



May 08, 2017

The BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400001
Email ID: corp.relations@bseindia.com

The National Stock Exchange of India Limited
Exchange Plaza, Bandra kurla Complex,
Bandra (E), Mumbai 400 051
Email ID: cmlist@nse.co.in

Ref: Bharti Infratel Limited (534816 / INFRATEL)

Sub: Quarterly report for the fourth quarter (Q4) and financial year ended on March 31, 2017

Dear Sir / Madam,

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the quarterly report being released by the Company w.r.t. the results of fourth quarter (Q4) and financial year ended on March 31, 2017.

Kindly take the same on record.

Thanking you,

Sincerely yours,
For Bharti Infratel Limited


Shweta Girotra
Company Secretary



Encl: As above

Quarterly report on the results for the fourth quarter and full year ended March 31, 2017

Bharti Infratel Limited

(Incorporated as a public limited company on November 30, 2006 under the Companies Act, 1956)
Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi – 110 070, India



May 8, 2017

The financial statements included in this quarterly report fairly present in all material respects the financial position, results of operations, cash flow of the Company as of and for the periods presented in this report.

Supplemental Disclosures

Safe Harbor: - Some information in this report may contain forward-looking statements. We have based these forward-looking statements on our current beliefs, expectations and intentions as to facts, actions and events that will or may occur in the future. Such statements generally are identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words.

A forward-looking statement may include a statement of the assumptions or basis underlying the forward-looking statement. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution you that forward-looking statements and assumed facts or bases almost always vary from actual results, and the differences between the results implied by the forward-looking statements and assumed facts or bases and actual results can be material, depending on the circumstances. You should also keep in mind that any forward-looking statement made by us in this report or elsewhere speaks only as of the date on which we made it. New risks and uncertainties come up from time to time, and it is impossible for us to predict these events or how they may affect us. We have no duty to, and do not intend to, update or revise the forward-looking statements in this report after the date hereof. In light of these risks and uncertainties, any forward-looking statement made in this report or elsewhere may or may not occur and has to be understood and read along with this supplemental disclosure.

General Risk: - Investment in equity and equity related securities involves a degree of risk and investors should not invest any funds in this Company without necessary diligence and relying on their own examination of Bharti Infratel Limited; along with the equity investment risk which doesn't guarantee capital protection.

Use of Certain Non GAAP measures: - This result announcement contains certain information on the Company's results of operations and cash flows that have been derived from amounts calculated in accordance with Indian Accounting Standards (IND AS) i.e. Non-GAAP measures. They should not be viewed in isolation as alternatives to the equivalent IND AS measures and should be read in conjunction with the equivalent IND AS measures.

Further, disclosures are also provided under "Use of Non – GAAP financial information" on page 26

Others: In this report, the term "Bharti Infratel" or "Infratel" or "the Company" refers to Bharti Infratel Limited, whereas references to "we", "us", "our", "the Group" and other similar terms, unless otherwise specified or the context otherwise implies, refer to Bharti Infratel Limited taken together with its wholly owned subsidiary, Bharti Infratel Ventures Limited and Bharti Infratel's 42% equity interest in Indus Towers Limited till FY12-13.

Pursuant to filing the Order of Hon'ble High Court with Registrar of Companies (ROC) on June 11, 2013, Bharti Infratel Ventures Limited has been merged with Indus Towers Limited as of that date.

With effect from FY 13-14, references to "we", "us", "our", "the Group" and other similar terms, unless otherwise specified or the context otherwise implies, refer to Bharti Infratel Limited taken together with its wholly owned subsidiary, Bharti Infratel Services Limited (which was incorporated on June 4, 2013 and received Certificate for Commencement of Business on August 13, 2013) and Bharti Infratel's 42% equity interest in Indus Towers Limited. With effect from January 2015, Bharti Infratel Employee Welfare Trust (incorporated for allotment of shares to employees as part of Employee Stock Option Plan) has been included as part of the group. With effect from September 2015, Smartx Services Ltd (incorporated on September 21, 2015 as a wholly owned subsidiary) has been included as a part of the group. Effective 29th March 2016, Bharti Infratel Services Limited has been closed pursuant to Board's decision to initiate the process of striking off the name of the company from the register of ROC.

Disclaimer: - This communication does not constitute an offer of securities for sale in the United States. Securities may not be sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. Any public offering of securities to be made in the United States will be made by means of a prospectus and will contain detailed information about the Company and its management, as well as financial statements.

TABLE OF CONTENTS

<u>Section A</u>	<u>Consolidated Results</u>	4
Section 1	Bharti Infratel – Performance at a glance	5
Section 2	An Overview	6
Section 3	Proforma Financial Highlights	
3.1	Summary of Proforma Consolidated Financial Statements	10
3.2	Summarized Statement of Proforma Group Consolidation- Statement of Operations	11
3.3	Summarized Statement of Proforma Group Consolidation- Statement of Financial Position	13
Section 4	Operating Highlights	14
Section 5	Management Discussion & Analysis	
5.1	Key Industry Developments	16
5.2	Key Company Developments	17
5.3	Results of Operations	18
5.4	Three Line Graph	20
Section 6	Stock Market Highlights	21
Section 7	Detailed Proforma Financial and Related Information	23
Section 8	Trends & Ratios	28
<u>Section B</u>	<u>Consolidated IND AS Financial Statements</u>	33
Section 9	Financial Highlights	34
<u>Section C</u>	<u>Transition to IND AS</u>	37
Section 10	Key Accounting Changes	38
Section 11	IGAAP to IND AS Reconciliation Statements	41
Section 12	Walk - IND AS Consolidated Results to Proforma Consolidated Results	45
<u>Section D</u>	<u>Key Accounting Policies and Glossary</u>	47
Section 13	Basis of Preparation and Key Accounting Policies as per IND AS	48
Section 14	Glossary	60

Section A

Consolidated Results

The Group has adopted IND AS w.e.f. April 1, 2016 with transition date being April 1, 2015 in accordance with the requirements under Section 133 of the Companies Act, 2013. Accordingly, the consolidated financial statements under IND AS include the share of Joint-Venture on the basis of Equity Method of accounting.

In the past, we have been presenting our consolidated financial results based on proportionate consolidation approach as required under previous GAAP. To ensure continuity of comparison, this section A includes Proforma audited consolidated financial results as per proportionate consolidation method based on segment information in the audited consolidated financial statement of IND AS and underlying information.

Section-1

BHARTI INFRATEL – PERFORMANCE AT A GLANCE⁵

Particulars	UNITS	Full Year Ended ⁴			Quarter Ended ⁴				
		2015	2016	2017	Mar 2016	Jun 2016	Sep 2016	Dec 2016	Mar 2017
<u>Consolidated Operating Highlights</u>									
Total Towers	Nos	85,892	88,808	90,646	88,808	89,352	89,791	90,255	90,646
Total Co-locations	Nos	182,294	195,035	210,606	195,035	196,401	198,795	204,934	210,606
Average Sharing factor	Times	2.06	2.16	2.26	2.19	2.20	2.21	2.24	2.30
Closing Sharing factor	Times	2.12	2.20	2.32	2.20	2.20	2.21	2.27	2.32
Sharing Revenue per Tower per month	Rs	69,148	74,513	78,318	76,602	76,987	77,197	78,407	80,464
Sharing Revenue per Sharing Operator per month	Rs	33,488	34,499	34,648	35,012	35,040	34,994	34,966	35,029
<u>Financials</u>									
Revenue ¹	Rs Mn	115,646	123,313	134,237	31,817	32,107	32,919	34,007	35,204
EBITDA ¹	Rs Mn	49,215	54,478	59,420	14,687	14,082	14,537	14,955	15,846
EBIT ¹	Rs Mn	27,572	31,871	36,343	8,798	8,298	8,869	9,137	10,039
Finance Cost (Net)	Rs Mn	(3,364)	(1,848)	(4,414)	(1,031)	(1,282)	(2,472)	(947)	287
Profit before Tax	Rs Mn	36,074	35,766	42,211	10,263	9,931	11,674	10,441	10,166
Profit after Tax ³	Rs Mn	22,027	22,474	27,470	7,184	7,562	7,738	6,204	5,966
Capex	Rs Mn	20,492	21,243	21,788	5,007	4,416	5,112	6,830	5,431
-of Which Maintenance & General Corporate Capex	Rs Mn	5,116	4,753	5,048	966	1,359	1,178	1,164	1,346
Operating Free Cash Flow ¹	Rs Mn	29,106	32,879	37,209	9,578	9,577	9,321	8,014	10,297
Adjusted Fund From Operations(AFFO) ¹	Rs Mn	44,482	49,369	53,949	13,618	12,633	13,255	13,680	14,382
Total Capital Employed	Rs Mn	112,320	121,848	119,738	121,848	121,330	118,052	116,752	119,738
Net Debt / (Net Cash)	Rs Mn	(63,981)	(60,414)	(35,127)	(60,414)	(68,058)	(52,009)	(59,181)	(35,127)
Shareholder's Equity	Rs Mn	176,301	182,262	154,865	182,262	189,388	170,061	175,933	154,865
<u>Key Ratios</u>									
EBITDA Margin ²	%	42.6%	44.2%	44.3%	46.2%	43.9%	44.2%	44.0%	45.0%
EBIT Margin ²	%	23.8%	25.8%	27.1%	27.7%	25.8%	26.9%	26.9%	28.5%
Net Profit Margin ²	%	19.0%	18.2%	20.5%	22.6%	23.6%	23.5%	18.2%	16.9%
Net Debt / (Net Cash) to EBITDA (LTM)	Times	(1.30)	(1.11)	(0.59)	(1.11)	(1.22)	(0.91)	(1.02)	(0.59)
Interest Coverage ratio (LTM)	Times	13.65	18.50	22.17	18.50	19.93	20.75	21.66	22.17
Return on Capital Employed (LTM) Pre Tax	%	23.8%	27.2%	30.1%	27.2%	26.0%	28.4%	29.5%	30.1%
Return on Shareholder's Equity (LTM) Pre Tax	%	20.5%	19.9%	25.0%	19.9%	20.7%	23.5%	24.1%	25.0%
Return on Shareholder's Equity (LTM) Post tax	%	12.5%	12.5%	16.3%	12.5%	13.9%	16.1%	16.3%	16.3%
<u>Valuation Indicators</u>									
Market Capitalization	Rs Bn	729	724	603	724	654	676	635	603
Enterprise Value	Rs Bn	665	664	568	664	586	624	576	568
EV / EBITDA (LTM)	Times	13.51	12.19	9.55	12.19	10.54	10.94	9.89	9.55
EPS (Diluted)	Rs	11.63	11.86	14.73	3.79	3.99	4.14	3.36	3.23
PE Ratio	Times	33.10	32.22	22.13	32.22	25.53	25.13	22.47	22.13

1. Revenue, EBITDA, EBIT, Operating free cash flow and Adjusted Fund from Operations (AFFO) are excluding other income.

2. EBITDA, EBIT and Net profit margin have been computed on revenue excluding other income.

3. Profit after tax excludes impact of Other Comprehensive Income

4. Previous periods' figures have been regrouped/ rearranged wherever necessary to confirm to current period classifications

5. The Company has disclosed the above proforma consolidated financials (other than for FY2015) as per proportionate consolidation method based on segment information in the audited consolidated financial statement of IND AS and underlying information. Proforma consolidated financials (using proportionate consolidation method) for FY2015 are based on agreed upon procedure report of the auditors on previous GAAP audited financial information adjusted with the impact of adjustments due to IND AS accounting policies for the year.

Section 2

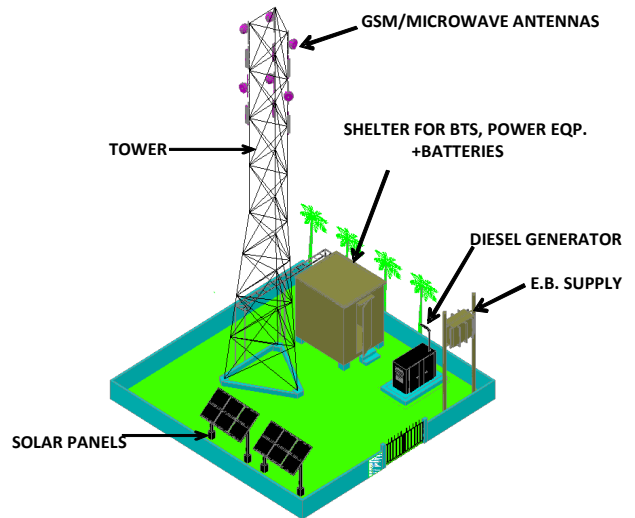
AN OVERVIEW

2.1 Industry Overview

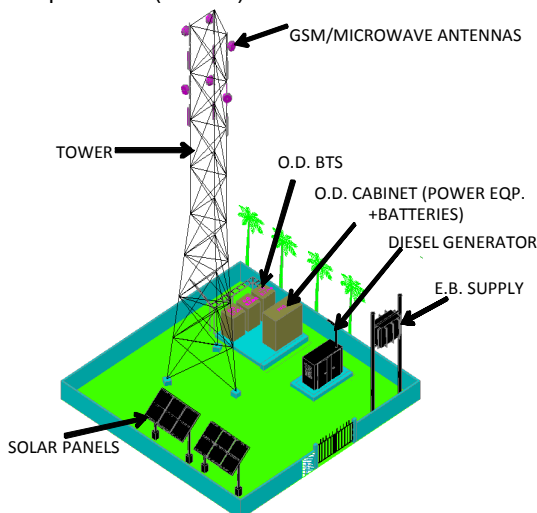
The Indian telecommunications industry is one of the most competitive globally. The focus of Indian operators in the last ten years or so has been to develop an affordable mass market telecommunications service model which allows for service availability across India's urban and rural areas at affordable prices. A strong focus on optimization of operational expenses through the outsourcing of non-core areas, process innovation, cost-to-serve alignment and strategic partnerships has also resulted in steady growth of the Tower Industry. Today, all operators prefer to lease towers from tower companies rather than build them for captive use.

Infrastructure sharing is effective in optimizing the utilization of available resources and helps to bring down the cost of providing telecommunications services. With the reduction in overall tariffs and restrictions placed by various local regulatory bodies on the installation of telecom towers, infrastructure sharing amongst service providers has become the norm rather than the exception in the Indian telecommunications industry.

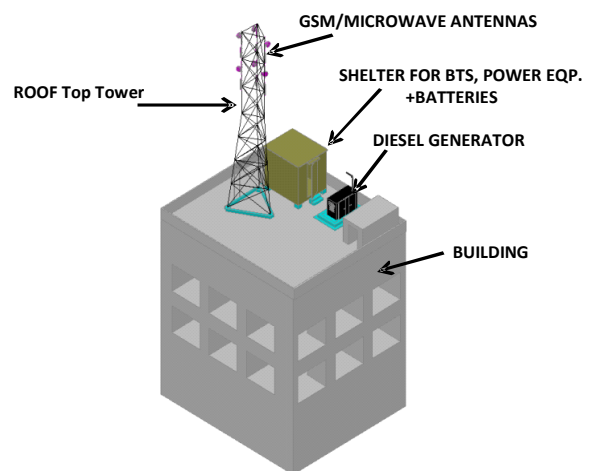
Tower companies provide the entire range of tower infrastructure that is required by wireless telecommunications service providers to offer mobile telephony services to their subscribers. Tower infrastructure refers to equipments such as towers, shelters, power regulation equipment, battery banks, diesel generator sets ("DG sets"), air conditioners, fire extinguishers and a security cabin, required at a site where such towers are installed. There are generally two types of towers – Ground Based Towers ("GBTs") and Roof Top Towers ("RTTs").



