matter' paragraph, we report, to the extent applicable, that:

- (a) We / the other auditors whose reports we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;
- (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the Ind AS financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

Independent Auditor's Report

- (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Cash Flow Statement and consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 3 of the Companies (Accounts) Rules, 2015 and the Companies (Indian Accounting Standards) Rules, 2016 issued by Ministry of Corporate Affairs;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiaries, an associate company and jointly controlled company incorporated in India, none of the directors of the Group's companies, its associate and jointly controlled companies incorporated in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India, refer to our separate report in "Annexure 1" to this report;
- (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 Companies (Audit and Auditors) Amendment Rules, 2017, in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates and jointly controlled entities – Refer Note 23 to the consolidated Ind AS financial statements;
- ii. Provision has been made in the consolidated Ind AS 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 (a) Note 11 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group, its associates and jointly controlled entities and (b) the Group's share of net profit in respect of its associates;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates and jointly controlled companies incorporated in India during the year ended March 31, 2017.
- iv. The Company has provided requisite disclosures in Note 17 to these Ind AS consolidated financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 of the Group entities as applicable. Based on our audit procedures and relying on the management representation of the Holding Company regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by those entities as produced to us by the management of the respective Group entities.

Other Matter

We did not audit the financial statements of the joint venture included herein with the Company's share of profit in joint venture of ₹ 11,083 Mn for the year ended March 31, 2017. These financial statements and other financial information have been audited by other auditors whose report has been furnished to us by the management. Our opinion in so far as it relates to the affairs of such joint venture, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid joint venture is based solely on the report of such other auditors. Our opinion is not qualified in respect of this matter.

These consolidated Ind AS financial statements include the Company's share of losses for the post-merger period effective November 16, 2016 in an associate of ₹ 1,182 Mn for the year ended March 31, 2017. These financial statements and other financial information are audited upto period ended December 31, 2016 and unaudited for three months period ended March 31, 2017 and have been furnished to us by the management based on management accounts of the associate pending approval of its quarterly accounts. Our opinion in so far as it relates to the affairs of such associate, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid associate, is based solely on such audited and unaudited financial statements and other unaudited financial information for the period ended December 31, 2016 and March 31, 2017 respectively.

Our above opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W/E300004

per Nilangshu Katriar
Partner
Membership Number: 58814

Place: New Delhi
Date: May 9, 2017

Independent Auditor's Report

Annexure 1 To the Independent Auditor's Report of even date on the Consolidated Ind AS Financial Statements of Bharti Airtel Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of Bharti Airtel Limited

In conjunction with our audit of the consolidated Ind AS financial statements of Bharti Airtel Limited as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Bharti Airtel Limited (hereinafter referred to as the "Holding Company") and its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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. 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 the 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph

below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Holding 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.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, in so far as it relates to the jointly controlled company, which is Company incorporated in India, is based on the corresponding reports of the auditors of such jointly controlled company incorporated in India.

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W/E300004

per Nilangshu Katriar
Partner
Membership Number: 58814

Place: New Delhi
Date: May 9, 2017

Consolidated Balance Sheet

(All amounts are in millions of Indian Rupees)

Particulars	Notes	As of March 31, 2017	As of March 31, 2016	As of April 1, 2015
Assets				
Non-current assets				
Property, plant and equipment	6	620,088	610,508	543,936
Capital work-in-progress	6	23,942	47,304	48,702
Goodwill	7	338,082	428,381	414,823
Other intangible assets	7	824,181	684,039	341,718
Intangible assets under development	7	84,443	9,716	118,487
Investment in joint ventures and associates	8	82,277	60,990	51,936
Financial assets				
- Investments	10	44,187	28,622	31,310
- Derivative instruments	11	4,732	13,999	7,303
- Security deposits	12	9,630	10,441	9,529
- Others	13	16,653	17,502	8,031
Deferred tax assets (net)	14	26,262	46,738	59,502
Other non-current assets	15	49,875	70,440	75,684
		2,124,352	2,028,680	1,710,961
Current assets				
Inventories		488	1,692	1,339
Financial assets				
- Investments	10	16,923	16,159	84,017
- Derivative instruments	11	2,060	4,765	1,207
- Trade receivables	16	49,838	55,039	51,961
- Cash and cash equivalents	17	12,817	37,087	11,721
- Bank deposits	17	3,360	13,900	8,823
- Others	13	52,105	32,511	25,171
Current tax assets		21,454	11,570	5,721
Other current assets	15	44,105	48,827	32,196
Assets-held-for-sale	18	-	7,002	32,618
		203,150	228,552	254,774
Total Assets		2,327,502	2,257,232	1,965,735
Equity and Liabilities				
Equity				
Share capital	19	19,987	19,987	19,987
Other equity		654,576	647,706	610,603
Equity attributable to owners of the Parent		674,563	667,693	630,590
Non-controlling interests ('NCI')		68,750	54,981	51,613
		743,313	722,674	682,203
Non-current liabilities				
Financial liabilities				
- Borrowings	21	896,373	892,686	591,575
- Derivative instruments	11	2,726	8	164
- Others	22	15,681	16,084	14,537
Deferred revenue		22,335	17,787	17,917
Provisions	23	7,471	7,350	7,648
Deferred tax liabilities (net)	14	9,429	12,512	13,077
Other non-current liabilities	24	727	1,527	1,466
		954,742	947,954	646,384
Current liabilities				
Financial liabilities				
- Borrowings	21	129,442	57,238	86,680
- Current maturities of long-term borrowings	21	48,466	54,602	125,366
- Derivative instruments	11	2,335	1,931	628
- Trade payables	25	268,537	255,806	215,896
- Others	22	88,808	131,180	127,306
Deferred revenue		48,785	51,336	50,074
Provisions	23	2,215	2,332	2,066
Current tax liabilities (net)		6,089	9,296	9,271
Other current liabilities	24	34,770	21,844	15,898
Liabilities-held-for-sale	18	-	1,039	3,963
		629,447	586,604	637,148
Total Liabilities		1,584,189	1,534,558	1,283,532
Total Equity and Liabilities		2,327,502	2,257,232	1,965,735

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W / E300004

per Nilangshu Katriar
Partner
Membership No: 58814

Place: New Delhi
Date: May 9, 2017

For and on behalf of the Board of Directors of Bharti Airtel Limited

Sunil Bharti Mittal
Chairman
DIN: 00042491

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

Nilanjan Roy
Global Chief Financial Officer

Consolidated Statement of Profit and Loss

(All amounts are in millions of Indian Rupees; except per share data)

Particulars	Notes	For the year ended March 31, 2017	For the year ended March 31, 2016
Income			
Revenue from operations	27	954,683	965,321
Other income		1,206	871
		955,889	966,192
Expenses			
Network operating expenses	29	209,154	201,567
Access charges		102,786	109,423
License fee / spectrum charges (revenue share)		92,760	94,928
Employee benefits	28	43,032	49,108
Sales and marketing expenses	29	71,400	82,410
Other expenses	29	82,253	88,043
		601,385	625,479
		354,504	340,713
Profit from operating activities before depreciation, amortisation and exceptional items			
Share of results of joint ventures and associates	8	(10,449)	(10,666)
Depreciation and amortisation	30	197,730	174,498
Finance costs	31	95,466	85,461
Finance income	31	(18,492)	(16,326)
Non-operating expense (net)	32	1,319	1,024
Profit before exceptional items and tax		88,930	106,722
Exceptional items	33	11,697	(21,741)
Profit before tax		77,233	128,463
Tax expense			
Current tax	14	21,240	44,690
Deferred tax	14	13,579	14,843
Profit for the year		42,414	68,930
Other comprehensive income ('OCI')			
Items to be reclassified subsequently to profit or loss :			
Net losses due to foreign currency translation differences		(41,424)	(4,920)
Net losses on net investments hedge		(10,330)	(7,108)
Net gains / (losses) on cash flow hedge		857	(724)
Net gains on fair value through OCI investments		107	9
Income tax (charge) / credit	14	(16)	503
		(50,806)	(12,240)
Items not to be reclassified to profit or loss :			
Re-measurement losses on defined benefit plans	28	(73)	(129)
Share of joint ventures and associates	8	(9)	(4)
Income tax credit		20	25
		(62)	(108)
Other comprehensive loss for the year		(50,868)	(12,348)
Total comprehensive (loss) / gain for the year		(8,454)	56,582
Profit for the year attributable to :			
Owners of the Parent		37,998	60,767
Non-controlling interests		4,416	8,163
Other comprehensive loss for the year attributable to :		(50,868)	(12,348)
Owners of the Parent		(48,655)	(11,977)
Non-controlling interests		(2,213)	(371)
Total comprehensive (loss) / gain for the year attributable to :		(8,454)	56,582
Owners of the Parent		(10,657)	48,790
Non-controlling interests		2,203	7,792
Earnings per share (In Rupees) (Face value ₹ 5/- each)			
Basic	34	9.51	15.21
Diluted	34	9.51	15.20