GBT-WITH INDOOR BTS



GBT-WITH OUTDOOR BTS



RTT-WITH INDOOR BTS

Average specifications for GBT and RTT are summarized in the following table:

	GBT	RTT
Space Requirement	4,000 Sq. Ft.	Roof Top
Height (m)	40-60	14-20
Occupancy Capacity	3-5 co-location	2-3 co-location

There are two kinds of infrastructure that constitute a telecom tower:

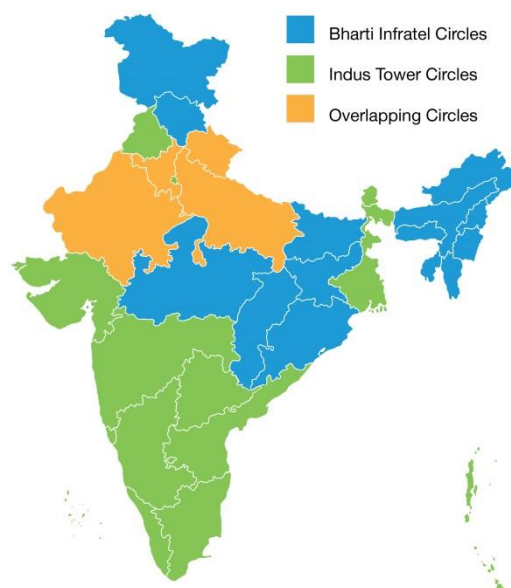
- **Active Infrastructure:** Radio antenna, BTS/cell site, cables etc that are owned and supplied by telecom operators
- **Tower Infrastructure:** Steel tower, shelter room, DG set, Power regulation equipment, Battery bank, security cabin etc. that supports active infrastructure.

2.2 Company Overview

Bharti Infratel is a provider of tower and related infrastructure sharing services. On a consolidated basis, we are one of the largest PAN India tower infrastructure providers, based on the number of towers owned and operated by Bharti Infratel and Indus, that are represented by Bharti Infratel's 42% equity interest in Indus. The business of Bharti Infratel and Indus is to acquire, build, own and operate tower and related infrastructure. Bharti Infratel and Indus provide access to their towers primarily to wireless telecommunications service providers on a shared basis, under long-term contracts. Bharti Infratel's and Indus's three largest customers are Bharti Airtel (together with Bharti Hexacom), Vodafone India and Idea Cellular, which are the three leading wireless telecommunications service providers in India by wireless revenue.

We have a nationwide presence with operations in all 22 telecommunications Circles in India, with Bharti Infratel and Indus having operations in 4 overlapping Circles.

As of March 31, 2017, Bharti Infratel owned and operated 39,099 towers with 89,263 co-locations in 11 telecommunications Circles while Indus operated 122,730 towers with 288,913 co-locations in 15 telecommunications Circles. With Bharti Infratel's towers and Bharti Infratel's 42% interest in Indus, we have an economic interest in the equivalent of 90,646 towers and 210,606 co-locations in India as of March 31, 2017.



We have entered into MSAs with our customers. The MSAs are long-term contracts which set out the terms on which access is provided to Bharti Infratel's and Indus's towers, with all service providers being offered substantially the same terms and receiving equal treatment at towers where they have installed their active infrastructure. Under the MSAs, Bharti Infratel and Indus enter into service contracts in respect of individual towers. The MSAs and service contracts govern Bharti Infratel's and Indus's relationship with their customers; the services provided, the applicable charges and incorporate annual escalation clauses in respect of the applicable charges. This provides stability to our business and provides visibility with regard to future revenues.

Relationship with Indus

In order to capitalize on the opportunities for tower sharing in the Indian telecommunications market, Bharti Airtel, Bharti Infratel, Vodafone India and Idea Cellular agreed to establish Indus as an independently managed joint venture that provides non-discriminatory shared tower services to all wireless telecommunications service providers. In furtherance of this joint venture, the parties also agreed to contribute certain identified towers to Indus and to use the services of Indus in the first instance for any new rollout of telecommunications towers or co-locations in 15 telecommunications circles. In this context, Indus was incorporated in November 2007 and Bharti Airtel, Bharti Infratel, Vodafone India (certain of its subsidiaries), Idea Cellular and Idea Cellular Infrastructure entered into the Indus Share Holders

Agreement (SHA) to govern their relationship with respect to Indus and its day-to-day operations and the Framework Agreement, which sets out among other things, the basis on which towers were to be contributed to Indus by the respective parties. In accordance with the Framework Agreement, Bharti Infratel, Vodafone India and Aditya Birla Telecom hold a 42%, 42% and 16% shareholding interest in Indus, respectively. During the quarter ended March' 2017, Aditya Birla Telecom transferred 4.85% of its stake in Indus to P5 Asia Holding Investment (Mauritius) Limited. As on 31st March 2017, Bharti Infratel, Vodafone India, Aditya Birla Telecom and P5 Asia Holding Investment (Mauritius) Limited hold shareholding interest of 42%, 42%, 11.15%, and 4.85% respectively in Indus.

The Indus SHA provides that Indus cannot carry on business in the seven telecommunications Circles in which Bharti Infratel currently operates exclusive of Indus. Similarly, subject to certain exceptions, the joint venture partners are not permitted to, among other things (a) compete with the business of Indus in the 15 specified telecommunications Circles that Indus currently operates in, (b) develop, construct or acquire any tower in the 15 specified telecommunications Circles that Indus currently operates in and (c) directly or indirectly procure orders from or do business with any entity that has been a customer of Indus during the previous two year period in competition with the business of Indus in the 15 specified telecommunications Circles that Indus currently operates in.

Bharti Infratel entered into an indefeasible right to use agreement with Indus in December 2008. Pursuant to this agreement, Bharti Infratel granted Indus an IRU in relation to certain of its towers in the telecommunications Circles of Mumbai, Kolkata, Maharashtra, Tamil Nadu (including Chennai), Kerala, Gujarat, Delhi, Karnataka, Andhra Pradesh, Punjab and West Bengal, which it was to contribute to Indus in accordance with the terms of the Framework Agreement. Consequent to the transfer of towers by Bharti Infratel to Bharti Infratel Ventures Limited, the IRU with Bharti Infratel was transferred to Bharti Infratel Ventures Limited (the "BIVL IRU") in respect of these towers. Similarly, the other joint venture partners had entered into similar IRU arrangements with Indus, which have been transferred to their respective tower infrastructure entities, and on the basis of which Indus operates and derives revenues from the towers that are to be contributed to it.

On the basis of the relationship as described above, Bharti Infratel and Indus do not compete with each other in any telecommunications Circle, they do not have any conflicts of interest in this regard and are able to work closely with each other and benefit from the synergies generated by the nationwide coverage and large scale of their operations.

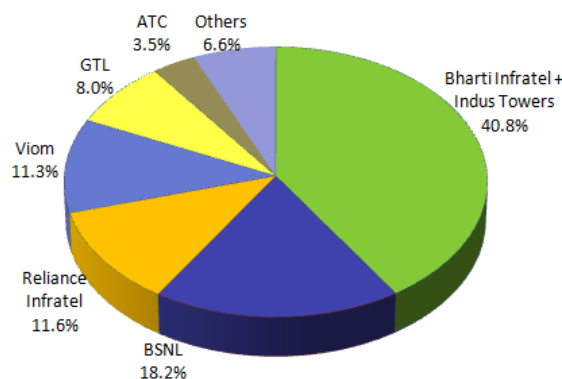
Pursuant to filing the Order of Hon'ble High Court of Delhi with Registrar of Companies (ROC) on June 11, 2013, Bharti Infratel Ventures Limited has been merged with Indus Towers Limited as of that date. Please refer to the

section "Indus Merger" in the glossary for further details. Pursuant to the Indus Merger, the IRU arrangements between BIVL and Indus Towers Ltd. cease to exist.

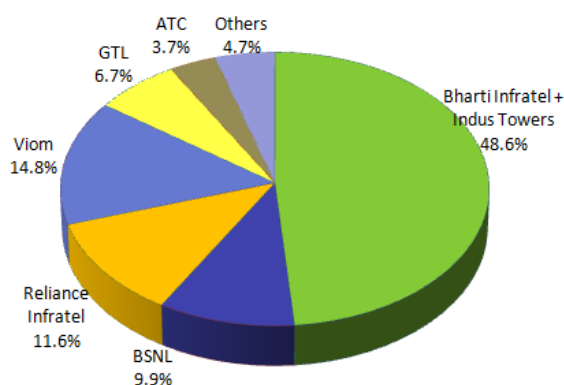
Market Share

As per a recent report 'Indian Tower Industry: The Future is Data – June 2015' by Deloitte, Bharti Infratel and Indus Towers together have a market share of 40.8% and 48.6% for towers and co-locations respectively.

Share of Towers



Share of Co-locations



Future visibility on revenues & cash flows

Bharti Infratel has assured future revenues and cash flows because of the following key competitive strengths:

- A leading telecommunications infrastructure operator in India, with large scale, nationwide operations in an industry with entry barriers.
- Extensive presence in all telecommunications Circles with high growth potential
- Long term contracts with leading wireless telecommunications service providers in India, providing visibility on future revenues.

On a consolidated basis, the estimated weighted average remaining life of service contracts, entered into with telecommunications service providers, as on March 31, 2017 is 5.99 Years.

- Comprehensive deployment and operational experience supported by well-developed processes, systems and IT infrastructure.

Alternate Energy and Energy Conservation Measures

Bharti Infratel believes that a healthy environment is a prerequisite for progress, contributing to the well-being of society, our people and our business, and serving as the foundation for a sustainable and strong economy. In line with the vision of being known for Environmental Friendliness, the Company continues to deploy people, ideas and capital to help find effective solutions to environmental issues.

Bharti Infratel has initiated Green Towers P7 program based on seven ideas aimed at minimizing dependency on diesel and, thereby, carbon footprint reduction. This program promotes (a) improving energy efficiency of tower infrastructure equipment, (b) use of renewable energy resources, and (c) reduction of equipment load on tower infrastructure equipment.

Some of the key initiatives taken so far are:

- Solar Photovoltaic (PV) Solutions: As of March 31, 2017, we operate ~3,000 solar-powered sites across the network on a consolidated basis, which helps in reducing noise and emissions from DG sets and also in reducing dependency on diesel, thereby contributing towards better energy security. The Company is working towards scaling up the solar installations across the network.

Further, we are partnering with Renewable Energy Service Companies in our efforts towards powering our towers using renewable energy along with community power development, in rural areas.

- Adoption of Integrated Power Management Solutions (IPMS) and Plug and Play Cabinets (PPC) as part of standard configuration for new tower deployment to ensure effective utilization of grid power supply on the towers.
- Comprehensive program to ensure zero diesel consumption at our tower sites. On a consolidated basis, over 38,500 towers across our network are green.

We believe that these renewable energy initiatives, energy efficiency measures and load optimization methods will continue to have long-term benefits to our business, securing us against rising power and fuel costs as well as reducing the environmental impact of our operations.

For Operating highlights and details refer Page no. 14

Section 3

PROFORMA FINANCIAL HIGHLIGHTS

The proforma audited financial results presented in this section are prepared as per proportionate consolidation method based on segment information in the audited consolidated financial statement of IND AS and underlying information.

Detailed financial statements, analysis & other related information is attached to this report (Page 23). Also, kindly refer to section 7.3 – use of Non GAAP financial information (Page 26) and Glossary (Page 60) for detailed definitions.

3.1 Summary of Proforma Consolidated Financial Statements

3.1.1. Summarized Consolidated Statement of Operations (net of inter-company eliminations)

Amount in Rs mn, except ratios

Particulars	Quarter Ended			Full Year Ended		
	Mar-17	Mar-16	Y-on-Y Growth	Mar-17	Mar-16	Y-on-Y Growth
Revenue ¹	35,204	31,817	11%	134,237	123,313	9%
EBITDA ¹	15,846	14,687	8%	59,420	54,478	9%
EBITDA Margin ²	45.0%	46.2%		44.3%	44.2%	
EBIT ¹	10,039	8,798	14%	36,343	31,871	14%
Other Income	414	435	-5%	1,455	2,047	-29%
Finance cost (Net)	287	(1,031)	128%	(4,414)	(1,848)	-139%
Profit before Tax	10,166	10,263	-1%	42,211	35,766	18%
Income tax Expense	4,200	3,079	36%	14,742	13,292	11%
Profit after Tax ³	5,966	7,184	-17%	27,470	22,474	22%
Capex	5,431	5,007	8%	21,788	21,243	3%
Operating Free Cash Flow ¹	10,297	9,578	8%	37,209	32,879	13%
Adjusted Fund From Operations (AFFO) ¹	14,382	13,618	6%	53,949	49,369	9%
Cumulative Investments	294,566	277,951	6%	294,566	277,951	6%

1. Revenue, EBITDA, EBIT, Operating free cash flow and Adjusted Fund from Operations (AFFO) are excluding other income.

2. EBITDA margin has been computed on revenue excluding other income.

3. Profit after tax excludes impact of Other Comprehensive Income.

3.1.2. Summarized Statement of Consolidated Financial Position

Amount in Rs. mn

Particulars	As at	As at
	March 31, 2017	March 31, 2016
Shareholder's Fund		
Share capital	18,496	18,967
Other Equity	136,369	163,295
	154,865	182,262
Non-current liabilities	25,855	32,995
Current liabilities	65,952	29,520
Total liabilities	91,807	62,515
Total Equity and liabilities	246,672	244,777
Assets		
Non-current assets	191,962	182,443
Current assets	54,710	62,334
Total assets	246,672	244,777

3.2 Summarized Statement of Proforma Group Consolidation- Statement of Operations

3.2.1 Bharti Infratel Consolidated (Quarter Ended Mar 31, 2017)

Amount in Rs mn, Except Ratios

Particulars	Quarter Ended Mar 31, 2017			
	Infratel Standalone	Indus Consolidation ⁴	Eliminations	Infratel Consol ⁵
Revenue ¹	16,053	19,161	(10)	35,204
EBITDA ¹	7,750	8,096	1	15,846
EBITDA Margin ²	48.3%	42.3%		45.0%
EBIT ¹	4,729	5,310	1	10,039
Other Income	190	223	-	414
Finance cost (Net)	(231)	518	-	287
Profit before Tax	5,150	5,016	1	10,166
Income tax expense	1,901	1,744	554	4,200
Profit after Tax ³	3,249	3,272	(553)	5,966
Capex	2,189	3,242	-	5,431
Operating Free Cash Flow ¹	5,505	4,792	-	10,297
Adjusted Fund From Operations(AFFO) ¹	6,852	7,530	-	14,382
Cumulative Investments	136,126	158,413	-	294,566

1. Revenue, EBITDA, EBIT, Operating free cash flow and AFFO are excluding other income.

2. EBITDA margin has been computed on revenue excluding other income.

3. Profit after tax excludes impact of Other Comprehensive Income.

4. Refer glossary for Indus Consolidation.

5. Infratel consolidated includes wholly owned subsidiary Smartx Services Ltd and Bharti Infratel Employee Welfare Trust.

3.2.2 Bharti Infratel Consolidated (Full Year Ended Mar 31, 2017)

Amount in Rs mn, Except Ratios

Particulars	Full Year Ended Mar 31, 2017			
	Infratel Standalone	Indus Consolidation ⁴	Eliminations	Infratel Consol ⁵
Revenue ¹	60,847	73,423	(33)	134,237
EBITDA ¹	28,526	30,894	1	59,420
EBITDA Margin ²	46.9%	42.1%		44.3%
EBIT ¹	16,595	19,748	1	36,343
Other Income	10,221	743	(9,510)	1,455
Finance cost	(6,541)	2,128	-	(4,414)
Profit before Tax	33,357	18,364	(9,509)	42,211
Income tax expense	6,307	6,415	2,020	14,742
Profit after Tax ³	27,050	11,950	(11,529)	27,470
Capex	9,780	11,981	-	21,788
Operating Free Cash Flow ¹	18,526	18,711	-	37,209
Adjusted Fund From Operations(AFFO) ¹	25,375	28,574	-	53,949
Cumulative Investments	136,126	158,413	-	294,566

1. Revenue, EBITDA, EBIT, Operating free cash flow and AFFO are excluding other income.

2. EBITDA margin has been computed on revenue excluding other income.

3. Profit after tax excludes impact of Other Comprehensive Income.

4. Refer glossary for Indus Consolidation.

5. Infratel consolidated includes wholly owned subsidiary Smartx Services Ltd and Bharti Infratel Employee Welfare Trust.

3.2.3 Bharti Infratel Standalone

Amount in Rs mn, Except Ratios

Particulars	Quarter Ended			Full Year Ended		
	Mar-17	Mar-16	Y-on-Y Growth	Mar-17	Mar-16	Y-on-Y Growth
Revenue ¹	16,053	14,181	13%	60,847	55,583	9%
EBITDA ¹	7,750	6,734	15%	28,526	25,098	14%
EBITDA Margin ²	48.3%	47.5%		46.9%	45.2%	
EBIT ¹	4,729	3,745	26%	16,595	13,334	24%
Other Income ³	190	183	4%	10,221	1,104	826%
Finance cost (Net)	(231)	(1,572)	-85%	(6,541)	(4,285)	53%
Profit before Tax	5,150	5,500	-6%	33,357	18,723	78%
Income tax expense	1,901	858	122%	6,307	5,449	16%
Profit after Tax ³	3,249	4,642	-30%	27,050	13,274	104%
Capex	2,189	2,078	5%	9,780	9,892	-1%
Operating Free Cash Flow ¹	5,505	4,603	20%	18,526	15,013	23%
Adjusted Fund From Operations(AFFO) ¹	6,852	6,239	10%	25,375	22,492	13%
Cumulative Investments	136,126	129,859	5%	136,126	129,859	5%

1. Revenue, EBITDA, EBIT, Operating free cash flow & AFFO are excluding other income.

2. EBITDA margin has been computed on revenue excluding other income.

3. Profit after tax excludes impact of Other Comprehensive Income

3.2.4 Indus Consolidation

Amount in Rs mn, Except Ratios

Particulars	Quarter Ended			Full Year Ended		
	Mar-17	Mar-16	Y-on-Y Growth	Mar-17	Mar-16	Y-on-Y Growth
Revenue ¹	19,161	17,646	9%	73,423	67,768	8%
EBITDA ¹	8,096	7,955	2%	30,894	29,381	5%
EBITDA Margin ²	42.3%	45.1%		42.1%	43.4%	
EBIT ¹	5,310	5,055	5%	19,748	18,538	7%
Other Income	223	249	-11%	743	943	-21%
Finance cost (Net)	518	542	-4%	2,128	2,437	-13%
Profit before Tax	5,016	4,762	5%	18,364	17,044	8%
Income tax expense	1,744	1,703	2%	6,415	5,975	7%
Profit after Tax ³	3,272	3,059	7%	11,950	11,069	8%
Capex	3,242	2,928	11%	11,981	11,350	6%
Operating Free Cash Flow ¹	4,792	4,975	-4%	18,711	17,866	5%
Adjusted Fund From Operations(AFFO) ¹	7,530	7,379	2%	28,574	26,877	6%
Cumulative Investments	158,413	148,092	7%	158,413	148,092	7%

1. Revenue, EBITDA, EBIT, Operating free cash flow & AFFO are excluding other income.

2. EBITDA margin has been computed on revenue excluding other income.

3. Profit after tax excludes impact of Other Comprehensive Income

3.3 Summarized Statement of Group Consolidation- Statement of Financial Position

Amount in Rs mn

Particulars	As at March 31, 2017			
	Infratel Standalone	Indus Consolidation ¹	Eliminations ²	Infratel Consol ²
Shareholder's Fund				
Share capital	18,496	1	(1)	18,496
Other Equity	143,875	55,511	(63,017)	136,369
	162,371	55,512	(63,018)	154,865
Non-current liabilities	6,512	17,172	2,172	25,855
Current liabilities	43,961	22,098	(108)	65,952
Total liabilities	50,473	39,270	2,064	91,807
Total Equity and liabilities	212,844	94,782	(60,953)	246,672
Assets				
Non-current assets	165,422	87,091	(60,551)	191,962
Current assets	47,422	7,691	(402)	54,710
Total assets	212,844	94,782	(60,953)	246,672

1. Refer glossary for Indus Consolidation.

2. Infratel consolidated and Eliminations include closing balances/eliminations adjustment of assets/liabilities of wholly owned subsidiary SmarTx Services Ltd and Bharti Infratel Employee Welfare Trust

Section 4

OPERATING HIGHLIGHTS

The financial figures used for computing sharing revenue per sharing operator, sharing revenue per tower, revenue per employee per month, personnel cost per employee per month are based on IND AS. The consolidated financial figures are based on proforma audited financial results prepared as per proportionate consolidation method based on segment information in the audited consolidated financial statements of IND AS and underlying information.

4.1 Tower and Related Infrastructure Services

1. Represents the sum of the numbers of towers (and the co-locations thereof) owned and operated by Bharti Infratel and 42% of the number of towers (and the co-locations thereof) owned & operated by Indus Towers.

4.1.1 Bharti Infratel Consolidated

Parameters	Unit	Mar 31, 2017	Dec 31, 2016	Q-on-Q Growth	Mar 31, 2016	Y-on-Y Growth
Total Towers ¹	Nos	90,646	90,255	391	88,808	1,838
Total Co-locations ¹	Nos	210,606	204,934	5,672	195,035	15,571
Key Indicators						
Average Sharing Factor	Times	2.30	2.24		2.19	
Closing Sharing Factor	Times	2.32	2.27		2.20	
Sharing Revenue per Tower p.m	Rs	80,464	78,407	2.6%	76,602	5.0%
Sharing Revenue per Sharing Operator p.m	Rs	35,029	34,966	0.2%	35,012	0.0%

4.1.2 Bharti Infratel Standalone

Parameters	Unit	Mar 31, 2017	Dec 31, 2016	Q-on-Q Growth	Mar 31, 2016	Y-on-Y Growth
Total Towers	Nos	39,099	38,997	102	38,458	641
Total Co-locations	Nos	89,263	86,112	3,151	81,632	7,631
Key Indicators						
Average Sharing Factor	Times	2.25	2.17		2.11	
Closing Sharing Factor	Times	2.28	2.21		2.12	
Sharing Revenue per Tower p.m	Rs	84,238	81,366	3.5%	78,455	7.4%
Sharing Revenue per Sharing Operator p.m	Rs	37,512	37,428	0.2%	37,128	1.0%

4.1.3 Indus Towers

Parameters	Unit	Mar 31, 2017	Dec 31, 2016	Q-on-Q Growth	Mar 31, 2016	Y-on-Y Growth
Total Towers	Nos	122,730	122,044	686	119,881	2,849
Total Co-locations	Nos	288,913	282,909	6,004	270,006	18,907
Key Indicators						
Average Sharing Factor	Times	2.34	2.29		2.25	
Closing Sharing Factor	Times	2.35	2.32		2.25	
Sharing Revenue per Tower p.m	Rs	77,661	76,223	1.9%	75,254	3.2%
Sharing Revenue per Sharing Operator p.m	Rs	33,244	33,221	0.1%	33,519	-0.8%

4.2 Human Resource Analysis

4.2.1 Bharti Infratel Consolidated

Parameters	Unit	Mar 31, 2017	Dec 31, 2016	Q-on-Q Growth	Mar 31, 2016	Y-on-Y Growth
Total On Roll Employees ¹	Nos	2,374	2,375	(1)	2,346	28
Number of Towers per Employee	Nos	38	38	0.5%	38	0.9%
Personnel Cost per Employee per month	Rs	162,422	168,345	-3.5%	155,735	4.3%
Revenue per Employee per month	Rs	4,941,994	4,754,914	3.9%	4,543,403	8.8%

1.Total On Roll Employees include proportionate consolidation of 42% of Indus Towers Employees.

4.2.2 Bharti Infratel Standalone

Parameters	Unit	Mar 31, 2017	Dec 31, 2016	Q-on-Q Growth	Mar 31, 2016	Y-on-Y Growth
Total On Roll Employees	Nos	1,261	1,246	15	1,250	11
Number of Towers per Employee	Nos	31	31	-0.9%	31	0.8%
Personnel Cost per Employee per month	Rs	179,497	186,731	-3.9%	167,135	7.4%
Revenue per Employee per month	Rs	4,268,847	4,093,098	4.3%	3,792,218	12.6%

4.2.3 Indus Towers

Parameters	Unit	Mar 31, 2017	Dec 31, 2016	Q-on-Q Growth	Mar 31, 2016	Y-on-Y Growth
Total On Roll Employees	Nos	2,649	2,689	(40)	2,609	40
Number of Towers per Employee	Nos	46	45	2.1%	46	0.8%
Personnel Cost per Employee per month	Rs	143,506	148,246	-3.2%	141,925	1.1%
Revenue per Employee per month	Rs	5,697,712	5,482,907	3.9%	5,407,321	5.4%

Note: Indus operates on outsourced operations & maintenance model in certain geographical territories wherein the associated personnel cost is recorded as part of repair & maintenance and other expenses. Hence, the related human resources key performance indicators are not strictly comparable between Bharti Infratel Standalone and Indus.

4.3 Residual Lease Period and Future Minimum Lease Receivable

4.3.1 Bharti Infratel Consolidated

Parameters	Unit	Mar 31, 2017
Average Residual Service Contract Period	Yrs.	5.99
Minimum Lease Payment Receivable	Rs. Mn	532,863

Section 5

MANAGEMENT DISCUSSION AND ANALYSIS

5.1 Key Industry Developments

1. TRAI recommendations on In-building Access

TRAI has released its recommendations on 20th January, 2017 wherein it has mandated TSPs (Telecommunication Service Providers)/ IP-1s to install and share the in-building infrastructure (IBS, Optical Fiber Cable and other cables, ducts etc.) with other TSPs, in large public places like airports, hotels, multiplexes, commercial complexes, residential complexes, etc. As per the recommendations, Common Telecom Infrastructure (CTI) facilities will be available to TSPs/ IP-1s on fair, transparent, non-exclusive and non-discriminatory manner.

2. TRAI recommendations on Proliferation of Broadband through Public Wi-Fi Networks

TRAI has recently issued its recommendation on 9th March, 2017 on the captioned subject. Following are the few highlights of the said recommendation:

- TRAI recommends establishment of Public Data Office (PDO) model, which is similar to PCO model that helped spread of telecommunication services

- The new category of aggregator to be created which will be allowed to deliver public Wi-Fi services without a license and will be only required to be registered with DoT. This presents an opportunity for all including the Infrastructure Providers to implement Wi-Fi solutions after getting registered with the relevant authorities.

3. Vodafone Idea merger announcement

As per the media release by Vodafone and Idea, Vodafone to combine its subsidiary Vodafone India (excluding its 42% stake in Indus Towers) with Idea Cellular. Vodafone will own 45.1% of the combined company after transferring a stake of 4.9% to the Aditya Birla Group. The Aditya Birla Group will then own 26.0% and has the right to acquire more shares from Vodafone under an agreed mechanism with a view to equalizing the shareholdings over time. If Vodafone and the Aditya Birla Group's shareholdings in the combined company are not equal after four years, Vodafone will sell down shares in the combined company to equalize its shareholding to that of the Aditya Birla Group over the following five-year period. Until equalization is achieved, the voting rights of the additional shares held by Vodafone will be restricted and votes will be exercised jointly under the terms of the shareholders' agreement. The transaction is expected to close during

calendar year 2018, subject to customary approvals.

4. Airtel's acquisition of Telenor

Bharti Airtel reported that it has entered into a definitive agreement to acquire Telenor India. Airtel will take over Telenor's outstanding spectrum payments and other operational contracts, including tower lease. In a BSE filing, the operator said that the acquisition will include transfer of all Telenor India's assets and customers, which will boost the company's customer base and network. The companies expect the deal to complete by FY2018 end.

5. Airtel's acquisition of Tikona

Bharti Airtel announced that it has entered into a definitive agreement to acquire Tikona's 4G Business including the Broadband Wireless Access ("BWA") spectrum and 350 sites, in five telecom circles. The acquisition is subject to requisite regulatory approvals. The proposed acquisition will enable Airtel secure a pan India footprint in the 2300 MHz band.

6. Reliance Infratel sale of Tower Division

As per the Media release by Reliance Communications Ltd., the Competition Commission of India (CCI) has approved the proposed transaction involving the sale of the Tower Division of Reliance Infratel Limited, a subsidiary of Reliance Communications Ltd., which is to be carried out pursuant to a demerger of the Tower Division to Towercom Infrastructure Private Limited. Upon the completion of the demerger, though a Scheme of Arrangement, and the completion of certain other conditions and approvals, Rapid Holdings 2 Pte. Ltd., a company which is a part of the Brookfield Infrastructure Group will acquire 100% of Towercom Infrastructure Private Limited.

7. Reliance Communications merger developments

As per the Media release by Reliance Communications Ltd., Reliance Communications Ltd. has received an approval of the Competition Commission of India (CCI) for the proposed Scheme of Arrangement for demerger of the Wireless division of the Company into Aircel Limited and Dishnet Wireless Limited (the Scheme). The Company has already received approval from the Securities and Exchange Board of India (SEBI), BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) for the proposed Scheme of arrangement and filed an

application with the National Company Law Tribunal (NCLT), Mumbai Bench, for approval of the said Scheme. The proposed transaction is subject to other necessary approvals. Post-closing, the Company and the present shareholders of Aircel Limited will hold 50% each in Aircel Limited.

8. Indus Towers Shareholding Update

During the quarter, Aditya Birla Telecom transferred 4.85% of its stake in Indus to P5 Asia Holding Investment (Mauritius) Limited. As on 31st March 2017, Bharti Infratel, Vodafone India, Aditya Birla Telecom and P5 Asia Holding Investment (Mauritius) Limited hold shareholding interest of 42%, 42%, 11.15%, and 4.85% respectively in Indus.

9. Entry Tax

The Entry Tax Legislation was challenged in the past primarily on the ground of constitutional validity. Earlier, Supreme Court had referred all the Entry Tax related cases to 9 Judge Constitutional Bench, which upheld the validity of Entry Tax Legislation and remanded the cases to the regular benches for hearing on the grounds of discrimination and definition of local area. Regular benches of Supreme Court observed that prime facie inter alia discrimination issues still exists and accordingly all the listed petitions have been remanded back to respective High Courts with direction to file fresh petitions on the grounds of discrimination and other grounds as laid down in 9 judge judgment.

5.2 Key Company Developments

1. Airtel stake sale

Bharti Airtel Limited completed the secondary sale of over 190 million shares of its subsidiary Bharti Infratel Limited representing 10.3%, to a consortium of funds advised by KKR and Canada Pension Plan Investment Board ("CPPIB") for a total consideration of over INR 6,193.9 Cr, executed at a price of Rs. 325 per share.

Post this transaction, Bharti Airtel's equity holding in Bharti Infratel stands at 61.7%, and that of KKR and CPPIB at 10.3%.

This transaction makes it KKR's second investment in Bharti Infratel. Previously, the funds managed by KKR had invested in Bharti Infratel during the period 2008 to 2015. Post this transaction, the stake held by KKR and CPPIB (combined) will be the single largest public shareholder block.

2. Interim dividend of Rs. 12/- per share

In the month of March'17, the company declared an interim dividend of Rs 12/- per equity share of Rs 10 each for the financial year 2016-17.

3. Awards and Recognitions

Bharti Infratel has been adjudged as one of the 'Best Employers' at the 'Aon Hewitt Best Employers' 2017 Awards for the third year in a row.