The accompanying notes form an integral part of these consolidated financial statements

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W / E300004

per Nilangshu Katriar
Partner
Membership No: 58814

Place: New Delhi
Date: May 9, 2017

For and on behalf of the Board of Directors of Bharti Airtel Limited

Sunil Bharti Mittal
Chairman
DIN: 00042491

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

Nilanjan Roy
Global Chief Financial Officer

Consolidated Statement of Changes in Equity

(All amounts are in millions of Indian Rupees; except per share data)

Particulars	Share capital		Equity attributable to owners of the Parent						Non-controlling interests	Total equity	
			No of shares (in '000)	Amount	Other equity						Total
	Reserves and surplus										
	Share premium	Retained earnings (Note 20)			General reserve	Share-based payment reserve	Transactions with NCI reserve	Other components of equity (Note 20)			
As of April 1, 2015	3,997,400	19,987	123,456	404,792	27,030	4,805	50,634	(114)	610,603	51,613	682,203
Profit for the year	-	-	-	60,767	-	-	-	-	60,767	8,163	68,930
Other comprehensive loss	-	-	-	(108)	-	-	-	(11,869)	(11,977)	(371)	(12,348)
Total comprehensive income / (loss)	-	-	-	60,659	-	-	-	(11,869)	48,790	7,792	56,582
Transaction with owners of equity											
Employee share-based payment expense	-	-	-	-	-	237	-	-	237	11	248
NCI arising on a business combination	-	-	-	-	-	-	-	-	-	(16)	(16)
Purchase of treasury shares	-	-	-	-	-	-	-	(514)	(514)	-	(514)
Exercise of share options	-	-	-	-	-	127	-	104	231	338	569
Transaction with NCI	-	-	-	-	-	-	531	-	531	453	984
Dividend paid (including tax) to Company's shareholders	-	-	-	(10,679)	-	-	-	-	(10,679)	-	(10,679)
Dividend paid (including tax) to NCI	-	-	-	-	-	-	-	-	-	(4,625)	(4,625)
Movement on account of court approved schemes	-	-	-	(1,493)	-	-	-	-	(1,493)	(585)	(2,078)
As of March 31, 2016	3,997,400	19,987	123,456	453,279	27,030	5,169	51,165	(12,393)	647,706	54,981	722,674
Profit for the year	-	-	-	37,998	-	-	-	-	37,998	4,416	42,414
Other comprehensive loss	-	-	-	(62)	-	-	-	(48,593)	(48,655)	(2,213)	(50,868)
Total comprehensive income / (loss)	-	-	-	37,936	-	-	-	(48,593)	(10,657)	2,203	(8,454)
Transaction with owners of equity											
Employee share-based payment expense	-	-	-	-	-	328	-	-	328	10	338
Exercise of share options	-	-	-	-	-	(1,432)	-	157	(1,275)	(1,236)	(2,511)
Transaction with NCI	-	-	-	-	-	-	26,051	-	26,051	26,303	52,354
Dividend paid (including tax) to Company's shareholders	-	-	-	(6,543)	-	-	-	-	(6,543)	-	(6,543)
Dividend paid (including tax) to NCI	-	-	-	-	-	-	-	-	-	(12,869)	(12,869)
Movement on account of court approved schemes	-	-	-	(1,034)	-	-	-	-	(1,034)	(642)	(1,676)
As of March 31, 2017	3,997,400	19,987	123,456	483,638	27,030	4,065	77,216	(60,829)	654,576	68,750	743,313

The accompanying notes form an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

(All amounts are in millions of Indian Rupees)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Cash flows from operating activities		
Profit before tax	77,233	128,463
<i>Adjustments for:</i>		
Depreciation and amortisation	197,730	174,498
Finance costs	95,466	85,461
Finance income	(18,492)	(16,326)
Share of results of joint ventures and associates	(10,449)	(10,666)
Exceptional items	(276)	(31,321)
Employee share-based payment expense	338	248
Other non-cash items	265	(143)
Operating cash flow before changes in working capital	341,815	330,214
Changes in working capital		
Trade receivables	13,001	12,656
Trade payables	9,633	(3,504)
Inventories	948	(872)
Provisions	(26)	(277)
Other financial and non financial liabilities	3,558	9,939
Other financial and non financial assets	(54,543)	(21,897)
Net cash generated from operations before tax and dividend	314,386	326,259
Dividend received	9,510	-
Income tax paid	(31,587)	(46,836)
Net cash generated from operating activities (a)	292,309	279,423
Cash flows from investing activities		
Purchase of property, plant and equipment	(223,030)	(193,313)
Proceeds from sale of property, plant and equipment	4,462	3,798
Purchase of intangible assets	(165,477)	(81,452)
Net movement in current investments	5,785	63,771
Purchase of non-current investments	(89,073)	(3,218)
Sale of non-current investments	82,557	7,642
Investment in subsidiaries, net of cash acquired	(283)	(135)
Sale of subsidiaries (refer note 5)	59,604	-
Sale of tower assets	7,120	56,821
Investment in associate	(250)	-
Proceeds from sale of interest in associate / joint venture (refer note 5)	447	55
Loan to joint venture / associate	-	(19)
Loan repayment received from joint venture / associate	-	14
Dividend received	279	118
Interest received	2,305	3,661
Net cash used in investing activities (b)	(315,554)	(142,257)
Cash flows from financing activities		
Proceeds from borrowings	258,584	187,265
Repayment of borrowings	(274,608)	(309,656)
Net proceeds from short-term borrowings	25,377	4,558
Proceeds from sale and finance leaseback of towers	6,277	48,120
Repayment of finance lease liabilities	(3,899)	(2,593)
Purchase of treasury shares	-	(514)
Interest and other finance charges paid	(58,566)	(32,890)
Proceeds from exercise of share options	65	569
Dividend paid (including tax)	(9,168)	(15,304)
Proceeds from issuance of equity shares to NCI (refer note 5)	1,245	984
Sale of interest in a subsidiary (refer Note 5)	61,863	-
Purchase of shares from NCI (refer note 5)	(10,684)	-
Net cash used in financing activities (c)	(3,514)	(119,461)
Net decrease in cash and cash equivalents during the year (a+b+c)	(26,759)	17,705
Effect of exchange rate on cash and cash equivalents	(756)	1,343
Cash and cash equivalents as at beginning of the year	17,635	(1,413)
Cash and cash equivalents as at end of the year (refer Note 17)	(9,880)	17,635

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W/E300004

per Nilangshu Katriar
Partner
Membership No: 58814

Place: New Delhi
Date: May 9, 2017

For and on behalf of the Board of Directors of Bharti Airtel Limited

Sunil Bharti Mittal
Chairman
DIN: 00042491

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

Nilanjan Roy
Global Chief Financial Officer

Deloitte Haskins & Sells LLP

Chartered Accountants
7th Floor, Building 10, Tower B,
DLF Cyber City Complex,
DLF City Phase - II,
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INDEPENDENT AUDITOR'S REPORT ON AUDIT OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF BHARTI AIRTEL LIMITED

1. We have audited the accompanying Statement of Standalone Financial Results of Bharti Airtel Limited ("the Company") for the quarter ended June 30, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related Interim Condensed Standalone Financial Statements which has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such Interim Condensed Standalone Financial Statements.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

3. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and



- (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the profit, total comprehensive income and other financial information of the Company for the quarter ended June 30, 2017.
4. We draw attention to Note 3 of the Statement, which describe the uncertainties related to the legal outcome of Department of Telecommunications demand with respect to one time spectrum charges. Our opinion is not modified in respect of this matter.
5. The comparative financial information of the Company for the quarter ended June 30, 2016 (other than adjustments on account of Ind AS 101 exemptions considered in the financial statements for the year ended March 31, 2017) and for the quarter and year ended March 31, 2017 prepared in accordance with Indian Accounting Standards (Ind AS) included in this Statement have been audited by the predecessor auditor. The report of the predecessor auditor on comparative financial information for the quarter ended June 30, 2016 dated July 27, 2016 and for the quarter and year ended March 31, 2017 dated May 9, 2017 expressed an unqualified opinion. Our opinion is not modified in respect of this matter.