The Annual Report 2015-16 of Bharti Infratel Ltd. has topped the global competition in Telecommunication category and won the Platinum award in Vision Awards 2016 instituted by the League of American Communications Professionals LLC, USA (LACP). It is ranked as 22 amongst the overall top 50 worldwide in the said award, with entries representing nearly of two dozen countries from the world.

5.3 Results of Operations

The proforma financial results presented in this section are prepared as per proportionate consolidation method based on segment information in the audited consolidated financial statement of IND AS and underlying information.

Key Highlights – For the full year ended Mar 31, 2017

- Consolidated tower base at 90,646
- Consolidated co-locations at 210,606
- Average sharing factor at the end of the year at 2.26 (L.Y. 2.16)
- Consolidated Revenues at Rs. 134,237 Mn (up 8.9% Y-o-Y)
- Consolidated EBITDA at Rs. 59,420 Mn (up 9.1% Y-o-Y)
- Net profit¹ at Rs. 27,470 Mn (up 22.2% Y-o-Y)
- Operating Free Cash Flow (OFCF) at Rs. 37,209 Mn (up 13.2% Y-o-Y)
- Adjusted Fund from Operations (AFFO) at Rs. 53,949 Mn (up 9.3% Y-o-Y)

Key Highlights – For the quarter ended Mar 31, 2017

- Closing sharing factor at the end of the quarter at 2.32 (L.Y. 2.20)
- Consolidated Revenues at Rs. 35,204 Mn (up 10.6% Y-o-Y)
- Consolidated EBITDA at Rs. 15,846 Mn (up 7.9% Y-o-Y)
- Net profit¹ at Rs. 5,966 Mn
- Operating Free Cash Flow (OFCF) at Rs. 10,297 Mn (up 7.5% Y-o-Y)
- Adjusted Fund from Operations (AFFO) at Rs. 14,382 Mn (up 5.6% Y-o-Y)

1: Net Profit excludes impact of Other Comprehensive Income

5.3.1 Financial & Operational Performance

Bharti Infratel Consolidated

Full Year Ended Mar 31, 2017

Tower and Co-Location base & additions

As of Mar 31, 2017, Bharti Infratel owned and operated 39,099 towers with 89,263 co-locations in 11 telecommunication Circles while Indus operated 122,730 towers with 288,913 co-locations in 15 telecommunication Circles. With Bharti Infratel's towers and Bharti Infratel's 42% interest in Indus, we have an economic interest in the equivalent of 90,646 towers and 210,606 co-locations in India as of Mar 31, 2017.

Net co-locations added during the year were 15,571 on consolidated basis and 7,631 on standalone basis. Net co-locations added during the year has impact of exits of 3,023 on consolidated basis and 1,357 on standalone basis.

Revenues¹ from Operations

Our consolidated revenue comprises of primarily revenues from co-locations of Bharti Infratel and 42% economic Interest in Indus and their energy billings. Our consolidated revenue from operations for the year ended Mar 31, 2017 was Rs 134,237 million, a growth of 8.9% compared to the year ended Mar 31, 2016.

Operating Expenses

Our consolidated total expenses for the year ended Mar 31, 2017 were Rs 74,817 million, or 55.7% of our consolidated revenues from operations. The largest component of our consolidated expenses during this period was power and fuel, amounting to Rs 46,533 million. The other key expenses incurred by us during the year ended Mar 31, 2017 were rent of Rs 11,628 million, repair & maintenance (operations and maintenance costs of the network) of Rs 9,157 million and employee benefits expenses of Rs. 4,679 million.

EBITDA¹, EBIT¹ & Finance Cost

For the year ended Mar 31, 2017, the Group had an EBITDA of Rs 59,420 million, a growth of 9.1% compared to the year ended Mar 31, 2016. EBITDA margin for the year was 44.3%.

During the year ended Mar 31, 2017, the Group had depreciation and amortization expenses of Rs 22,626 million or 16.9% of our consolidated revenues. The resultant EBIT for the year ended Mar 31, 2017 was Rs 36,343 million, a growth of 14% compared to the year ended Mar 31, 2016. The net finance income for the year ended Mar 31, 2017 was Rs 4,414 million.

Profit before Tax (PBT)

Our consolidated profit before tax for the year ended Mar 31, 2017 was Rs 42,211 million, or 31.4% of our consolidated revenues, a growth of 18% compared to the year ended Mar 31, 2016.

Profit after Tax (PAT)

The net income for the year ended Mar 31, 2017 was Rs 27,470 million or 20.5% of our consolidated revenues, representing a Y-o-Y growth of 22.2%. Our consolidated total tax expense (net of tax effect of long term capital gains / loss) for the year ended Mar 31, 2017 was Rs 14,742 million, or 11% of our consolidated revenues.

Capital Expenditure, Operating Free Cash Flow¹ & Adjusted Fund from Operations (AFFO)¹

For the year ended Mar 31, 2017, the Group incurred capital expenditure of Rs 21,788 million. The Operating free cash flow during the quarter was Rs 37,209 million, an increase of 13.2% compared to the year ended Mar 31, 2016.

The Adjusted Fund from Operations (AFFO) during the quarter was Rs 53,949 million, an increase of 9.3% compared to the year ended Mar 31, 2016.

Revenue, EBITDA, EBIT, Operating free cash flow & AFFO are excluding other income.

Quarter Ended Mar 31, 2017

Tower and Co-Location base & additions

Net co-locations added during the quarter were 5,672 on consolidated basis and 3,151 on standalone basis. Net co-locations added during the quarter has impact of exits of 1,388 on consolidated basis and 472 on standalone basis. The consolidated tower and co-location base stands at 90,646 towers and 210,606 co-locations respectively.

For the quarter ended Mar 31, 2017, Bharti Infratel and Indus had average sharing factors of 2.25 and 2.34 per tower respectively.

Revenues¹ from Operations

Our consolidated revenue comprises of primarily revenues from co-locations of Bharti Infratel and 42% economic Interest in Indus and their energy billings. Our consolidated revenue from operations for the quarter ended Mar 31, 2017 was Rs 35,204 million, a growth of 10.6% compared to the quarter ended Mar 31, 2016.

Operating Expenses

Our consolidated total expenses for the quarter ended Mar 31, 2017 were Rs 19,358 million, or 55% of our consolidated revenues from operations. The largest component of our consolidated expenses during this period was power and fuel, amounting to Rs 12,004 million. The other key expenses incurred by us during the quarter ended Mar 31, 2017 were rent of Rs 3,029 million, repair & maintenance (operations and maintenance costs of the network) of Rs 2,289 million and employee benefits expenses of Rs. 1,157 million.

EBITDA¹, EBIT¹ & Finance Cost

For the quarter ended Mar 31, 2017, the Group had an EBITDA of Rs 15,846 million, a growth of 7.9% compared to the quarter ended Mar 31, 2016. EBITDA margin for the quarter was 45%.

During the quarter ended Mar 31, 2017, the Group had depreciation and amortization expenses of Rs 5,684 million or 16.1% of our consolidated revenues. The resultant EBIT for the quarter ended Mar 31, 2017 was Rs 10,039 million, a growth of 14.1% compared to the quarter ended Mar 31, 2016. The net finance cost for the quarter ended Mar 31, 2017 was Rs 287 million.

Profit before Tax (PBT)

Our consolidated profit before tax for the quarter ended Mar 31, 2017 was Rs 10,166 million, or 28.9% of our consolidated revenues.

Profit after Tax (PAT)

The net income for the quarter ended Mar 31, 2017 was Rs 5,966 million or 16.9% of our consolidated revenues. Our consolidated total tax expense (net of tax effect of long term capital gains / loss) for the quarter ended Mar 31, 2017 was Rs 4,200 million, or 11.9% of our consolidated revenues.

Capital Expenditure, Operating Free Cash Flow¹ & Adjusted Fund from Operations (AFFO)¹

For the quarter ended Mar 31, 2017, the Group incurred capital expenditure of Rs 5,431 million. The Operating free cash flow during the quarter was Rs 10,297 million.

The Adjusted Fund from Operations (AFFO) during the quarter was Rs 14,382 million, an increase of 5.6% compared to the quarter ended Mar 31, 2016.

1. Revenue, EBITDA, EBIT, Operating free cash flow & AFFO are excluding other income.

Return on Capital Employed (ROCE)

ROCE as at the period ended Mar 31, 2017 stands at 30.1%.

5.4 Bharti Infratel Consolidated Three Line Graph

The Group tracks its performance on a three-line graph.

The parameters considered for the three-line graph are:

1. **Total Sharing revenue** - i.e. service revenue accrued during the respective period
2. **Opex Productivity** – is calculated as operating expenses other than power and fuel expense

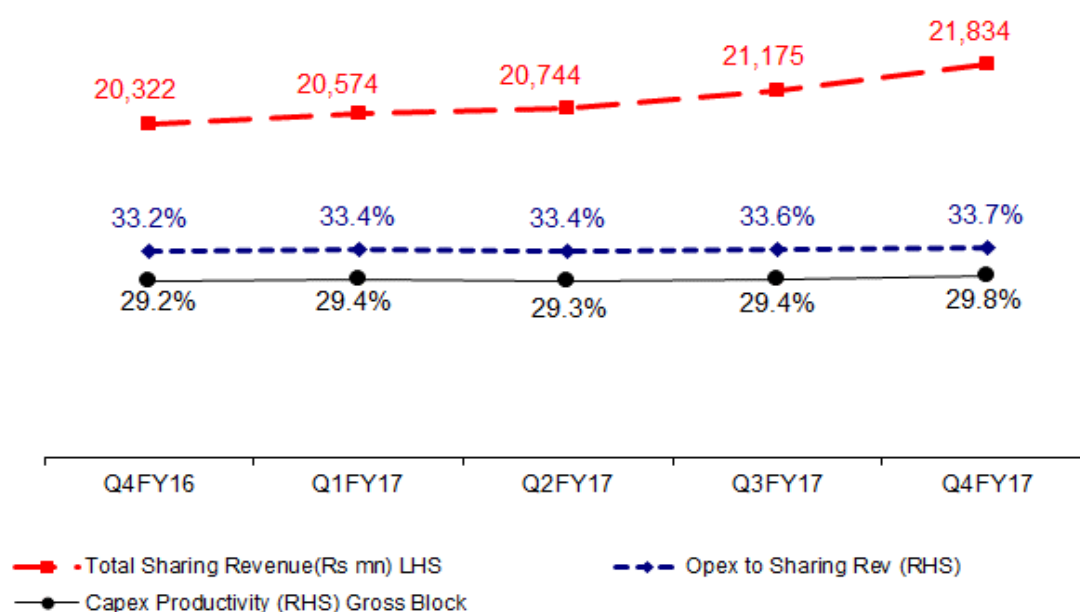
divided by total sharing revenues for the respective period.

This ratio depicts the operational efficiencies in the Group.

3. **Capex Productivity** – this is computed by dividing sharing revenue accrued for the quarter (annualized) by average gross cumulative investments (gross fixed assets and capital work in progress) as at the end of respective period. This ratio depicts the asset productivity of the Group.

Given below are the graphs for the last five quarters of the Group:

5.4.1 Bharti Infratel Consolidated



Section 6

STOCK MARKET HIGHLIGHTS

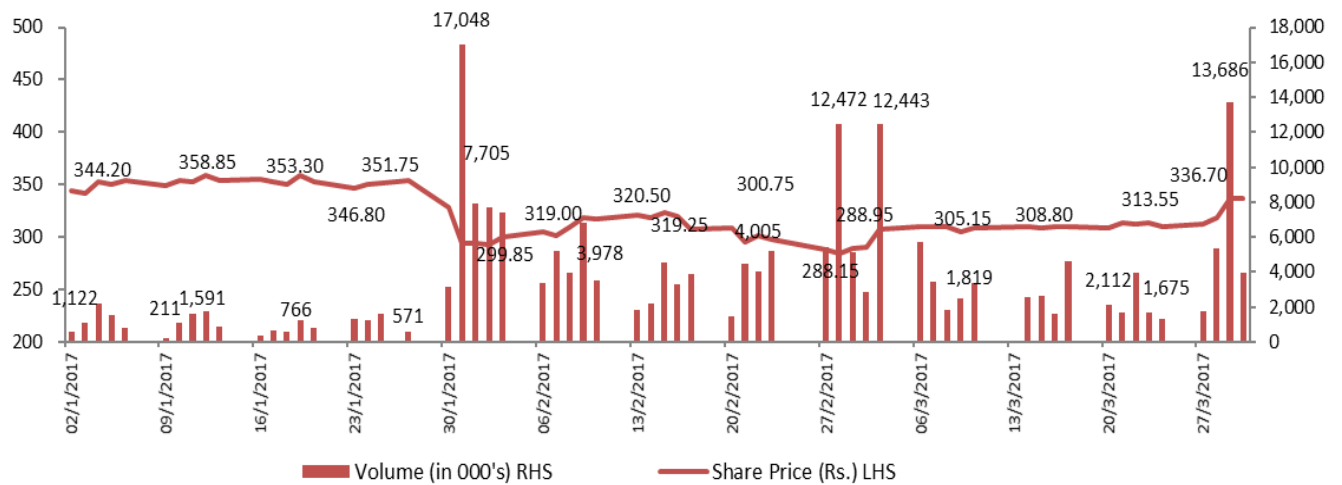
6.1 General Information

Shareholding and Financial Data	Unit	Quarter Ended Mar 31, 2017
Code/Exchange		INFRATEL/NSE
Bloomberg/Reuters		BHIN:IN/BHRI.NS
No. of Shares Outstanding (31/03/17)	Mn Nos	1,849.61
Closing Market Price - NSE (31/03/17)	Rs /Share	325.90
Combined Average Daily Volume (NSE & BSE)	Nos in Mn/day	10.36
Combined Average Daily Value (NSE & BSE)	Rs bn /day	3.31
Market Capitalization	Rs bn	603
Book Value Per Equity Share	Rs /share	83.73
Market Price/Book Value	Times	3.89
Enterprise Value	Rs bn	568
PE Ratio	Times	22.13
Enterprise Value/ EBITDA (LTM)	Times	9.55

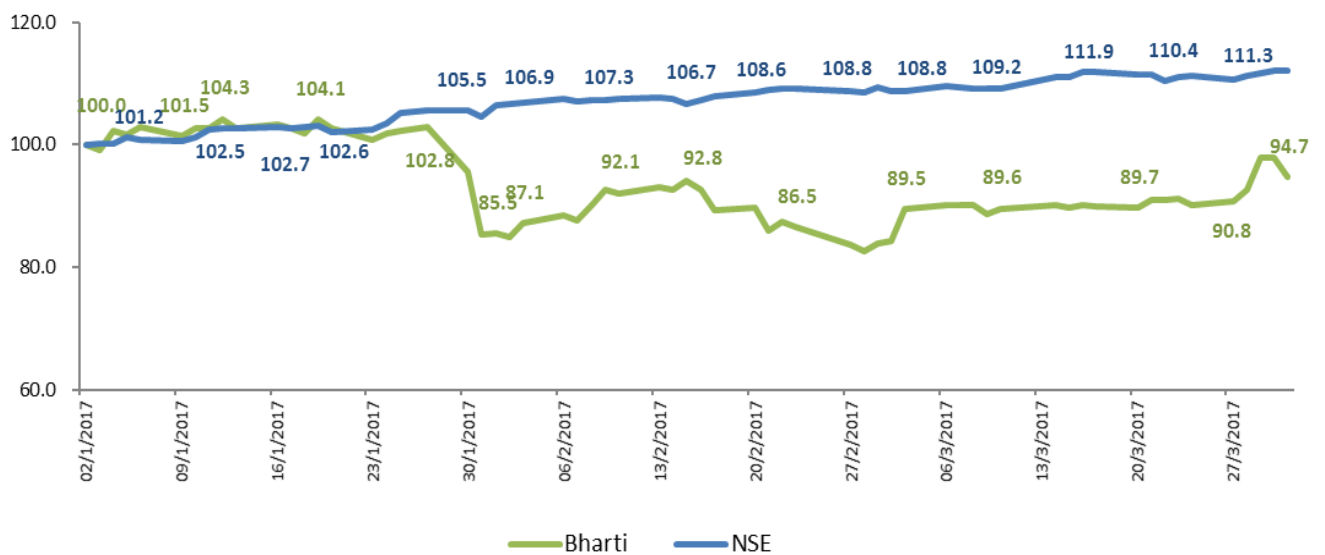
6.2 Summarized Shareholding pattern as of Mar 31, 2017

Category	Number of Shares	%
Promoter & Promoter Group		
Indian	1,140,315,371	61.65%
Foreign	-	-
Sub-Total	1,140,315,371	61.65%
Public Shareholding		
Institutions	666,699,798	36.05%
Non-Institutions	41,740,421	2.26%
Sub-Total	708,440,219	38.30%
Non-promoter Non-public shareholding		
Indian (Held by Bharti Infratel Employees' Welfare Trust)	852,656	0.05%
Foreign	-	-
Sub-Total	852,656	0.05%
Total	1,849,608,246	100.00%

6.3 Bharti Infratel daily stock price (NSE) and volume (BSE & NSE Combined) movement



6.4 Comparison of Bharti Infratel with Nifty



Nifty and Bharti Infratel Stock price rebased to 100.