**For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)**


**Hemant M. Joshi
(Partner)
(Membership No. 38019)**

**Place: New Delhi
Date : July 25, 2017**

Bharti Airtel Limited

Registered Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi – 110 070, India

CIN: L74899DL1995PLC070609

T: +91-11-4666 6100, F:+91-11-4166 6137, Email id: compliance.officer@bharti.in

Statement of Audited Standalone Financial Results for the quarter ended June 30, 2017

(Rs. Million except per share data)

Particulars	Quarter ended			Year ended
	June 30, 2017	March 31, 2017	June 30, 2016	March 31, 2017
	Audited	Audited	Audited	Audited
Income				
Revenue	145,065	142,998	163,397	622,763
Other income	516	513	501	1,843
Total	145,581	143,511	163,898	624,606
Expenses				
Network operating expenses	36,802	37,262	35,158	145,360
Access charges	21,001	18,414	20,243	80,505
License fee / spectrum charges (revenue share)	15,408	15,572	18,898	69,416
Employee benefits	4,426	4,430	4,214	17,385
Sales and marketing expenses	7,850	8,033	8,205	32,320
Other expenses	10,490	8,518	10,556	38,524
Total	95,977	92,229	97,274	383,510
Profit from operating activities before depreciation, amortisation and exceptional items	49,604	51,282	66,624	241,096
Depreciation and amortisation	31,789	32,751	29,877	122,034
Finance costs	15,507	15,646	13,324	52,546
Finance income	(2,053)	(8,123)	(365)	(23,421)
Non-operating expenses	98	969	25	2,324
Profit before exceptional items and tax	4,263	10,039	23,763	87,613
Exceptional items	40	165,528	2,920	172,708
Profit / (loss) before tax	4,223	(155,489)	20,843	(85,095)
Tax expense / (credit)				
Current tax	1,727	(13,938)	4,662	(45)
Deferred tax	(310)	9,280	1,906	14,206
Profit / (loss) for the period / year	2,806	(150,831)	14,275	(99,256)
Other comprehensive income				
Items not to be reclassified to profit or loss:				
Re-measurement (losses) / gains on defined benefit plans	(53)	39	(45)	(36)
Tax credit / (charge)	18	(12)	15	11
Other comprehensive (loss) / income for the period / year	(35)	27	(30)	(25)
Total comprehensive income / (loss) for the period / year	2,771	(150,804)	14,245	(99,281)
Paid-up equity share capital (Face value : Rs. 5/- each)	19,987	19,987	19,987	19,987
Other equity	994,917	992,086	1,111,613	992,086
Earnings per share (Face value : Rs. 5/- each) (In Rupees)				
Basic and Diluted	0.70	(37.74)	3.57	(24.84)



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

(Rs. Million)

Particulars	Quarter ended			Year ended
	June 30, 2017	March 31, 2017	June 30, 2016	March 31, 2017
	Audited	Audited	Audited	Audited
1. Segment Revenue				
a) Mobile Services	121,433	121,625	139,545	526,745
b) Airtel Business	24,810	22,716	24,260	98,400
c) Homes Services	6,532	6,616	6,486	26,870
d) Unallocated	-	-	-	-
Total	152,775	150,957	170,291	652,015
Less: Inter-segment eliminations	7,710	7,959	6,894	29,252
Total revenue	145,065	142,998	163,397	622,763
2. Segment Results				
Profit before net finance costs, non-operating expenses, exceptional items and tax				
a) Mobile Services	11,530	12,758	31,064	94,680
b) Airtel Business	5,444	4,804	4,466	19,469
c) Homes Services	1,286	1,469	1,689	6,331
d) Unallocated	(445)	(500)	(472)	(1,418)
Total	17,815	18,531	36,747	119,062
Less:				
(i) Net finance costs	13,454	7,523	12,959	29,125
(ii) Non-operating expenses	98	969	25	2,324
(iii) Exceptional items	40	165,528	2,920	172,708
Profit / (loss) before tax	4,223	(155,489)	20,843	(85,095)
3. Segment Assets *				
a) Mobile Services	1,259,141	1,541,193	1,438,453	1,541,193
b) Airtel Business	87,105	233,317	180,345	233,317
c) Homes Services	43,000	296,014	191,945	296,014
d) Unallocated / Inter-segment eliminations	562,022	(158,033)	126,190	(158,033)
Total assets	1,951,268	1,912,491	1,936,933	1,912,491
4. Segment Liabilities *				
a) Mobile Services	324,287	736,333	664,588	736,333
b) Airtel Business	36,381	151,419	113,402	151,419
c) Homes Services	16,369	231,935	132,827	231,935
d) Unallocated / Inter-segment eliminations	559,327	(219,269)	(105,484)	(219,269)
Total liabilities	936,364	900,418	805,333	900,418

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



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Notes to the Audited Standalone Financial Results

1. The said financial results for the quarter ended June 30, 2017 have been reviewed by the Audit and Risk Management Committee and approved by the Board of Directors in their respective meetings held on July 25, 2017.
2. The above financial results are extracted from the audited Interim Condensed Standalone Financial Statements of the Company, which are prepared in accordance with Indian Accounting Standards ('Ind AS') as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder.
3. On January 8, 2013, the Department of Telecommunications ('DoT') issued a demand on the Company for Rs. 51,353 Mn towards levy of one time spectrum charge. Based on a petition filed by the Company, the Hon'ble High Court of Bombay, through its order dated January 28, 2013, has directed DoT to respond and not to take any coercive action until the next date of hearing. The Company, based on independent legal opinions, till date has not given any effect to the above demand.
4. Previous period figures have been re-grouped / re-stated basis the Ind AS 101, 'First-time Adoption of Indian Accounting Standards' exemptions as considered in the Ind AS financial statements for the year ended March 31, 2017, wherever required.

For Bharti Airtel Limited



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

New Delhi
July 25, 2017

Notes:

- a) 'Bharti Airtel' or 'Company' stands for Bharti Airtel Limited
- b) For more details on the financial results, please visit our website 'www.airtel.in'



INDEPENDENT AUDITOR'S REPORT ON AUDIT OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF BHARTI AIRTEL LIMITED

1. We have audited the accompanying Statement of Consolidated Financial Results of Bharti Airtel Limited ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), and its share of the profit/(loss) of its associates and joint ventures for the quarter ended June 30, 2017 ("the Statement") being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled on the basis of the related Interim Condensed Consolidated Financial Statements in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such Interim Condensed Consolidated Financial Statements.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditor in terms of their report referred to in paragraph 5 below, is sufficient and appropriate to provide a basis for our audit opinion.

3. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the report of the other auditor referred to in paragraph 5 below, the Statement:

D

a. includes the results of the following entities:

1	Bharti Airtel Limited		
	Subsidiaries		
2	Bharti Airtel Services Limited	42	Indian Ocean Telecom Limited
3	Bharti Hexacom Limited	43	Madagascar Towers S.A.
4	Bharti Infratel Limited	44	Airtel Mobile Commerce Zambia Limited
5	Bharti Telemedia Limited	45	Airtel Money (RDC) S.A.
6	Airtel Payments Bank Limited	46	Airtel Money Niger S.A.
7	Telesonic Networks Limited	47	Airtel Money S.A. (Gabon)
8	Nxtra Data Limited	48	Airtel Networks Kenya Limited @
9	Wynk Limited	49	Airtel Networks Limited
10	Indo Teleports Limited	50	Airtel Networks Zambia Plc
11	Nettle Infrastructure Investments Limited	51	Airtel Rwanda Limited
12	SmarTx Services Limited	52	Airtel Tanzania Limited
13	Bangladesh Infratel Networks Limited *	53	Airtel Tchad S.A.
14	Bharti Airtel (France) SAS	54	Airtel Uganda Limited @
15	Bharti Airtel (Hongkong) Limited	55	Bharti Airtel Africa B.V.
16	Bharti Airtel (Japan) Private Limited	56	Bharti Airtel Burkina Faso Holdings B.V.
17	Bharti Airtel (UK) Limited	57	Bharti Airtel Chad Holdings B.V.
18	Bharti Airtel (USA) Limited	58	Bharti Airtel Congo Holdings B.V.
19	Bharti Airtel Mali Holdings B.V.	59	Bharti Airtel Developers Forum Limited
20	Bharti Airtel International (Netherlands) B.V.	60	Bharti Airtel DTH Holdings B.V.
21	Bharti Airtel Lanka (Private) Limited	61	Bharti Airtel Gabon Holdings B.V.
22	Bharti Infratel Lanka (Private) Limited *	62	Bharti Airtel Ghana Holdings B.V.
23	Bharti International (Singapore) Pte Ltd	63	Bharti Airtel Kenya B.V.
24	Network i2i Ltd.	64	Bharti Airtel Kenya Holdings B.V.
25	Africa Towers N.V.	65	Bharti Airtel Madagascar Holdings B.V.
26	Africa Towers Services Limited *	66	Bharti Airtel Malawi Holdings B.V.
27	Airtel Ghana Limited @	67	Bharti Airtel International (Mauritius) Limited
28	Airtel (Seychelles) Limited	68	Bharti Airtel Niger Holdings B.V.
29	Airtel Congo S.A.	69	Bharti Airtel Nigeria B.V.
30	Airtel DTH Services Nigeria Limited #	70	Bharti Airtel Nigeria Holdings B.V. #
31	Airtel Gabon S.A.	71	Bharti Airtel Nigeria Holdings II B.V.
32	Airtel Madagascar S.A.	72	Bharti Airtel RDC Holdings B.V.
33	Airtel Mobile Commerce (Seychelles) Limited	73	Bharti Airtel Services B.V.
34	Airtel Mobile Commerce B.V.	74	Bharti Airtel Tanzania B.V.
35	Airtel Mobile Commerce Ghana Limited	75	Bharti Airtel Uganda Holdings B.V.
36	Airtel Mobile Commerce Holdings B.V.	76	Bharti Airtel Zambia Holdings B.V.
37	Airtel Mobile Commerce Kenya Limited	77	Celtel (Mauritius) Holdings Limited
38	Airtel Mobile Commerce Limited, Malawi	78	Airtel Congo (RDC) S.A.
39	Airtel Mobile Commerce Madagascar S.A.	79	Celtel Niger S.A.
40	Airtel Mobile Commerce Rwanda Limited	80	Channel Sea Management Co Mauritius Limited
41	Airtel Malawi Limited	81	Congo RDC Towers S.A.

82	Airtel Mobile Commerce Tanzania Limited	90	Gabon Towers S.A. *
83	Airtel Mobile Commerce Tchad SARL	91	Malawi Towers Limited
84	Airtel Mobile Commerce Uganda Limited	92	Mobile Commerce Congo S.A.
85	Montana International	93	Zap Trust Company Nigeria Limited #
86	MSI-Celtel Nigeria Limited #	94	Bharti Airtel Rwanda Holdings Limited
87	Partnership Investments SARL	95	Airtel Money Transfer Ltd
88	Société Malgache de Telephonie Cellulaire SA	96	Airtel Money Tanzania Limited
89	Tanzania Towers Limited	97	Towers Support Nigeria Limited #
	Joint Ventures and Associates		
98	Bridge Mobile Pte Limited	101	Seychelles Cable Systems Company Limited
99	Indus Towers Limited	102	Robi Axiata Limited
100	FireFly Networks Limited	103	Seynse Technologies Private Limited

@ The Group also holds 100% preference shareholding in these companies. The preference shares do not carry any voting rights.

* Under dissolution

Dissolved during the quarter ended June 30, 2017

- b. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
 - c. gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the profit, total comprehensive income and other financial information of the Group, its associates and joint ventures for the quarter ended June 30, 2017.
4. We draw attention to Note 4 of the Statement, which describes the uncertainties related to the legal outcome of Department of Telecommunications demand with respect to one time spectrum charges. Our opinion is not modified in respect of this matter.
 5. The consolidated financial results includes the Group's share of profit of Rs. 3,054 Mn and total comprehensive income of Rs. 3,053 Mn for the quarter ended June 30, 2017, as considered in the consolidated financial results in respect of Indus Towers Limited (joint venture) whose interim financial statements have not been audited by us. These interim financial statements have been audited by other auditor whose report has been furnished to us by the management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this joint venture is based solely on the report of the other auditor.

Our opinion on the Statement is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

6. The comparative financial information of the Company for the quarter ended June 30, 2016 and for the quarter and year ended March 31, 2017 prepared in accordance with Indian Accounting Standards (Ind AS) included in this Statement have been audited by the predecessor auditor. The report of the predecessor auditor on comparative financial information for the quarter ended June 30, 2016 dated July 27, 2016 and for the quarter and year ended March 31, 2017 dated May 9, 2017 expressed an unqualified opinion. Our opinion is not modified in respect of this matter.

**For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)**



**Hemant M. Joshi
(Partner)
(Membership No. 38019)**

**Place: New Delhi
Date : July 25, 2017**

Bharti Airtel Limited

Registered Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi – 110 070, India

CIN: L74899DL1995PLC070609

T:+91-11-4666 6100, F:+91-11-4166 6137, Email id: compliance.officer@bharti.in

Statement of Audited Consolidated Financial Results for the quarter ended June 30, 2017

(Rs. Million: except per share data)

Particulars	Quarter ended			Year ended
	June 30, 2017	March 31, 2017	June 30, 2016	March 31, 2017
	Audited	Audited	Audited	Audited
Income				
Revenue	219,581	219,346	255,465	954,683
Other income	486	460	264	1,206
Total	220,067	219,806	255,729	955,889
Expenses				
Network operating expenses	51,612	51,628	53,958	209,154
Access charges	25,016	22,761	27,041	102,786
License fee / spectrum charges (revenue share)	20,820	20,850	25,499	92,760
Employee benefits	10,147	10,498	11,144	43,032
Sales and marketing expenses	15,365	16,934	19,904	71,400
Other expenses	19,037	18,075	22,438	82,253
Total	141,997	140,746	159,984	601,385
Profit from operating activities before depreciation, amortisation and exceptional items	78,070	79,060	95,745	354,504
Share of results of joint ventures and associates	(2,855)	(2,508)	(2,548)	(10,449)
Depreciation and amortisation	48,192	49,418	50,402	197,730
Finance costs	22,039	22,717	25,136	95,466
Finance income	(3,765)	(3,555)	(5,737)	(18,492)
Non-operating (income) / expenses, (net)	(357)	474	25	1,319
Profit before exceptional items and tax	14,816	12,514	28,467	88,930
Exceptional Items	503	6,055	3,536	11,697
Profit before tax	14,313	6,459	24,931	77,233
Tax expense / (credit)				
Current tax	9,394	(8,964)	12,636	21,240
Deferred tax	(1,258)	10,717	(2,547)	13,579
Profit for the period / year	6,177	4,706	14,842	42,414
Other comprehensive income ('OCI')				
Items to be reclassified subsequently to profit or loss :				
Net gains / (losses) due to foreign currency translation differences	2,479	(1,051)	(31,246)	(41,423)
Net (losses) / gains on net investment hedge	(1,072)	2,102	(10,660)	(10,230)
Net (losses) / gains on cash flow hedge	(34)	27	281	857
Net gains on fair value through OCI investments	6	17	30	107
Tax charge	(168)	(3)	(276)	(16)
Items not to be reclassified to profit or loss :				
Re-measurement (losses) / gains on defined benefit plans	(71)	82	(70)	(73)
Share of joint ventures and associates	(2)	(9)	(3)	(9)
Tax credit / (charge)	19	(6)	20	20
Other comprehensive income / (loss) for the period / year	1,157	1,159	(41,924)	(50,867)
Total comprehensive income / (loss) for the period / year	7,334	5,865	(27,082)	(8,453)
Profit for the period / year attributable to :	6,177	4,706	14,842	42,414
Owners of the Parent	3,673	3,734	14,620	37,998
Non-controlling interests	2,504	972	222	4,416
Other comprehensive income / (loss) for the period / year attributable to:	1,157	1,159	(41,924)	(50,867)
Owners of the Parent	1,176	363	(39,172)	(48,554)
Non-controlling interests	(19)	796	(2,752)	(2,213)
Total comprehensive income / (loss) for the period / year attributable to :	7,334	5,865	(27,082)	(8,453)
Owners of the Parent	4,849	4,097	(24,552)	(10,656)
Non-controlling interests	2,485	1,768	(2,530)	2,203
Paid-up equity share capital (Face value : Rs. 5/- each)	19,987	19,987	19,987	19,987
Other equity	659,271	654,576	622,899	654,576
Earnings per share (Face value : Rs. 5/- each) (In Rupees)				
Basic	0.92	0.93	3.66	9.51
Diluted	0.92	0.93	3.66	9.51