Section 7

DETAILED PROFORMA FINANCIAL AND RELATED INFORMATION

The proforma financial results presented in this section are prepared as per proportionate consolidation method based on segment information in the audited consolidated financial statement of IND AS and underlying information.

7.1 Proforma Proportionate Consolidated Financial Statements

7.1.1 Consolidated Statement of Income

Amount in Rs mn, except ratios

Particulars	Quarter Ended			Full Year Ended		
	Mar 2017	Mar 2016	Y-on-Y growth	Mar 2017	Mar 2016	Y-on-Y growth
Income						
Revenue from Operations	35,204	31,817	11%	134,237	123,313	9%
Other income	414	435	-5%	1,455	2,047	-29%
	35,618	32,252	10%	135,692	125,361	8%
Expenses						
Power and fuel	12,004	10,385	16%	46,533	42,597	9%
Rent	3,029	2,677	13%	11,628	10,322	13%
Employee expenses	1,157	1,091	6%	4,679	4,281	9%
Repairs and maintenance	2,289	2,287	0%	9,157	9,063	1%
Other expenses	879	692	27%	2,820	2,573	10%
	19,358	17,130	13%	74,817	68,835	9%
Profit/(loss) before finance costs, depreciation and amortisation and tax	16,260	15,121	8%	60,875	56,526	8%
Finance Costs (Net)	287	(1,031)	128%	(4,414)	(1,848)	-139%
Charity and Donation	123	192	-36%	451	371	21%
Depreciation and Amortization Expense	6,073	6,204	-2%	24,302	24,301	0%
Less: adjusted with general reserve in accordance with the Scheme	(389)	(507)	23%	(1,676)	(2,065)	19%
Profit/(loss) before exceptional items and tax	10,166	10,263	-1%	42,211	35,766	18%
Exceptional items	-	-		-	-	
Profit/(loss) before tax	10,166	10,263	-1%	42,211	35,766	18%
Tax expenses						
Current tax	4,687	2,928	60%	14,859	12,384	20%
Deferred tax	(487)	151	-423%	(117)	908	-113%
Total tax expense	4,200	3,079	36%	14,742	13,292	11%
Profit (Loss) for the period	5,966	7,184	-17%	27,470	22,474	22%
Other comprehensive income	39	3	1432%	84	(18)	581%
Total comprehensive income for the year, net of tax	6,005	7,187	-16%	27,554	22,457	23%
Earnings per equity share (nominal value of share Rs 10 each)						
Basic (Rs.)	3.23	3.79	-15%	14.73	11.86	24%
Diluted (Rs.)	3.23	3.79	-15%	14.73	11.86	24%

7.1.2 Consolidated Statement of Financial Position

Amount in Rs mn

Particulars	As at	
	March 31, 2017	March 31, 2016
Assets		
Non-current assets		
Property, plant and equipment	135,934	139,610
Capital work-in-progress	2,568	2,246
Intangible assets	392	164
Investment in joint ventures	-	-
Financial Assets		
Investments	41,221	28,266
Other Financial Assets	4,205	4,119
Current Tax Assets (Net)	4,098	4,818
Other non - Current assets	3,544	3,221
	191,962	182,443
Current assets		
Financial assets		
Investments	14,990	17,283
Trade receivables	2,179	1,916
Cash and cash equivalents	22,970	20,449
Other Bank Balance	-	11,462
Other Financial assets	9,344	7,038
Other Current Assets	5,227	4,187
	54,710	62,334
Total assets	246,672	244,777
Equity and Liabilities		
Equity		
Equity Share capital	18,496	18,967
Other Equity	136,369	163,295
Equity attributable to equity holders of the parent	154,865	182,262
Non-current liabilities		
Financial Liabilities		
Other Financial Liabilities	4,899	4,742
Long Term Borrowings	4,447	10,746
Long Term Provisions	5,829	5,269
Deferred tax liability	7,150	9,201
Other non - Current liabilities	3,530	3,037
	25,855	32,995
Current liabilities		
Financial Liabilities		
Borrowings	12,903	6,300
Trade and Other payables	6,793	5,627
Other financial liabilities	22,185	-
Other Current Liabilities	23,795	17,351
Provisions	276	242
	65,952	29,520
Total liabilities	91,807	62,515
Total equity and liabilities	246,672	244,777

7.2 Schedules to Financial Statements

7.2.1 Schedule of Revenue from Operations

Amount in Rs mn

Particulars	Quarter Ended		Full Year Ended	
	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016
Rent	21,834	20,322	84,327	78,104
Energy and other reimbursements	13,370	11,495	49,910	45,209
Revenue	35,204	31,817	134,237	123,313

7.2.2 Schedule of Operating Expenses

Amount in Rs mn

Particulars	Quarter Ended		Full Year Ended	
	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016
Power and fuel	12,004	10,385	46,533	42,597
Rent	3,029	2,677	11,628	10,322
Employee expenses	1,157	1,091	4,679	4,281
Repairs and maintenance	2,289	2,287	9,157	9,063
Other expenses	879	692	2,820	2,573
-Other network expenses	294	184	569	421
-Others	585	508	2,251	2,152
Expenses	19,358	17,130	74,817	68,835

7.2.3 Schedule of Depreciation & Amortization

Amount in Rs mn

Particulars	Quarter Ended		Full Year Ended	
	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016
Depreciation of tangible assets	5,638	5,665	22,477	22,081
Amortization of intangible assets	46	32	149	155
Depreciation and Amortization	5,684	5,697	22,626	22,236

7.2.4 Schedule of Finance Cost (Net)

Amount in Rs mn

Particulars	Quarter Ended		Full Year Ended	
	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016
Finance Income	(353)	(1,681)	(7,094)	(4,793)
Finance Cost	640	650	2,680	2,945
Finance cost (Net)	287	(1,031)	(4,414)	(1,848)

7.3 Use of Non - GAAP Financial Information

In presenting and discussing the Company's reported financial position, operating results and cash flows, certain information is derived from amounts calculated in accordance with IND AS, but this information is a Non-GAAP measure. Such Non-GAAP measures should not be viewed in isolation as alternatives to the equivalent IND AS measures.

A summary of Non – GAAP measures included in this report are shown below

7.3.1 Reconciliation of Non- GAAP financial information to the information as per proforma proportionate consolidated financial statements in 7.1 & 7.2 above

a) Reconciliation of Total Income to Revenue

<i>Amount in Rs mn</i>		
Particulars	Quarter Ended	Full Year Ended
	Mar 31, 2017	Mar 31, 2017
Total Income to Revenue		
Total Income as per IND AS	35,618	135,692
Less: Other Income	414	1,455
Revenue	35,204	134,237

b) Reconciliation of EBITDA (Including Other Income) to EBITDA

<i>Amount in Rs mn</i>		
Particulars	Quarter Ended	Full Year Ended
	Mar 31, 2017	Mar 31, 2017
EBITDA (Including Other Income) to EBITDA		
EBITDA (Incl. Other Income) as per IND AS	16,260	60,875
Less: Other Income	414	1,455
EBITDA	15,846	59,420

c) Reconciliation of EBIT (Including Other Income) to EBIT

<i>Amount in Rs mn</i>		
Particulars	Quarter Ended	Full Year Ended
	Mar 31, 2017	Mar 31, 2017
EBIT (Including Other Income) to EBIT		
EBIT (Incl. Other Income) as per IND AS	10,453	37,798
Less: Other Income	414	1,455
EBIT	10,039	36,343

d) Derivation of Operating Free Cash Flow from EBITDA

Amount in Rs mn

Particulars	Quarter Ended	Full Year Ended
	Mar 31, 2017	Mar 31, 2017
EBITDA to Operating Free Cash Flow		
EBITDA	15,846	59,420
Less: Capex	5,431	21,788
Add:Operating Lease expense - Security Deposit	(3)	19
Less:Operating Lease revenue - Security Deposit	115	442
Operating Free Cash Flow	10,297	37,209

e) Derivation of Adjusted Fund From Operations (AFFO) from EBITDA

Amount in Rs mn

Particulars	Quarter Ended	Full Year Ended
	Mar 31, 2017	Mar 31, 2017
EBITDA to Adjusted Fund From Operations		
EBITDA	15,846	59,420
Less: Maintenance & General Corporate Capex	1,346	5,048
Add:Operating Lease expense - Security Deposit	(3)	19
Less:Operating Lease revenue - Security Deposit	115	442
Adjusted Fund From Operations(AFFO)	14,382	53,949

f) Calculation of Net Debt / (Net Cash)

Amount in Rs mn

Particulars	As at Mar 31, 2017	As at March 31, 2016
Total Debt	17,350	17,045
Less: Cash and Cash Equivalents & Current and non-current Investments (including fixed deposits)	79,181	77,460
Add: Unpaid dividend declared (including dividend distribution tax) adjusted in equity	26,704	-
Net Debt / (Net Cash)	(35,127)	(60,414)

g) Calculation of Capital Employed

Amount in Rs mn

Particulars	As at Mar 31, 2017	As at March 31, 2016
Shareholder's Fund	154,865	182,262
Add: Net Debt / (Net Cash)	(35,127)	(60,414)
Capital Employed	119,738	121,848

Section 8

TRENDS AND RATIOS

The proforma financial results presented in this section are prepared as per proportionate consolidation method based on segment information in the audited consolidated financial statement of IND AS and underlying information

8.1 Based on Statement of Operations

Parameters	Amount in Rs mn				
	For the Quarter Ended ⁴				
	Mar-17	Dec-16	Sep-16	Jun-16	Mar-16
Revenue ¹	35,204	34,007	32,919	32,107	31,817
Energy Cost	12,004	11,938	11,447	11,144	10,385
Other Operating Expenses	7,354	7,114	6,935	6,881	6,746
EBITDA ¹	15,846	14,955	14,537	14,082	14,687
EBITDA / Total revenues ²	45.0%	44.0%	44.2%	43.9%	46.2%
EBIT ¹	10,039	9,137	8,869	8,298	8,798
Other Income	414	357	333	351	435
Finance cost (Net)	287	(947)	(2,472)	(1,282)	(1,031)
Profit before Tax	10,166	10,441	11,674	9,931	10,263
Income Tax Expense	4,200	4,237	3,936	2,369	3,079
Profit after tax ³	5,966	6,204	7,738	7,562	7,184
Capex	5,431	6,830	5,112	4,416	5,007
Operating Free Cash Flow ¹	10,297	8,014	9,321	9,577	9,578
Adjusted Fund From Operations (AFFO) ¹	14,382	13,680	13,255	12,633	13,618
Cumulative Investments	294,566	290,934	285,213	281,595	277,951

	Mar-17	Dec-16	Sep-16	Jun-16	Mar-16
As a % of Revenue²					
Energy Cost	34.1%	35.1%	34.8%	34.7%	32.6%
Other Operating Expenses	20.9%	20.9%	21.1%	21.4%	21.2%
EBITDA	45.0%	44.0%	44.2%	43.9%	46.2%
Profit before tax	28.9%	30.7%	35.5%	30.9%	32.3%
Profit after tax	16.9%	18.2%	23.5%	23.6%	22.6%

1. Revenue, EBITDA, EBIT, Operating free cash flow & AFFO are excluding other income.

2. Energy cost, other operating exp., EBITDA, profit before tax and profit after tax margin have been computed on revenue excluding other income.

3. Profit after tax excludes impact of Other Comprehensive Income

4. Previous periods' figures have been regrouped/ rearranged wherever necessary to confirm to current period classifications.

8.2 Based on Statement of Financial Position

Amount in Rs mn

Parameters	As at				
	Mar-17	Dec-16	Sep-16	Jun-16	Mar-16
Equity Shareholder's Fund	154,865	175,933	170,061	189,388	182,262
Net Debt / (Net Cash)	(35,127)	(59,181)	(52,009)	(68,058)	(60,414)
Capital Employed = Equity Shareholders Fund + Net Debt / (Net Cash)	119,738	116,752	118,052	121,330	121,848

Parameters	Mar-17	Dec-16	Sep-16	Jun-16	Mar-16
Return on Capital Employed (LTM) Pre Tax	30.1%	29.5%	28.4%	26.0%	27.2%
Return on Shareholder's Equity (LTM) Pre Tax	25.0%	24.1%	23.5%	20.7%	19.9%
Return on Shareholder's Equity (LTM) Post tax	16.3%	16.3%	16.1%	13.9%	12.5%
Net Debt / (Net Cash) to EBITDA (LTM)	(0.59)	(1.02)	(0.91)	(1.22)	(1.11)
Asset Turnover ratio	73.13%	67.42%	63.10%	59.26%	59.91%
Interest Coverage ratio (times)	22.17	21.66	20.75	19.93	18.50
Net debt / (Net Cash) to Funded Equity (Times)	(0.23)	(0.34)	(0.31)	(0.36)	(0.33)
Per share data (for the period)					
Earnings Per Share - Basic (in Rs)	3.23	3.36	4.14	3.99	3.79
Earnings Per Share - Diluted (in Rs)	3.23	3.36	4.14	3.99	3.79
Book Value Per Equity Share (in Rs)	83.7	95.1	91.9	99.9	96.1
Market Capitalization (Rs. bn)	603	635	676	654	724
Enterprise Value (Rs. bn)	568	576	624	586	664

8.3 Operational Performance

8.3.1 Bharti Infratel Consolidated

Parameters	Unit	Mar-17	Dec-16	Sep-16	Jun-16	Mar-16
Total Towers ¹	Nos	90,646	90,255	89,791	89,352	88,808
Total Co-locations ¹	Nos	210,606	204,934	198,795	196,401	195,035
Key Indicators						
Average Sharing Factor	Times	2.30	2.24	2.21	2.20	2.19
Closing Sharing Factor	Times	2.32	2.27	2.21	2.20	2.20
Sharing Revenue per Tower p.m.	Rs	80,464	78,407	77,197	76,987	76,602
Sharing Revenue per Sharing Operator p.m.	Rs	35,029	34,966	34,994	35,040	35,012

1. Represents the sum of the numbers of towers (and the co-locations thereof) owned and operated by Bharti Infratel and 42% of the number of towers (and the co-locations thereof) owned & operated by Indus Towers.

8.3.2 Bharti Infratel Standalone

Parameters	Unit	Mar-17	Dec-16	Sep-16	Jun-16	Mar-16
Total Towers	Nos	39,099	38,997	38,832	38,642	38,458
Total Co-locations	Nos	89,263	86,112	83,085	81,908	81,632
Key Indicators						
Average Sharing Factor	Times	2.25	2.17	2.13	2.12	2.11
Closing Sharing Factor	Times	2.28	2.21	2.14	2.12	2.12
Sharing Revenue per Tower p.m.	Rs	84,238	81,366	80,646	79,801	78,455
Sharing Revenue per Sharing Operator p.m.	Rs	37,512	37,428	37,868	37,622	37,128

8.3.3 Indus Towers

Parameters	Unit	Mar-17	Dec-16	Sep-16	Jun-16	Mar-16
Total Towers	Nos	122,730	122,044	121,330	120,739	119,881
Total Co-locations	Nos	288,913	282,909	275,499	272,603	270,006
Key Indicators						
Average Sharing Factor	Times	2.34	2.29	2.26	2.26	2.25
Closing Sharing Factor	Times	2.35	2.32	2.27	2.26	2.25
Sharing Revenue per Tower p.m.	Rs	77,661	76,223	74,587	74,902	75,254
Sharing Revenue per Sharing Operator p.m.	Rs	33,244	33,221	32,941	33,215	33,519

8.3.4 Human Resource Analysis

8.3.4.1 Bharti Infratel Consolidated

Parameters	Unit	Mar-17	Dec-16	Sep-16	Jun-16	Mar-16
Total On roll Employees ¹	Nos	2,374	2,375	2,393	2,364	2,346
Number of Towers per employee	Nos	38	38	38	38	38
Personnel Cost per employee per month	Rs	162,422	168,345	164,117	162,352	155,735
Revenue per employee per month	Rs	4,941,994	4,754,914	4,613,645	4,544,573	4,543,403

1. Total On Roll Employees include proportionate consolidation of 42% of Indus Towers Employees.

8.3.4.2 Bharti Infratel Standalone

Parameters	Unit	Mar-17	Dec-16	Sep-16	Jun-16	Mar-16
Total On roll Employees	Nos	1,261	1,246	1,246	1,252	1,250
Number of Towers per employee	Nos	31	31	31	31	31
Personnel Cost per employee per month	Rs	179,497	186,731	179,877	186,251	167,135
Revenue per employee per month	Rs	4,268,847	4,093,098	3,993,328	3,871,836	3,792,218

8.3.4.3 Indus Towers

Parameters	Unit	Mar-17	Dec-16	Sep-16	Jun-16	Mar-16
Total On roll Employees	Nos	2,649	2,689	2,730	2,648	2,609
Number of Towers per employee	Nos	46	45	44	46	46
Personnel Cost per employee per month	Rs	143,506	148,246	147,024	134,965	141,925
Revenue per employee per month	Rs	5,697,712	5,482,907	5,300,263	5,309,838	5,407,321

Note: Indus operates on outsourced operations & maintenance model in certain geographical territories wherein the associated personnel cost is recorded as part of repair & maintenance and other expenses. Hence, the related human resources key performance indicators are not strictly comparable between Bharti Infratel Standalone and Indus.

8.4 Energy Cost Analysis

Parameters	Unit	For the Quarter Ended				
		Mar-17	Dec-16	Sep-16	Jun-16	Mar-16
Energy Cost Indicators						
Energy Cost Per Tower per month	Rs	44,239	44,203	42,599	41,700	39,144
Energy Cost Per Colocation per month	Rs	19,259	19,713	19,310	18,980	17,891

8.5 Other Than Energy Cost Analysis

Parameters	Unit	For the Quarter Ended				
		Mar-17	Dec-16	Sep-16	Jun-16	Mar-16
Other Than Energy Cost						
Cost Per Tower per month	Rs	27,102	26,341	25,808	25,748	25,428
Cost per Colocation per month	Rs	11,799	11,747	11,699	11,719	11,622

8.6 Revenue and Cost Composition

Parameters	Unit	For the Quarter Ended				
		Mar-17	Dec-16	Sep-16	Jun-16	Mar-16
Revenue Composition						
Service Revenue	%	62%	62%	63%	64%	64%
Energy and other reimbursements	%	38%	38%	37%	36%	36%
Total		100%	100%	100%	100%	100%
Opex Composition						
Power and fuel	%	62%	63%	62%	62%	61%
Rent	%	16%	15%	16%	16%	16%
Employee benefits expenses	%	6%	6%	6%	6%	6%
Repair and maintenance expenses	%	12%	12%	13%	13%	13%
Other expenses	%	5%	4%	3%	4%	4%
-Other network expenses	%	2%	1%	0%	0%	1%
-Others	%	3%	3%	3%	3%	3%
Total		100%	100%	100%	100%	100%

Section B

Consolidated IND AS Financial Statements

This section includes Consolidated financial statements prepared on IND AS principles as per equity approach.

Section 9

FINANCIAL HIGHLIGHTS

The financial results presented in this section are compiled based on the audited consolidated financial statements prepared in accordance with Indian Accounting Standards (IND AS) and the underlying information. The consolidated financial results represent results of the Company, its subsidiaries, Employee Welfare Trust and its share in Joint Venture Company accounted for by Equity Method as prescribed in IND AS.

9.1 Extracts from Audited Consolidated Financial Statements prepared in accordance with IND AS Accounting Principles (Equity Method)

9.1.1 Statement of Income

Particulars	Quarter Ended			Full Year Ended		
	Mar 31, 2017	Mar 31, 2016	Y-on-Y growth	Mar 31, 2017	Mar 31, 2016	Y-on-Y growth
Income						
Revenue from Operations	16,053	14,181	13%	60,847	55,583	9%
Other income	190	183	4%	711	1,104	-36%
	16,243	14,364	13%	61,558	56,687	9%
Expenses						
Power and fuel	5,465	4,821	13%	21,143	19,901	6%
Rent	842	707	19%	3,184	2,798	14%
Employee expenses	675	625	8%	2,746	2,578	7%
Repairs and maintenance	1,045	1,021	2%	4,084	3,920	4%
Other expenses	277	274	1%	1,165	1,289	-10%
	8,304	7,448	11%	32,322	30,486	6%
Profit/(loss) before finance costs, depreciation and amortisation and tax	7,939	6,916	15%	29,236	26,201	12%
Finance Costs (Net)	(231)	(1,572)	85%	(6,542)	(4,285)	-53%
Depreciation and Amortization Expense	3,087	3,095	0%	12,167	12,121	0%
Less: adjusted with general reserve in accordance with the Scheme	(120)	(143)	16%	(510)	(571)	11%
Charity and Donation	54	37	46%	274	214	28%
Profit/(Loss) before share of (profit)/Loss of an associate and a joint venture and tax	5,149	5,499	-6%	23,847	18,722	27%
Share of profit/(Loss) of an associate and a joint venture	3,272	3,059	7%	11,950	11,069	8%
Profit/(loss) before tax	8,421	8,558	-2%	35,797	29,791	20%
Tax expenses						
Current tax	3,088	1,245	148%	8,594	6,351	35%
Deferred tax	(633)	129	-590%	(267)	966	-128%
Total tax expense	2,455	1,374	79%	8,327	7,317	14%
Profit (Loss) for the period	5,966	7,184	-17%	27,470	22,474	22%
Other comprehensive income						
Items that will not be re-classified to Profit and Loss						
(i) Remeasurements of the defined benefit plans (Net of Tax)	(4)	2		(6)	(2)	
(ii) Fair Value changes on Financial Assets through OCI (Net of Tax)	37	6		99	6	
(iii) Share of Profit/(Loss) in OCI of a joint venture	6	(5)		(9)	(22)	
Total Other Comprehensive Income	39	3		84	(18)	
Total comprehensive income for the period net of tax	6,005	7,187	-16%	27,554	22,456	23%
Earnings per equity share (nominal value of share Rs 10 each)						
Basic (Rs.)	3.23	3.79	-15%	14.73	11.86	24%
Diluted (Rs.)	3.23	3.79	-15%	14.73	11.86	24%

9.1.2 Statement of Financial Position

Amount in Rs mn

Particulars	As at	
	Mar 31, 2017	March 31, 2016
Assets		
Non-current assets		
Property, plant and equipment	57,811	60,560
Capital work-in-progress	585	701
Intangible assets	131	71
Investment in joint venture	55,509	56,180
Financial assets		
Investment	41,221	28,266
Other Financial Assets	1,163	1,221
Current Tax Asset (Net)	1,634	2,268
Other non - Current assets	2,456	2,311
	160,510	151,578
Current assets		
Financial assets		
Investment	14,990	16,148
Trade and other receivables	1,515	1,955
Cash and cash equivalents	22,498	20,133
Other Bank Balance	-	11,462
Other Financial Assets	4,561	2,856
Other Current Assets	3,554	2,900
	47,118	55,454
Total assets	207,628	207,032
Equity and Liabilities		
Equity		
Equity Share capital	18,496	18,967
Other Equity	136,497	163,454
Equity attributable to equity holders of the parent	154,993	182,421
Non-current liabilities		
Financial Liabilities		
Other Financial Liabilities	2,373	2,033
Long Term Provisions	2,243	2,009
Deferred tax liabilities	2,434	4,630
Other non-current liabilities	1,633	1,773
	8,683	10,445
Current liabilities		
Financial Liabilities		
Borrowings	2,785	-
Trade and Other payables		
- Total outstanding dues of micro enterprises and small enterprises	15	2
- Total outstanding dues of Creditors other than micro-enterprises and small enterprises	519	643
Other Financial Liabilities	22,185	-
Other Current Liabilities	18,314	13,402
Provisions	134	119
	43,952	14,166
Total liabilities	52,635	24,611
Total equity and liabilities	207,628	207,032

9.1.3 Cash Flow

Amount in Rs mn

Particulars	Full Year Ended	Full Year Ended
	Mar 31, 2017	Mar 31, 2016
Cash flows from operating activities		
Profit before taxation	35,797	29,791
Adjustments for -		
Depreciation and amortization expense	11,657	11,550
Finance income	(6,936)	(4,615)
Finance Costs	365	330
Dividend income	9,510	-
Share of profits in joint venture	(11,950)	(11,069)
Gain/loss on disposal of property, plant & equipment	(581)	(651)
Provision for doubtful trade receivables	36	106
Provision for obsolescence of capital work in progress/services	(8)	7
Others	(250)	(481)
Operating profit before working capital changes	37,640	24,968
Changes in Trade Receivables	404	1,331
Changes in Trade Payables	(51)	(409)
Changes in other Current Liabilities	888	395
Changes in Other Non Current Assets	(144)	660
Changes in Other Long Term Financial Liabilities	124	276
Changes in Long Term Provisions	(118)	23
Changes in Short Term Provisions	15	13
Changes in Other Financial Assets	(1,621)	(1,731)
Changes in Other Long Term Financial Assets	58	(141)
Changes in Other Non Current Liabilities	88	215
Changes in Other Current Assets	(660)	443
Cash generated from operations	36,622	26,043
Income tax paid (net of refunds)	(7,961)	(6,928)
Net Cash flow from operating activities (A)	28,661	19,115
Cash flows from investing activities		
Purchase of property, plant & equipment	(10,088)	(9,061)
Proceeds from sale of property, plant & equipment	1,028	1,072
Investments in bank deposits (having original maturity of more than three months)	-	(2,642)
Purchase of bonds	-	(3,214)
Purchase of government securities	(68,501)	-
Purchase of Commercial Paper	(475)	-
Purchase of Corporate deposit	(3,946)	-
Purchase of investment in mutual funds	(124,613)	(950)
Proceeds from fixed deposit	11,462	-
Proceeds from sale of investments	168,999	31,154
Proceeds from government securities	15,430	-
Proceeds from sale of Bonds	1,217	-
Proceeds from sale of corporate deposit	5,394	(2,846)
Interest received	1,659	1,970
Net Cash flow (used in) investing activities (B)	(2,434)	15,483
Cash flows from financing activities		
Proceeds from exercise of stock options	62	307
Buyback of shares	(20,031)	-
Dividend paid	(5,549)	(12,327)
Tax on dividend paid	(1,130)	(2,509)
Net Cash flow (used in) financing activities (C)	(26,648)	(14,529)
Net (decrease) / increase in cash and cash equivalents during the period (A+B+C)	(421)	20,069
Cash and cash equivalents at the beginning of the period	20,133	64
Cash and cash equivalents at the end of the period	19,713	20,133

Section C

Transition to IND AS

This section details the:

1. Key Accounting Changes
2. IGAAP to IND AS Reconciliation Statements
3. Walk of IND AS Consolidated Results (using Equity approach) to Proforma Consolidated Results (using proportional consolidation approach on IND AS principles)

Section 10

Key Accounting Changes

First-time adoption of Ind AS

The Ministry of Corporate Affairs (MCA) notification dated 16th February, 2015 that the companies having a net worth of Rs. 500 crores or more (as per the standalone financial statements as on 31st March, 2014) are required to comply with Ind AS in the preparation of their financial statements for accounting periods beginning on or after 1st April, 2016, with the comparatives for the periods ending 31st March, 2016, or thereafter.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March 2017, together with the comparative period data as at and for the year ended 31st March 2016. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2015, the Company's date of transition to Ind AS as per Ind AS 101, First Time adoption of Indian Accounting Standards.

This note explains the key accounting changes and principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2015 and the financial statements as at and for the year/period ended 31 March 2016.

Interest in a Joint Venture

Under Ind AS 28, the Company investment in its joint venture is accounted for using the equity method.

Segment Information

Operating Segments are identified on the basis of internal reports about components of the group that are regularly reviewed by the chief operating decision maker (CODM) in order to allocate resources to the segments and to assess their performance in accordance with Ind AS 108, Operating Segments.

Indus separately prepares and gets its financial statements audited as per legal requirement. While transiting from IGAAP to Ind AS, Bharti Infratel Limited has identified Indus as operating segment based on the fact that the operating results of Indus are regularly reviewed by the entity's CODM about the resources allocated to the segment and assess its performance.

Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemptions:

1. The company has elected to continue with the previous GAAP carrying amount as deemed

cost as starting point under Ind AS for Property, Plant and Equipment and Intangible assets.

2. In Separate Financial Statements, The Company has availed optional exemption related to Investment in Joint venture and continues with the carrying amount of Investment in IGAAP as a deemed cost in Ind AS.

Scheme of Arrangement

1. During the year ended March 31, 2008, pursuant to the Scheme of Arrangement with Bharti Airtel Limited ('the Scheme') under sections 391 to 394 of the Companies Act, 1956, the telecom infrastructure undertaking of Bharti Airtel Limited was transferred to the Company. Pursuant to the Scheme, the depreciation charged by the Company on the excess of the fair values over the original book values of the assets transferred by Bharti Airtel Limited is being off-set against General Reserve.

In absence of any specific provision in Ind AS with respect to merger under court scheme the entity has continued with the scheme accounting and balances under IGAAP as at 31 March 2015 have been carried over to the transition date Balance Sheet. The depreciation on fair valuation under the scheme will continue to be charged from general reserve.

2. The Scheme of Arrangement ('Indus Scheme') under Section 391 to 394 of the Companies Act, 1956 for transfer of all assets and liabilities, as defined in Indus scheme, from Bharti Infratel Ventures Limited (BIVL), erstwhile wholly owned subsidiary company, to Indus Towers Limited (Indus), was approved by the Hon'ble High Court of Delhi vide order dated April 18, 2013 and filed with the Registrar of Companies on June 11, 2013 with appointed date April 1, 2009 i.e. effective date of Indus Scheme and accordingly, effective June 11, 2013, the erstwhile subsidiary company has ceased to exist and has become part of Indus. The entity continued with the scheme accounting and the carrying value of Investment in Indian GAAP will be treated as cost of Investment in separate financial statements of Bharti Infratel Limited.