Audited Consolidated Segment-wise Revenue, Results, Assets and Liabilities for the quarter ended June 30, 2017

(Rs. Million)

Particulars	Quarter ended			Year ended
	June 30, 2017	March 31, 2017	June 30, 2016	March 31, 2017
	Audited	Audited	Audited	Audited
1. Segment Revenue				
a) Mobile Services India	129,146	129,719	150,420	565,511
b) Mobile Services Africa	48,528	50,476	62,493	219,568
c) Mobile Services South Asia	972	977	4,143	11,743
d) Airtel Business	27,787	25,769	26,793	109,429
e) Tower Infrastructure Services	15,982	16,017	14,557	60,829
f) Homes Services	6,703	6,785	6,644	27,518
g) Digital TV Services	8,974	8,657	8,369	34,306
h) Others	1,020	937	930	3,736
i) Unallocated	-	-	-	-
Total	239,112	239,337	274,349	1,032,640
Less: Inter-segment eliminations *	19,531	19,991	18,884	77,957
Total revenue	219,581	219,346	255,465	954,683
2. Segment Results ^				
Profit before net finance costs non-operating (income) / expenses - (net), exceptional items and tax				
a) Mobile Services India	12,606	14,394	34,676	105,494
b) Mobile Services Africa	5,038	3,930	1,975	10,189
c) Mobile Services South Asia	(564)	(889)	(1,580)	(4,660)
d) Airtel Business	6,483	6,544	4,695	22,737
e) Tower Infrastructure Services	8,213	8,192	6,597	29,195
f) Homes Services	1,351	1,676	1,614	6,868
g) Digital TV Services	1,038	975	1,219	3,577
h) Others	(594)	(1,500)	(235)	(2,495)
i) Unallocated	(363)	(492)	(475)	(1,418)
Total	33,208	32,830	48,486	169,486
Less:				
(i) Inter-segment eliminations *	475	680	595	2,263
(ii) Net finance costs	18,274	19,162	19,399	76,974
(iii) Non-operating (income) / expenses, (net)	(357)	474	25	1,319
(iv) Exceptional items	503	6,055	3,536	11,697
Profit before tax	14,313	6,459	24,931	77,233
3. Segment Assets ^ #				
a) Mobile Services India	1,380,031	1,642,949	1,556,801	1,642,949
b) Mobile Services Africa	527,544	556,281	623,602	556,281
c) Mobile Services South Asia	28,219	29,048	46,937	29,048
d) Airtel Business	112,649	331,833	249,121	331,833
e) Tower Infrastructure Services	188,351	210,023	214,872	210,023
f) Homes Services	48,141	311,890	206,850	311,890
g) Digital TV Services	24,243	22,935	23,838	22,935
h) Others	6,625	9,327	5,112	9,327
i) Unallocated / Inter-segment eliminations	13,468	(786,784)	(675,861)	(786,784)
Total assets	2,329,271	2,327,502	2,251,272	2,327,502
4. Segment Liabilities #				
a) Mobile Services India	339,180	722,363	679,685	722,363
b) Mobile Services Africa	125,197	226,314	262,923	226,314
c) Mobile Services South Asia	2,770	7,968	33,045	7,968
d) Airtel Business	48,434	180,624	144,420	180,624
e) Tower Infrastructure Services	21,975	47,535	20,911	47,535
f) Homes Services	16,776	246,864	147,301	246,864
g) Digital TV Services	29,355	28,341	44,328	28,341
h) Others	4,605	5,083	3,512	5,083
i) Unallocated / Inter-segment eliminations	990,733	119,097	219,965	119,097
Total liabilities	1,579,025	1,584,189	1,556,090	1,584,189

* Includes accounting policy alignment

^ Includes share of results / assets of joint ventures and associates

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



Notes to the Audited Consolidated Financial Results

1. The said financial results for the quarter ended June 30, 2017 have been reviewed by the Audit and Risk Management Committee and approved by the Board of Directors in their respective meetings held on July 25, 2017.
2. The above financial results are extracted from the audited Interim Condensed Consolidated Financial Statements of the Group, which are prepared in accordance with Indian Accounting Standards ('Ind AS') as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder. The said financial results represents results of the Group, and it's share in the results of joint ventures and associates.
3. Exceptional items during the quarter ended June 30, 2017 mainly includes charge of Rs. 475 Mn towards operating costs on network re-farming and up-gradation program. The tax impact and share of non-controlling interests, on the above is Rs. (101) Mn and Rs. (9) Mn respectively.
4. On January 8, 2013, the Department of Telecommunications ('DoT') issued a demand on the Company and one of its subsidiaries for Rs. 52,013 Mn towards levy of one time spectrum charge. Based on a petition filed by the Company, the Hon'ble High Court of Bombay, through its order dated January 28, 2013, has directed DoT to respond and not to take any coercive action until the next date of hearing. The Company, based on independent legal opinions, till date has not given any effect to the above demand.
5. Previous period figures have been re-grouped, wherever required.

For Bharti Airtel Limited



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

New Delhi
July 25, 2017

Notes:

- a) 'Bharti Airtel' or 'Company', stands for Bharti Airtel Limited
- b) 'Group' or 'Consolidated', stands for Bharti Airtel together with its subsidiaries
- c) For more details on the financial results, please visit our website 'www.airtel.in'



INDEPENDENT AUDITOR'S REPORT

To the Members of Telenor (India) Communications Private Limited

Report on the Ind AS financial statements

We have audited the accompanying Ind AS financial statements of Telenor (India) Communications Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by the Ministry of Corporate Affairs. 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

Basis for qualified opinion

- a) As more fully discussed in Note 2 of the financial statements, the Company has entered into a definitive agreement to combine its operations with Bharti Airtel Limited by way of 'scheme of amalgamation' under the terms of Section 230 to 232 of the Companies Act, 2013 ("Proposed Transaction"). The Proposed Transaction is inter alia, subject to other regulatory and statutory approvals including but not limited to approvals from the DOT, Government of India & NCLT. Since the Company is in the process of executing the Proposed Transaction, it has not performed impairment assessment of its property, plant and equipment including capital work in progress of Rs 11,973 Mn and intangible assets of Rs 41,404 Mn as at March 31, 2017, as required by Indian Accounting Standard (Ind AS) -36, 'Impairment of Assets'. In the absence of sufficient and appropriate audit evidence in this regard, we are unable to comment on the quantum of adjustment that may be required in the carrying value of net fixed assets (network equipment and spectrum) of the Company as stated in the financial statements.
- b) The Company has continued to incur losses in the twelve months period ended March 31, 2017, has accumulated losses of Rs 56,753 Mn and continued erosion of networth as of this date and net current liabilities of Rs 29,408 Mn. The Company has estimated sum of Rs 60,408 Mn to fund its capital and operating requirements over the next twelve months. Though the Shareholders of the Company intend to arrange the funding requirements as stated above until the Proposed Transaction is consummated, they have not provided any commitments/guarantees to arrange such funding. These conditions indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.
- c) As more fully discussed in Note 3 to these financial statements, on November 27, 2013, the Company had acquired a business through Business Transfer Agreement ('BTA') on a going concern basis from Unitech Wireless (Tamilnadu) Private Limited ('the Acquiree'). As part of business transfer, the Company is required to pay all demands due to Department of Telecommunications ('DoT') on behalf of the Acquiree. As per the Supreme Court Order dated February 15, 2013, operators who continued to operate till the date of the said Order, are required to pay spectrum fees post cancellation of licences. The Acquiree has received a demand notice ('DN') on February 14, 2017 with respect to said Order of Rs. 7,701 Mn including interest of Rs 2,839 Mn. Based on legal assessment carried out by the Company, it believes that the DN is not tenable and, has not recorded such charge in these financial statements. As the matter is subject to interpretation and litigation, we are unable to comment on the matter including the extent of its impact on licence fees charge as at March 31, 2017 and net loss for year then ended.

Matter (b) & (c) above were also qualified in the audit report dated August 18, 2016 issued in respect of financial statement for the year ended and as at March 31, 2016.

Qualified opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, of its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - (a) We have sought and, except for the matters described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive income, and Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) Except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 issued by the Ministry of Corporate Affairs;
 - (e) The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
 - (g) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Companies Act, 2013;
 - (h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
 - (i) 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 has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 30 to the Ind AS financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



S.R. BATLIBOI & ASSOCIATES LLP

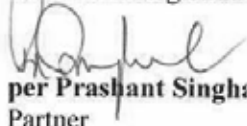
Chartered Accountants

- iv. The Company has provided requisite disclosures in Note 13 to these Ind AS financial statements as to the holdings of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including those in Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management. However, as stated in the said Note to the Ind AS financial statements as represented to us by the Management, the Company has received an amount aggregating Rs. 0.16 Mn from transactions which are not permitted.

For **S.R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004


per **Prashant Singhal**
Partner

Membership Number: 93283



Place of Signature: Gurgaon

Date: July 18, 2017

Annexure I

Annexure referred to in paragraph 1 of 'Report on other Legal and Regulatory Requirements'

Re: [Telenor (India) Communications Private Limited ('the Company')]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment ('PPE') including capital work in progress ('CWIP').
- (b) The Property, plant and equipment's including CWIP are physically verified by the management in accordance with a planned programme designed to cover all the items over a period of three years. Pursuant to the programme, a portion of PPE has been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. The Company is in the process of reconciling the quantitative and situation details of the physical verification results with the records maintained by the Company as at year end.
- (c) According to the information and explanations given by the management, there are no immovable properties included in property, plant and equipment/ fixed assets of the Company and accordingly, the requirement under paragraph 3(i)(c) of the Order is not applicable to the Company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the service of Company, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii)(a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, value added tax, cess and other statutory dues applicable to it. The provisions relating to duty of excise are not applicable to the Company.



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- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, value added tax, cess and other statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, value added tax and cess on account of any dispute, are as follows:

Name of the Statute	Nature of Dues	Amount (in INR Mn)	Period to which relates	Amount paid under protest	Forum where dispute is pending
Bihar Entry Tax Act, 1993	Entry Tax	-	2013-14, 2014-15, 2015-16 and 2016-17	181	Bench of Supreme Court of India
Customs Act, 1962	Customs Duty	-	2014-15	3	Commissioner of customs- Appeal
Sale Tax	VAT	12	2012-13		VAT Commissioner
Income Tax, 1961	Income Tax	4,181	2012-13 and 2013-14	843	Asstt. Commissioner of Income Tax

- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.
- (ix) In our opinion and according to the information and explanations given by the management, the Company has utilized term loans for the purposes for which they were raised. The company has not raised any monies by way of initial public offer/ further public offer/debt instruments.
- (x) We have been informed that transport head of the Company was alleged of misusing Company's transport and taking kickbacks from vendors approximately amounting to Rs 1.3 Mn during the year under audit. The person has resigned from the Company before conclusion of internal investigation initiated by the Company and no legal action has been taken by the Company based on cost benefit analysis of the legal proceedings.
- (xi) According to the information and explanations given to us by the management, the provisions of section 197 read with Schedule V of the Act are not applicable to the company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.



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- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-1A of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004


per Prashant Singhal
Partner

Membership No.: 93283



Place of Signature: Gurgaon

Date: July 18, 2017

ANNEXURE 2

Annexure referred to in paragraph 2 of 'Report on other Legal and Regulatory Requirements'

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of Telenor (India) Communications Private Limited

We have audited the internal financial controls over financial reporting of Telenor (India) Communications Private Limited ("the Company") as of March 31, 2017, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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. 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 the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

An audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgement, including the assessment of the risks of material misstatement of the 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 qualified audit opinion on the internal financial controls over financial reporting.



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified in the operating effectiveness of the company's internal financial controls over financial reporting as at March 31, 2017:

- (a) The Company's internal financial controls over compliance with respect to Indian accounting standard (Ind AS)- Ind AS 36, for impairment of property, plant and equipment including capital work in progress and intangible Assets (network equipments and spectrum) Rs. 53,377 Mn as of March 31, 2017 as mentioned in the basis of qualified opinion in our audit opinion.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

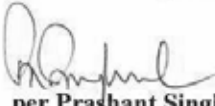
In our opinion, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India, and except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting were operating effectively as of March 31, 2017.



Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the financial statements of Telenor (India) Communications Private Limited, which comprise the Balance Sheet as at March 31, 2017, and the related Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. This material weakness was considered in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2017 financial statements of Telenor (India) Communications Private Limited and this report affect our report dated July 18, 2017, which expressed a qualified opinion on those financial statements.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004


per **Prashant Singh**
Partner
Membership Number: 93283



Place of Signature: Gurgaon
Date: July 18, 2017

Telenor (India) Communications Private Limited
(erstwhile Televings Communications Services Private Limited)

Balance Sheet as on March 31, 2017

(All amounts are in Rupees million unless otherwise stated)

Assets	Notes	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Non-current assets				
Property, plant and equipment	8	11,584	11,201	16,883
Capital work-in-progress	8	389	2,640	1,304
Intangible assets	9	41,404	43,418	46,059
Financial assets				
Security deposits	10	798	728	624
Other non-financial assets	14	1,817	1,661	1,503
		55,992	59,648	66,373
Current assets				
Inventories	11	11	11	7
Financial assets				
Trade receivables	12	418	366	266
Cash and cash equivalents	13	298	118	187
Security deposits	10	2	109	367
Unbilled receivables		920	569	502
Other non-financial assets	14	6,814	7,283	7,763
		8,463	8,456	9,092
Total		64,455	68,104	75,465
Equity and Liabilities				
Equity				
Equity share capital	15	19,231	19,231	19,231
Other equity		(41,203)	(32,014)	(9,174)
		(21,972)	(12,783)	10,057
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	16	45,615	41,004	33,916
Trade payables	19	1,761	1,497	1,324
Other financial liabilities	17	-	124	1,098
Provisions	18	1,153	549	759
Other non-financial liabilities	20	27	20	13
		48,556	43,194	37,110
Current liabilities				
Financial liabilities				
Borrowings	16	24,315	16,005	11,500
Trade payables	19	7,367	13,908	10,992
Other financial liabilities	17	3,355	3,735	2,245
Provisions	18	150	301	66
Deferred revenue		2,417	2,828	2,791
Other non-financial liabilities	20	267	916	704
		37,871	37,693	28,298
Total		64,455	68,104	75,465

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration No: 101049W/E300004

Prashant Singh
per Prashant Singh
Partner

Membership No.93283

Place: Gurgaon

Date: 18/07/2017



For and on behalf of the Board of Directors of
Telenor (India) Communications Private Limited

Sharad Mehrotra
Sharad Mehrotra
CEO & Wholetime Director
DIN: 07344741
Place: Bangkok

Suresh Bagrodia
Suresh Bagrodia
Chief Financial Officer
Place: Bangkok

Date: 18/7/17

Arnstein Sletmo
Arnstein Sletmo
Director
DIN: 07339205
Place: Bangkok

Deepak Goyal
Deepak Goyal
Company Secretary
Place: Gurgaon

Telenor (India) Communications Private Limited
(erstwhile Teleswings Communications Services Private Limited)

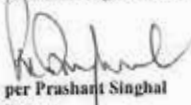
Statement of Profit and Loss for the year ended March 31, 2017
(All amounts are in Rupees million unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2017	For the year ended March 31, 2016
Income			
Revenue from operations	21	46,965	45,233
Other income	22	981	236
Total Income (I)		47,946	45,469
Expenses			
Licence fees		4,250	4,319
Access charge		11,132	10,706
Network operating expenses	23	16,942	16,349
Employee benefits expense	24	3,951	3,218
Sales and marketing expenses	25	3,651	5,682
Other expenses	26	2,866	6,391
Total Expenses (II)		42,792	46,665
Profit / (Loss) before finance costs and depreciation and amortisation (I-II)		5,154	(1,196)
Loss before finance costs and depreciation/amortisation			
Finance costs	27	5,949	5,521
Depreciation and amortisation	28	8,422	16,124
(Loss) before tax		(9,217)	(22,841)
Income Tax Expense		0	0
(Loss) after tax		(9,217)	(22,841)
Other Comprehensive Income ('OCI')			
Items not to be reclassified to profit or loss:			
Remeasurement gain on defined benefits plans		28	1
Other comprehensive gain for the year		28	1
Total comprehensive (loss) for the year		(9,189)	(22,840)
Loss per equity share (in Rs) - basic and diluted		4.79	11.88