Impact of transition to Ind AS

The following is a summary of the effects of the differences between Ind AS and Indian GAAP on the Company's total equity and profit for the period or periods previously reported under Indian GAAP following the date of transition to Ind AS.

1. Asset Retirement obligation (ARO)

The company uses various premises on lease to install plant and equipment. A provision is recognized for the costs to be incurred for the restoration of these premises at the end of the lease period. It is expected that this provision will be utilized at the end of the lease period of the respective sites as per the respective lease agreements. Under Indian GAAP, Asset Retirement obligation (ARO) liability is stated at historical cost till the extinguishment of liability or expiry of the contractual period. The capitalized portion of the cost is depreciated over the useful life of the asset.

As per Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets, Asset Retirement obligation is provided at the present value of expected cost to settle the obligation and is recognized as part of Property, Plant and Equipment and liability. The estimated future cash outflows are discounted at a current pre tax rate that reflects the risk specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as finance cost. Changes in the estimated future cost or in the discount rate applied are added to or deducted from the cost of the asset.

2. Revenue Equalization reserve & Lease Equalization reserve

Under Indian GAAP, Rental income and expenses arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss.

Under Ind AS 17, Leases, the rental income and expenses arising from operating leases is not accounted for on a straight-line basis over the lease terms due to payments from/to the operators and Landlords are structured to increase in line with expected general inflation to compensate for the company's expected inflationary cost increases.

3. Short Term Provisions

Under Indian GAAP, proposed dividends including Dividend Distribution Tax are recognized as a liability in the period to which they relate, irrespective of when they are declared.

Under Ind AS, a proposed dividend is recognised as a liability in the period in which it is declared by

the company (usually when approved by shareholders in a general meeting) or paid as per Ind AS 10, Events occurring after reporting period.

4. Financial Assets at Fair Value through profit or loss

Under Indian GAAP, Current Investments are accounted for at cost or market price whichever is lower. Difference between the cost and market price is recognised in the statement of profit and loss.

Long Term Investments are measured at cost less provision for diminution if there is permanent decline in value.

Under Ind AS, such assets have been classified at fair value through profit and loss as per Ind AS 109, Financial Instruments.

5. Financial Assets & Liabilities at amortised Cost

Under Ind AS 109, Financial Instruments, financial assets and liabilities which are non derivative with fixed or determinable payments that are not quoted in an active market and recognised initially at Fair value. After initial measurement, such financial assets and liabilities are subsequently measured at amortised cost using the effective interest rate (EIR) method. The EIR amortisation is included in finance Income & cost in the profit or loss. The difference between transaction value and fair value of Security deposits is recognised as Deferred Lease Income or Expense which will be amortised over tenure of the deposit. This category generally applies to trade and other receivables, Security deposits etc.

Under Indian GAAP these kind of financial assets are stated at transaction value.

6. Deferred Tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period.

Ind AS 12, Income Taxes requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. Further also dividend tax has also recognized on un-distributed profits of the JV Company.

7. Other Comprehensive Income

Other Comprehensive income was not required under Indian GAAP. Hence, the company has reconciled Indian GAAP profit or loss to profit or loss as per Ind AS. Further, Indian GAAP profit or loss is also reconciled to total comprehensive income as per Ind AS.

8. Loans and Borrowings

Under Indian GAAP, the processing fee is amortized over the period of the borrowings and the interest is recognized as per the terms of the loan whereas under Ind AS 109, the processing fees is netted off from the borrowing at the inception and the interest is recognized as per EIR method.

9. Treasury shares

Under Ind AS 110 – Consolidated financial statements define control and establish control as the main basis for consolidating the entities, in light of which we are required to consolidate employee welfare trust in the consolidated financial statement. Under IGAAP, the trusts are not required to be consolidated.

Impact of IND-AS transition adjustments on the opening proforma consolidated balance sheet as on April 1, 2015 (the date of transition to IND AS) of Rs 7,871 Mn (other than proposed dividend and tax thereon, impact of consolidation of JV under equity method and Bharti Infratel Employee Welfare Trust), has been adjusted from General Reserves as on April 1, 2015.

Section 11

IGAAP to IND AS Reconciliation Statements

The proforma financial results presented in this section are prepared as per proportionate consolidation method based on segment information in the audited consolidated financial statement of IND AS and underlying information

11. Reconciliation of IGAAP to Proforma Consolidated Results under IND AS

11.1 Reconciliation of Statement of Financial Position as on 01-April-2015

Particulars	Amount in Rs Mn		
	IGAAP ¹	Adjustments	Ind AS
	INR Mn's	INR Mn's	INR Mn's
Assets			
Non-current assets			
Property, plant and equipment ²	147,919	(5,150)	142,769
Capital Work in Progress	2,260	0	2,260
Other Intangible assets	202	(0)	202
Investment in an associate/ joint venture	-	-	-
Financial assets			
Investments ³	27,382	3,879	31,261
Other Financial Assets ^{4,12}	4,192	(431)	3,761
Income tax recoverable	4,606	(46)	4,560
Other non-current assets ^{4,5}	27,637	(23,780)	3,857
	214,198	(25,529)	188,669
Current assets			
Financial assets			
Investments ³	31,440	3,532	34,972
Trade receivables	3,532	0	3,533
Cash and cash Equivalent ⁶	285	2	287
Other Bank Balance ¹²	8,835	(15)	8,820
Other Financial Assets	6,150	0	6,150
Other current assets ^{4,8,12}	7,107	(1,734)	5,373
	57,349	1,785	59,135
Total assets	271,547	(23,744)	247,804
Equity and liabilities			
Equity			
Equity share capital	18,938	(0)	18,938
Other equity ⁷	151,262	6,102	157,364
Total equity	170,200	6,102	176,302
Non-current liabilities			
Financial Liabilities			
Other Financial Liabilities ⁸	6,688	(2,528)	4,160
Long term borrowings ¹⁴	15,663	(38)	15,625
Long Term Provisions ⁹	11,101	(6,365)	4,736
Deferred tax liability ¹⁰	12,247	(3,944)	8,303
Other non - Current liabilities ^{11,8}	4,954	(1,864)	3,090
	50,653	(14,740)	35,914
Current liabilities			
Financial Liabilities			
Trade Payables ¹²	1,832	6,865	8,697
Short term borrowings ¹²	1,468	8,690	10,158
Other Current Liabilities ¹²	31,562	(15,035)	16,526
Provisions ^{13,12}	15,832	(15,626)	207
	50,694	(15,105)	35,588
Total liabilities	101,347	(29,845)	71,502
Total equity and liabilities	271,547	(23,744)	247,804

1. Previous periods' figures have been regrouped/ rearranged wherever necessary to confirm to current period classifications
2. Adjustment for discounting of Asset Retirement Obligation and corresponding impact of depreciation
3. Effect of measuring investment at fair value
4. Discounting of security deposits paid to fair value
5. Adjustment for annual escalation on rentals income not equalized over the lease term, being inflation linked
6. Impact of consolidation of Trust not done earlier
7. Adjustment for all the IND AS impacts on Other Equity
8. Discounting of security deposits received to fair value
9. Adjustment for discounting of Asset Retirement Obligation and employee benefits
10. Tax impact of the IND AS adjustments
11. Adjustment for annual escalation on rentals expense not equalized over the lease term, being inflation linked
12. Represents reclassification
13. Represents reversal of proposed dividend recognized as liability
14. Adjustment of processing fee for long term borrowings

11.2 Reconciliation of Net Profit between IGAAP and IND AS

Amount in Rs Mn

Particulars	Profit Reconciliation				
	Quarter ended				Year ended
	Mar 31, 2016	Dec 31, 2015	Sep 30, 2015	Jun 30, 2015	Mar 31, 2016
Net Profit under Previous GAAP	6,617	5,654	5,792	5,757	23,820
Effects of transition to Ind-AS	567	(704)	124	(1,333)	(1,346)
Revenue Equalisation Impact	95	18	(70)	(222)	(178)
Lease Equalisation Impact	94	84	37	61	277
Total	189	102	(33)	(161)	99
Actuarial gain/loss	5	7	12	13	36
Asset Retirement Obligation -Depreciation reversal	112	113	113	120	458
Asset Retirement Obligation -Finance Cost Charge	(102)	(91)	(90)	(87)	(371)
Total	15	28	35	46	124
Processing Cost	(2)	(1)	(1)	(1)	(6)
Mark to Market (MTM) Impact	282	(462)	839	(1,340)	(681)
Security Deposit - Rental Income	106	106	102	95	409
Security Deposit - Rental Cost	(4)	(22)	(1)	(24)	(52)
Security Deposit - Finance Income	4	23	2	21	50
Security Deposit - Finance Cost	(101)	(99)	(94)	(86)	(379)
Total	285	(456)	847	(1,336)	(659)
Deferred tax on Joint Venture Share	(518)	(480)	(461)	(411)	(1,870)
Deferred tax reversal on MTM	651	-	-	-	651
Deferred tax (net) on Ind AS adjustments.	(55)	103	(264)	528	310
Total	78	(378)	(725)	117	(909)
Net Profit for the period under Ind AS	7,184	4,950	5,917	4,424	22,474

11.3 Reconciliation of Statement of Income for the full year ended March 31, 2016

Amount in Rs mn

Particulars	IGAAP ¹	Adjustments	Ind AS
	INR Mn	INR Mn	INR Mn
Income			
Revenue from Operations ²	123,083	230	123,313
Other income ³	2,012	36	2,047
	125,095	266	125,361
Expenses			
Power and Fuel	42,597	-	42,597
Rent ⁴	10,548	(225)	10,322
Employee benefits expense ⁵	4,316	(35)	4,281
Repairs and maintenance ³	9,061	1	9,063
Other expenses ³	2,531	42	2,573
	69,053	(217)	68,835
Profit before Finance Cost (net), Depreciation and amortisation, Share of JV and tax	56,042	483	56,526
Finance costs (net) ⁶	(3,228)	1,380	(1,848)
Depreciation and amortization expense ⁷	22,693	(457)	22,236
Charity and donation	371	-	371
Profit before tax	36,206	(440)	35,766
Tax expenses			
Current tax	12,384	-	12,384
Deferred tax ⁸	2	906	908
Total tax expense	12,386	906	13,292
Profit/ (Loss) for the period	23,820	(1,346)	22,474
Other comprehensive income ⁹	-	(18)	(18)
Total comprehensive income for the year, net of tax	23,820	(1,364)	22,456

1. Previous periods' figures have been regrouped/ rearranged wherever necessary to confirm to current period classifications
2. Represents adjustment for revenue equalisation and deferred revenue on security deposits received
3. Represents reclassification
4. Represents adjustment for lease rent equalisation and deferred expense on security deposits paid
5. Represents adjustment for fair valuation of employee benefit funds

6. Represents impact of mark to market on investments and finance cost/income related to fair value discounting entries
7. Represents adjustment for change in fair valuation of asset retirement obligation
8. Represents tax impact for IND AS adjustments and dividend distribution tax on undistributed profits of joint venture
9. Represents reclassification in line with IND AS

11.4 Reconciliation of Statement of Financial Position as on March 2016

Amount in Rs mn

Particulars	IGAAP ¹	Adjustments	Ind AS
	INR Mn's	INR Mn's	INR Mn's
Assets			
Non-current assets			
Property, plant and equipment ²	144,704	(5,094)	139,610
Capital Work in Progress	2,245	0	2,246
Other Intangible assets	164	(1)	164
Investment in an associate/ joint venture	-	-	-
Financial assets			
Investments ³	23,967	4,299	28,265
Other Financial Assets ^{4,12}	4,536	(417)	4,119
Income tax recoverable	4,822	(3)	4,818
Other non-current assets ^{4,5}	26,507	(23,285)	3,221
	206,945	(24,500)	182,443
Current assets			
Financial assets			
Investments ³	14,844	2,439	17,283
Trade receivables	1,916	0	1,916
Cash and cash Equivalent ⁶	20,437	12	20,449
Other Bank Balance ¹²	11,479	(17)	11,462
Other Financial Assets	7,038	(0)	7,038
Other current assets ^{4,8,12}	6,530	(2,343)	4,187
	62,244	90	62,334
Total assets	269,189	(24,410)	244,777
Equity and liabilities			
Equity			
Equity share capital	18,967	-	18,967
Other equity ⁷	164,512	(1,216)	163,295
Total equity	183,479	(1,216)	182,262
Non-current liabilities			
Financial Liabilities			
Other Financial Liabilities ⁸	7,088	(2,346)	4,742
Long term borrowings ¹⁴	10,767	(21)	10,746
Long Term Provisions ⁹	11,663	(6,393)	5,269
Deferred tax liability ¹⁰	12,249	(3,048)	9,201
Other non - Current liabilities ^{11,8}	5,346	(2,309)	3,037
	47,113	(14,117)	32,995
Current liabilities			
Financial Liabilities			
Trade Payables ¹²	855	4,772	5,627
Short term borrowings ¹²	-	6,300	6,300
Other Current Liabilities ¹²	28,809	(11,458)	17,351
Provisions ^{13,12}	8,933	(8,691)	242
	38,597	(9,077)	29,520
Total liabilities	85,710	(23,194)	62,515
Total equity and liabilities	269,189	(24,410)	244,777

1. Previous periods' figures have been regrouped/ rearranged wherever necessary to confirm to current period classifications
2. Adjustment for discounting of Asset Retirement Obligation and corresponding impact of depreciation
3. Effect of measuring investment at fair value
4. Discounting of security deposits paid to fair value
5. Adjustment for annual escalation on rentals income not equalized over the lease term, being inflation linked
6. Impact of consolidation of Trust not done earlier
7. Adjustment for all the IND AS impacts on Other Equity

8. Discounting of security deposits received to fair value
9. Adjustment for discounting of Asset Retirement Obligation and employee benefits
10. Tax impact of the IND AS adjustments
11. Adjustment for annual escalation on rentals expense not equalized over the lease term, being inflation linked
12. Represents reclassification
13. Represents reversal of proposed dividend recognized as liability
14. Adjustment of processing fee for long term borrowings

Section 12

Walk - IND AS Consolidated Results to Proforma Consolidated Results

The proforma financial results presented in this section are prepared as per proportionate consolidation method based on segment information in the audited consolidated financial statement of IND AS and underlying information