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W/E300004

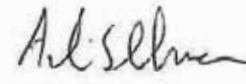

per Prashant Singhal
Partner
Membership No.93283



Place: Gurgaon
Date: 18/07/2017

**For and on behalf of the Board of Directors of
Telenor (India) Communications Private Limited**


Sharad Mehrotra
CEO & Wholtime Director
DIN: 07344741
Place: Bangkok


Arnstein Sletmoe
Director
DIN: 07339205
Place: Bangkok


Suresh Bagrodia
Chief Financial Officer
Place: Bangkok


Deepak Goyal
Company Secretary
Place: Gurgaon

Date: 18/7/17



Telenor (India) Communications Private Limited
(erstwhile Telewings Communications Services Private Limited)

Cash Flow Statement for the year ended March 31, 2017
(All amounts are in Rupees million unless otherwise stated)

Cash flow from operating activities:	For the year ended March 31, 2017	For the year ended March 31, 2016
Loss before tax	(9,217)	(22,841)
Adjustments for:		
Depreciation and amortisation	8,422	16,124
Remeasurement gain on defined benefits plans	28	1
Finance costs	5,949	5,521
Interest income	(130)	(123)
Loss/profit on disposal of property, plant and equipment	(307)	29
Debts/advances written off	114	88
Provision for bad & doubtful debts and advances	(392)	299
Provision for gratuity and compensated absences	130	94
Provision for contingencies	(152)	136
Provision for diminution in the value of capital inventory	(205)	1,555
Unrealised foreign exchange loss / (gain)	(417)	204
Provision for diminution in the value of Inventory	2	5
Operating cash flow before changes in working capital	3,825	1,092
Adjustments for changes in working capital :		
- Decrease/(Increase) in trade receivables	226	(487)
- (Decrease)/Increase in trade payables	(1,279)	(647)
- Decrease/(Increase) in inventories	(2)	(9)
- Decrease/(Increase) in other financial and non- financial assets	(126)	622
-(Decrease)/Increase in other financial and non-financial liabilities	(109)	1,107
-(Decrease)/Increase in deferred revenue	(411)	37
Net cash generated from operations before tax	2,124	1,715
- Income tax paid	-	-
Net cash generated from operating activities (A)	2,124	1,715
Cash flow from investing activities:		
Purchase of property, plant and equipment	(9,248)	(7,134)
Proceeds from disposal of property, plant and equipment	451	23
Purchase of bank deposits (having original maturity more than three months)	-	(0)
Purchase consideration/advance to Unitech Wireless (refer note 1 and 2 below)	-	(590)
Interest received	49	71
Net cash used in investing activities (B)	(8,748)	(7,630)
Cash flow from financing activities:		
Proceeds from long term borrowings	5,501	4,000
Proceeds from short term borrowings	17,315	11,505
Repayment of short term borrowings	(9,005)	(5,000)
Interest paid	(7,007)	(4,659)
Net cash generated from financing activities (C)	6,804	5,846
Net (decrease)/increase in cash and cash equivalents (A+B+C)	180	(69)
Cash and cash equivalents at the beginning of the year	118	187
Cash and cash equivalents at the end of the year (Refer Note 13)	298	118

Notes :

1. As explained in Note 3 to the financials, the Company acquired GSM business alongwith actionable claims of Unitech Wireless at a total purchase consideration of Rs 18,677 out of which Rs 18,290 has been paid in cash in previous periods. The unpaid balance of Rs 387 was paid during the FY 2015-16.



2. As explained in Note 3 to the financials, the Company acquired national and international long distance services business of Unitech Wireless at a total purchase consideration of Rs 203 which was paid in FY 2015-16.

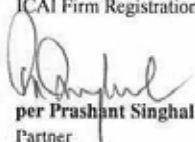
3. During previous year, the tenure of opening borrowing amounting to Rs 2,000 has been extended to April 30, 2018 and therefore the same has been re-classed to long term borrowing.

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration No: 101049W/E300004


per Prashant Singhal
Partner

Membership No.93283

Place: Gurgaon


Date: 18/07/2017



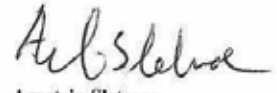
**For and on behalf of the Board of Directors of
Telenor (India) Communications Private Limited**



Sharad Mehrotra
CEO & Wholtime Director
DIN: 07344741
Place: Bangkok


Suresh Bagrodia
Chief Financial Officer
Place: Bangkok

Date: 18/7/17



Arnstein Sletmoe
Director
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Company Secretary
Place: Gurgaon



Telenor (India) Communications Private Limited
(erstwhile Telewings Communications Services Private Limited)

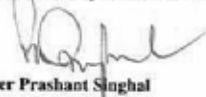
Statement of Changes in Equity for the year ended March 31, 2017
(All amounts are in Rupees million unless otherwise stated)

Particulars	Equity		Other Equity				Total Equity
	No of shares (in Mn)	Amount	Share premium	Retained earnings	Capital Reserve*	Total	
as at April 1, 2015	1,923	19,231	358	(24,724)	15,192	(9,174)	10,057
Loss for the period	-	-	-	(22,841)	-	(22,841)	(22,841)
Other comprehensive income	-	-	-	1	-	1	1
Total comprehensive income	-	-	-	(22,840)	-	(22,840)	(22,840)
as at March 31, 2016	1,923	19,231	358	(47,564)	15,192	(32,014)	(12,783)
Loss for the period	-	-	-	(9,217)	-	(9,217)	(9,217)
Other comprehensive income	-	-	-	28	-	28	28
Total comprehensive income	-	-	-	(9,189)	-	(9,189)	(9,189)
as at March 31, 2017	1,923	19,231	358	(56,753)	15,192	(41,203)	(21,972)

* As discussed in Note 3, on an aggregate basis the Company acquired net assets of GSM business amounting to Rs 17,284 for a purchase consideration of Rs 18,577 resulting into goodwill of Rs 1,394. Included in the above acquisition was the right of refund of 'one time' Licence fees of Rs 16,586 paid by Unitech Wireless to DoT, at a consideration of Rs 1,000 together with indemnification of any regulatory liabilities that arise of Unitech Wireless pertaining to pre-acquisition year. On March 31, 2014, the DoT approved the refund of the said licence fees paid by Unitech Wireless, to the Company by way of adjustment to the liability for spectrum auction fees. As the realization of refund is within a short year of time from the date of business transfer and the transaction was among the related parties, the Company has treated the amount as capital receipt and reflected the same as capital reserve. Accordingly, the Company as a result of above transfer has reflected net amount of Rs 15,192 as capital reserve.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 101049W/E300004

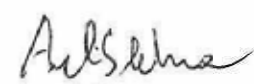

per Prashant Singh
Partner
Membership No.93283



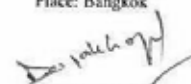
Place: Gurgaon
Date: 18/07/2017

For and on behalf of the Board of Directors of
Telenor (India) Communications Private Limited


Sharad Mehrotra
CEO & Wholetime Director
DIN: 07344741
Place: Bangkok


Arnstein Sletmoe
Director
DIN: 07339205
Place: Bangkok


Suresh Bagrodia
Chief Financial Officer
Place: Bangkok


Deepak Goyal
Company Secretary
Place: Gurgaon



Date: 18/7/17

Pre and Post amalgamation shareholding pattern of Bharti Airtel Limited

Category of Shareholders	No. of shares pre - amalgamation August 04, 2017		No. of shares post - amalgamation Effective Date	
	Total	% of Total Shares	Total	% of Total Shares
A. Promoters				
Indian				
Individual /HUF	-	-	-	-
Central Government	-	-	-	-
State Government	-	-	-	-
Bodies Corporate	1,817,987,269	45.48	1,817,987,269	45.48
Banks / FI	-	-	-	-
Any Other	-	-	-	-
Sub-Total (A) (1)	1,817,987,269	45.48	1,817,987,269	45.48
Foreign				
NRIs - Individuals	-	-	-	-
Others - Individuals	-	-	-	-
Bodies Corporate	857,180,286	21.44	857,180,286	21.44
Banks / Financial Institutions	-	-	-	-
Any other (Foreign Institutional Investor)	8,493,000	0.21	8,493,000	0.21
Sub-Total A(2) :	865,673,286	21.66	865,673,286	21.66
Total A=A(1)+A(2)	2,683,660,555	67.14	2,683,660,555	67.14
B. Public Shareholding				
Institutions				
Mutual Funds /UTI	130,761,511	3.27	130,761,511	3.27
Banks / FI	1,097,290	0.03	1,097,290	0.03
Central Government	-	-	-	-
State Government	-	-	-	-
Venture Capital Funds	-	-	-	-
Insurance Companies	265,425,575	6.64	265,425,575	6.64
FII's (including foreign portfolio investors)	664,097,231	16.61	664,097,231	16.61
Foreign Venture	-	-	-	-
Capital Funds	-	-	-	-
Others	-	-	-	-
Sub-Total B(1) :	1,061,381,607	26.55	1,061,381,607	26.55
Non institutions				
Bodies Corporate				
i) Indian	13,595,930	0.34	13,595,935	0.34
ii) Overseas	-	-	-	-
Individual shareholders holding nominal share capital upto Rs.2 lakh	21,290,952	0.53	21,290,952	0.53
Individual shareholders holding nominal share capital in excess of Rs.2 lakh	3,388,743	0.08	3,388,743	0.08
Qualified Foreign Investor	-	-	-	-
Foreign National	-	-	-	-
Foreign Companies	203,177,716	5.08	203,177,716	5.08
Non-resident Indians	1,000,532	0.03	1,000,532	0.03
Non-resident Indians (Non - repatriation)	577,558	0.01	577,558	0.01
Trusts (ESOP)	1,291,916	0.03	1,291,916	0.03
Clearing Members	1,569,736	0.04	1,569,736	0.04
Any other				
Trusts	6464857	0.16	6464857	0.16
Sub-Total B(2) :	252,357,940	6.31	252,357,945	6.31
Total Public shareholding (B) = B(1)+B(2) :-	1,313,739,547	32.86	1,313,739,552	32.86
C. Shares held by Custodians for GDR's & ADR's	-	-	-	-
Total (A) + (B) + (C)	3,997,400,102	100	3,997,400,107	100

**BEFORE THE NATIONAL COMPANY LAW TRIBUNAL
PRINCIPAL BENCH, AT NEW DELHI
COMPANY APPLICATION NO. CA (CAA)-81(PB)/2017 OF 2017
(under Sections 230-232 of the Companies Act, 2013)**

**IN THE MATTER OF THE COMPANIES ACT, 2013
AND
IN THE MATTER OF THE SCHEME OF AMALGAMATION BETWEEN TELENOR (INDIA) COMMUNICATIONS PRIVATE
LIMITED AND BHARTI AIRTEL LIMITED AND THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
AND**

IN THE MATTER OF:

Telenor (India) Communications Private Limited, (CIN: U64200DL2012PTC231991), a company incorporated under the Companies Act, 1956 and having its registered office at DBS Business Center, First Floor, World Trade Tower, Barakhamba Lane, Connaught Place, New Delhi – 110001

...Applicant Company 1 / Transferor Company

AND

Bharti Airtel Limited, (CIN: L74899DL1995PLC070609), a company incorporated under the Companies Act, 1956 and having its registered office at Bharti Crescent, 1 Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi – 110070

...Applicant Company 2 / Transferee Company

FORM OF PROXY

Name of Unsecured Creditor:

Address of Unsecured Creditor:

Email ID:

I/We, the undersigned as an unsecured creditor of Bharti Airtel Limited, hereby appoint:

- i. Name _____, Address _____ having e-mail id _____ or failing him/her
- ii. Name _____, Address _____ having e-mail id _____ or failing him/her
- iii. Name _____, Address _____ having e-mail id _____

as my/our proxy, to act for me/us at the meeting of the unsecured creditors of Bharti Airtel Limited to be held at Sri Sathya Sai International Centre, Pragati Vihar, Bhisham Pitamah Marg, Lodhi Road, New Delhi – 110003 on Tuesday, the 19th day of September, 2017 at 12:00 Noon, for the purpose of considering and, if thought fit, approving, with or without modification, the scheme of amalgamation between Telenor (India) Communications Private Limited and Bharti Airtel Limited and their respective shareholders and creditors under Sections 230 to 232 of the Companies Act, 2013 (hereinafter referred to as the “**Scheme**”) at such Meeting, and any adjournment or adjournments thereof and to vote, for me/us and in my/our name(s) _____ (here, if ‘for’, insert ‘**FOR**’, if ‘against’, insert ‘**AGAINST**’) the said Scheme as my/our proxy.

Dated this _____ day of _____, 2017.

Affix
Re 1/- Revenue
Stamp

Signature of first Proxy Holder

Signature of second Proxy Holder

Signature of third Proxy Holder

Signature of Unsecured Creditor

Notes:

1. The Form of Proxy in order to be effective should be in the prescribed form, duly completed, stamped and signed or authenticated by the concerned person and deposited at the registered office of Bharti Airtel Limited ("**Transferee Company**") at Bharti Crescent, 1 Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi – 110070, **not later than 48 hours** before the scheduled time of the meeting.
2. In case of multiple proxies, proxy later in time shall be accepted.
3. Please affix a revenue stamp of Re. 1/- before signing across the same.
4. All alterations made in the Form of Proxy should be initialed.
5. Only an unsecured creditor of the Transferee Company is entitled to attend and vote at the meeting of the unsecured creditors ("**Meeting**"), either in person or by proxy or through an authorized representative, as the case may be. Where a body corporate which is an unsecured creditor authorises any person to act as its representative at the Meeting, a copy of the resolution of the board of directors or other governing body of such body corporate authorising such person to act as its representative at the Meeting, and certified to be a true copy by a director, the manager, the secretary, or other authorised officer of such body corporate shall be lodged with the Transferee Company at its registered office not later than 48 hours before the scheduled time of the Meeting.
6. An unsecured creditor of the Transferee Company is entitled to attend and vote at the Meeting, either in person or by proxy or through an authorized representative (in case the unsecured creditor is a body corporate), as the case may be. Such unsecured creditor is entitled to appoint a proxy to attend and vote at the Meeting instead and on behalf of such unsecured creditor and such proxy need not be an unsecured creditor. Proxies to be valid and effective should be in the prescribed Form of Proxy, duly completed, stamped and signed or authenticated by the concerned person and should be deposited at the registered office of the Transferee Company not later than 48 hours before the scheduled time of the Meeting.
7. An unsecured creditor / its proxy, attending the Meeting, is requested to bring the Attendance Slip duly completed, signed or authenticated by the concerned person along with a copy of the deposited Form of Proxy (in case of a proxy).
8. An unsecured creditor (in case such unsecured creditor is an individual) or the authorized representative of the unsecured creditor (in case such unsecured creditor is a body corporate) or the proxy should carry their valid and legible identity proof (i.e. a PAN Card / Aadhaar Card / Passport / Driving License / Voter ID Card).



Bharti Airtel Limited

CIN: L74899DL1995PLC070609

Regd. & Corporate Office: Bharti Crescent, 1 Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070, India

Phone: +91-11-4666 6100 **Fax:** +91-11-4166 6137

Email: compliance.officer@bharti.in **Website:** www.airtel.com

**MEETING OF THE UNSECURED CREDITORS OF BHARTI AIRTEL LIMITED ON
TUESDAY, SEPTEMBER 19, 2017 AT 12:00 NOON**

ATTENDANCE SLIP

Unsecured Creditor Serial No.:
Unsecured Creditor Name:

I hereby record my presence at the meeting of the unsecured creditors of Bharti Airtel Limited, convened pursuant to the order dated July 28, 2017 of the Hon'ble Special Bench of the National Company Law Tribunal at New Delhi in CA (CAA)-81(PB)/2017, at Sri Sathya Sai International Centre, Pragati Vihar, Bhisham Pitamah Marg, Lodhi Road, New Delhi - 110003, on Tuesday, September 19, 2017 at 12:00 Noon.

Name of the Unsecured Creditor :
Address of the Unsecured Creditor :
(complete details in block letters)
Signature of the Unsecured Creditor :

OR

Name of the Proxy Holder :
Address of the Proxy Holder :
(complete details in block letters)
Signature of the Proxy Holder :

NOTES:

1. Unsecured creditor / proxy holder / authorized representative wishing to attend the meeting must bring the attendance slip to the meeting and hand over the same at the entrance of the meeting venue after completing the same.
2. Unsecured creditor/ proxy holder / authorized representative desiring to attend the meeting should bring his / her copy of the notice for reference at the meeting.

Route Map