12.1 Statement of Income

Amount in Rs mn

Particulars	IND AS Consolidated Statement of Income (Equity Method) (A)					Proportionate share of JV (B)					Eliminations/ Adjustment* (C)					Proforma Consolidated Statement of Income (Proportionate Consolidation Method) D = (A+B+C)				
	Mar-17	Dec-16	Sep-16	Jun-16	Mar-16	Mar-17	Dec-16	Sep-16	Jun-16	Mar-16	Mar-17	Dec-16	Sep-16	Jun-16	Mar-16	Mar-17	Dec-16	Sep-16	Jun-16	Mar-16
Income																				
Revenue from operations	16,053	15,300	14,963	14,531	14,181	19,161	18,718	17,959	17,585	17,646	(10)	(11)	(3)	(9)	(10)	35,204	34,007	32,919	32,107	31,817
Other income	190	178	187	156	183	223	179	147	195	249	-	-	-	-	-	414	357	333	351	435
Total Income	16,243	15,478	15,150	14,687	14,364	19,384	18,897	18,106	17,780	17,895	(10)	(11)	(3)	(9)	(10)	35,618	34,364	33,252	32,458	32,252
Power and fuel	5,465	5,374	5,265	5,039	4,821	6,539	6,564	6,182	6,105	5,564	-	-	-	-	-	12,004	11,938	11,447	11,144	10,385
Rent	842	799	782	761	707	2,186	2,133	2,089	2,035	1,970	-	-	-	-	-	3,029	2,932	2,871	2,796	2,677
Employee expenses	675	698	674	699	625	483	506	497	447	463	-	-	-	-	-	1,157	1,204	1,171	1,147	1,091
Repairs and maintenance	1,045	998	1,037	1,004	1,021	1,244	1,260	1,275	1,294	1,265	-	-	-	-	-	2,289	2,258	2,312	2,298	2,287
Other expenses	277	319	286	283	274	602	401	295	357	419	-	-	-	-	-	879	720	581	640	692
Intersegmental expense	-	-	-	-	-	11	10	3	10	10	(11)	(10)	(3)	(10)	(10)	-	-	-	-	-
Total Expense	8,304	8,188	8,044	7,786	7,448	11,064	10,874	10,342	10,248	9,691	(11)	(10)	(3)	(10)	(10)	19,358	19,052	18,382	18,025	17,130
Profit/(Loss) before share of profit of a joint venture, Depreciation, Finance cost and tax	7,939	7,290	7,106	6,901	6,916	8,320	8,023	7,764	7,532	8,204	1	(1)	-	1	-	16,260	15,312	14,870	14,433	15,121
Finance Costs (Net)	(231)	(1,483)	(3,063)	(1,765)	(1,572)	518	536	591	484	542	-	-	-	-	-	287	(947)	(2,472)	(1,282)	(1,031)
Depreciation and Amortization Expense	2,967	2,934	2,877	2,879	2,952	2,717	2,730	2,752	2,770	2,745	-	-	-	-	-	5,684	5,664	5,629	5,649	5,697
Charity & Donation	54	56	29	135	37	69	98	10	-	155	-	-	-	-	-	123	154	39	135	192
Profit/(Loss) before share of profit of a joint venture and tax	5,149	5,783	7,263	5,652	5,499	5,016	4,659	4,411	4,279	4,762	1	(1)	-	1	-	10,166	10,441	11,674	9,931	10,263
Share of profits in Joint Venture	3,272	3,041	2,866	2,771	3,059	-	-	-	-	-	(3,272)	(3,041)	(2,866)	(2,771)	(3,059)	-	-	-	-	-
Profit before tax	8,421	8,824	10,129	8,423	8,558	5,016	4,659	4,411	4,279	4,762	(3,271)	(3,042)	(2,866)	(2,770)	(3,059)	10,166	10,441	11,674	9,931	10,263
Tax expense	2,455	2,620	2,391	861	1,374	1,744	1,617	1,545	1,508	1,703	-	-	-	-	-	4,200	4,237	3,936	2,369	3,079
Profit for the period	5,966	6,204	7,738	7,562	7,184	3,272	3,041	2,866	2,771	3,059	(3,271)	(3,042)	(2,866)	(2,770)	(3,059)	5,966	6,204	7,738	7,562	7,184
Other comprehensive income	39	9	28	8	3	6	5	(18)	(2)	(5)	(6)	(5)	18	2	5	39	9	28	8	3
Total comprehensive income for the period	6,005	6,213	7,766	7,570	7,187	3,278	3,046	2,848	2,769	3,054	(3,277)	(3,047)	(2,848)	(2,768)	(3,054)	6,005	6,213	7,766	7,570	7,187

* Elimination/adjustments represents elimination of intersegment transactions and adjustment for share of profits in JV

12.2 Statement of Financial Position

Amount in Rs mn

Particulars	IND AS Consolidated Statement of Financial Position (Equity Method) (A)		Proportionate share of JV (B)		Eliminations/ Adjustment* (C)		Proforma Consolidated Statement of Financial Position (Proportionate Consolidation Method) D = (A+B+C)	
	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016	Mar 31, 2017	Mar 31, 2016
SEGMENT ASSETS								
Non-current assets								
Property, plant and equipment	57,811	60,560	78,253	79,208	(130)	(158)	135,934	139,610
Capital work-in-progress	585	701	1,983	1,545	-	-	2,568	2,246
Intangible assets	131	71	261	93	-	-	392	164
Investment in joint ventures	55,509	56,180	-	-	(55,509)	(56,180)	-	-
Financial assets								
Investment	41,221	28,266	-	-	-	-	41,221	28,266
Other Financial Assets	1,163	1,221	3,042	2,898	-	-	4,205	4,119
Current Tax Assets (net)	1,634	2,268	2,464	2,550	-	-	4,098	4,818
Other non - Current assets	2,456	2,311	1,088	910	-	-	3,544	3,221
Current assets								
Financial assets								
Investment	14,990	16,148	-	1,135	-	-	14,990	17,283
Trade receivables	1,515	1,955	762	90	(98)	(129)	2,179	1,916
Cash and cash equivalents	22,498	20,133	472	316	-	-	22,970	20,449
Other Bank Balances	-	11,462	-	-	-	-	-	11,462
Other Financial Assets	4,561	2,856	4,783	4,182	-	-	9,344	7,038
Other Current Assets	3,554	2,900	1,673	1,296	-	(10)	5,227	4,187
Total Assets	207,628	207,032	94,782	94,223	(55,737)	(56,478)	246,672	244,777
SEGMENT LIABILITIES								
Equity								
Equity Share capital	18,496	18,967	1	1	(1)	(1)	18,496	18,967
Other Equity	136,497	163,454	55,511	56,179	(55,639)	(56,338)	136,369	163,295
Equity attributable to equity holders of the parent	154,993	182,421	55,512	56,180	(55,640)	(56,338)	154,865	182,262
Non-current liabilities								
Financial Liabilities								
Other Financial Liabilities	2,373	2,033	2,526	2,709	-	-	4,899	4,742
Long-term borrowings	-	-	4,447	10,746	-	-	4,447	10,746
Long Term Provisions	2,243	2,009	3,586	3,260	-	-	5,829	5,269
Deferred tax liabilities	2,434	4,630	4,716	4,571	-	-	7,150	9,201
Other non-Current liabilities	1,633	1,773	1,897	1,264	-	-	3,530	3,037
Current liabilities								
Financial Liabilities								
Short-term borrowings	2,785	-	10,118	6,300	-	-	12,903	6,300
Trade payables	534	645	6,271	5,071	(12)	(90)	6,793	5,627
Other financial Liabilities	22,185	-	-	-	-	-	22,185	-
Other Current Liabilities	18,314	13,402	5,567	3,999	(86)	(50)	23,795	17,351
Provisions	134	119	142	123	-	-	276	242
Total liabilities	207,628	207,032	94,782	94,223	(55,737)	(56,478)	246,672	244,777

* Deferred tax liability/adjustments includes deferred tax liability on undistributed profit on Joint Venture Company.

Section D

Key Accounting Policies and Glossary

Section 13

Basis of Preparation and Key Accounting Policies as per IND AS

1. Corporate information

Bharti Infratel Limited ('the Company' or 'BIL') was incorporated on November 30, 2006 with the object of, inter-alia, setting up, operating and maintaining wireless communication towers. The Company received the certificate of commencement of business on April 10, 2007 from the Registrar of Companies. The Registered office of the Company is situated at Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase – II, New Delhi – 110070.

Bharti Infratel Limited is a subsidiary of Bharti Airtel Limited ('BAL') and BAL holds 50.33% shares in the Company. Nettle Infrastructure Investments Limited, Wholly owned Subsidiary of BAL is also holding 11.32% shares in the Company as on March 31, 2017.

The Company is publicly traded on National Stock Exchange of India (NSE) and Bombay Stock Exchange Limited.

The Company had entered into a joint venture agreement with Vodafone India Limited and Aditya Birla Telecom Limited to provide passive infrastructure services in 15 Telecom circles of India and formed Indus Towers Limited for such purpose which is a Company incorporated in India. The Company and Vodafone India Limited are holding approximately 42% each in Indus Towers Limited, 11.15% is held by Aditya Birla Telecom Limited and the balance 4.85% is held by P5 Asia Holding Investment (Mauritius) Limited.

A wholly owned subsidiary, Smartx Services Limited, has been incorporated on September 21, 2015 with the object of transmission through Optic Fibre Cables and setting up Wi-Fi hotspots for providing services to telecom operators and others on sharing basis. During the year Smartx Services Limited was selected as a successful bidder along with Bharti Infratel Limited and others by Bhopal Smart City Development Corporation Limited for implementing Smart city projects in Bhopal, Madhya Pradesh.

The Company incorporated a Trust named Bharti Infratel Employees' Welfare Trust on January 07, 2015 with the object of acquiring shares through secondary acquisitions, hold them in trust for employees eligible to receive shares, and transfer such shares in accordance with ESOP Schemes.

The wholly owned subsidiary, Bharti Infratel Services Limited, had applied during FY 2015-16 to the Registrar of Companies to strike off the name of the Company from the Register of the Companies under Fast Track Exit Mode. During the year, name of Bharti

Infratel Services Limited was struck off by the Registrar of the Companies.

The Group's parent Company is Bharti Airtel Limited ('BAL') as at March 31, 2017.

The consolidated financial statements were authorised for issue in accordance with resolution of the directors on May 8, 2017.

2. Basis of preparation

a) Statement of compliance

These Standalone financial statements ("financial statements") have been prepared to comply in all material aspects with the Indian Accounting Standard (Ind AS) notified under section 133 of the Companies Act, 2013, read together with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

b) Basis of preparation

These consolidated financial statements are covered by Ind AS 101: First Time Adoption of Indian Accounting Standards (Ind AS), being first Ind AS annual financial statements for the year ended March 31, 2017 and are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015. The Ind AS Accounting policies have been applied consistently to all years presented in the consolidated financial statements.

For all periods up to and including the year ended March 31, 2016, the Group prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). The transition was carried out from the accounting principles generally accepted in India (Indian GAAP) which is considered as previous GAAP, as defined in Ind AS 101.

The financial statements have been prepared on accrual and going concern basis and the historical cost convention, except for the certain financial assets, financial liabilities and certain other items which have been measured at fair value as required under relevant Ind AS.

c) Basis of Consolidation

The Consolidated financial statements comprises the financial statements of the Group, its subsidiaries, joint venture and its directly controlled entity which are as follows:-

Entity	Country of Incorporation	Principal Service	Relationship	Shareholding as at March 31, 2017	Shareholding as at March 31, 2016	Shareholding as at April 1, 2015
Indus Towers Limited	India	Passive Infrastructure Services	Joint Venture	42%	42%	42%
Bharti Infratel Services Limited*	India	Active and Passive Infrastructure Services	Subsidiary	-	-	100%
Smartx Services Limited*	India	Optical Fibre Service	Subsidiary	100%	100%	-

Details of Controlled Trust	
Name of Trust	Country of Incorporation
Bharti Infratel Employee Welfare Trust	India

Accounting for Subsidiaries:

A subsidiary is an entity controlled by the Group. Control exists when the parent has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.

Subsidiaries are fully consolidated from the date on which Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies and accounting period in line with those used by the Group. All intra-Group transactions, balances, income and expenses and cash flows are eliminated on consolidation.

Interest in a Joint Venture

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investments in its joint ventures are accounted for using the equity method. Under the equity method, investments in joint ventures are carried in the consolidated Balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the joint ventures, less any impairment in the value of the investments. Additional

losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligation or made payments on behalf of the joint venture.

The joint venture are accounted for from the date on which Group obtains joint control over Joint Venture for the same reporting period as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

All the amounts included in the financial statements are reported in millions of Indian Rupees ('Rupees' or 'Rs.') and are rounded to the nearest million (Mn) except per share data and unless stated otherwise.

3. Summary of significant accounting policies

a) Property, Plant and Equipment

Property, plant and equipment including Capital work in progress is stated at cost, except assets acquired under Schemes of Arrangement, which are stated at fair values as per the Schemes, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognizes such parts as separate component of assets with specific useful lives and provides depreciation over their useful life. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repair and maintenance costs are recognised in the Consolidated Statement of Profit and Loss as incurred.

The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Consolidated Statement of Profit and Loss when the asset is derecognised.

Assets are depreciated to the residual values on a straight-line basis over the estimated useful lives. Estimated useful lives of the assets are as follows:

Useful lives	
Office Equipment	2 years / 5 years
Computer	3 years
Vehicles	5 years
Furniture and Fixtures	5 years
Plant & Machinery	3 to 20 Years
Leasehold Improvement	Period of Lease or useful life whichever is less

The existing useful lives of tangible assets are different from the useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013 and the Group believes that this is the best estimate on the basis of technical evaluation and actual usage period.

The existing realizable values of tangible assets are different from 5% as prescribed under Part C of Schedule II to the Companies Act, 2013 and the Group believes that this is the best estimate on the basis of actual realization.

The assets' residual values and useful lives are reviewed at each financial year end or whenever there are indicators for impairment, and adjusted prospectively.

b) Intangible Assets

Intangible assets are recognized when the entity controls the asset, it is probable that future economic benefits attributed to the asset will flow to the entity and the cost of the asset can be reliably measured.

At initial recognition, the separately acquired intangible assets are recognised at cost. Intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each financial year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as

changes in accounting estimates. The amortisation expense on intangible assets is recognised in the Consolidated Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Software is capitalized at the amounts paid to acquire the respective license for use and is amortised over the period of license, generally not exceeding three years. Acquired telecom license is initially recognised at cost and subsequently measured at cost less accumulated amortisation and impairment losses, if any. Amortisation is recognised over the unexpired period of license.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated Statement of Profit and Loss within other income when the asset is derecognised.

c) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses, if any, are recognized in Consolidated Statement of Profit and Loss as a component of depreciation and amortisation expense.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount

since the last impairment loss was recognised. The reversal is limited to the extent the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognized in the Consolidated Statement of Profit and Loss when the asset is carried at the revalued amount, in which case the reverse is treated as a revaluation increase.

d) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

e) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of an arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Group as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease.

Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the Consolidated Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group policy on the borrowing costs.

Leased assets are depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognized as an expense on a straight-line basis over the lease term and escalation in the contract, which are structured to compensate expected general inflationary increase are not straight lined. Contingent rents are recognized as expense in the period in Consolidated Statement of Profit and Loss in which they are incurred.

Group as a Lessor

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Groups net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Leases where the Group does not transfer substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income.

Lease rentals under operating leases are recognized as income on a straight-line basis over the lease term and escalation in the contract, which are structured to compensate expected general inflationary increase are not straight lined. Contingent rents are recognized as revenue in the year in which they are earned.

f) Share-based payments

The Group issues equity-settled and cash-settled share-based options to certain employees. These are measured at fair value on the date of grant.

The fair value determined at the grant date of the equity-settled share-based options is expensed over the vesting period, based on the Group's estimate of the shares that will eventually vest.

The fair value determined on the grant date of the cash settled share based options is expensed over the vesting period, based on the Group's estimate of the shares that will eventually vest. At the end of the each reporting period, until the liability is settled, and at the date of settlement, the fair value of the liability is recognized, with any changes in fair value pertaining to the vested period recognized immediately in Consolidated Statement of Profit and Loss.

At the vesting date, the Group's estimate of the shares expected to vest is revised to equal the number of equity shares that ultimately vest.

Fair value is measured using Black-Scholes framework and is recognized as an expense, together with a corresponding increase in equity/ liability as appropriate, over the period in which the options vest using the graded vesting method. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioral considerations. The expected volatility and forfeiture assumptions are based on historical information.

Where the terms of a share-based payments are modified, the minimum expense recognized is the expense as if the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based

payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled, it is treated as if it is vested on the date of cancellation, and any expense not yet recognized for the award is recognized immediately. This includes any award where non-vesting conditions within the control of either the entity or the employee are not met. However, if a new award is substituted for the cancelled award, and designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options if any is reflected as additional share dilution in the computation of diluted earnings per share.

g) Cash and Cash equivalents

Cash and cash equivalents in the consolidated balance sheet comprises cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Bank overdrafts that are repayable on demand and form an integral part of the Groups cash management are included as a component of cash and cash equivalents for the purpose of the consolidated Statement of Cash Flows.

h) Treasury shares

The Group has formed Bharti Infratel Employee Welfare Trust, for administration of ESOP Schemes of the Group. The Trust bought shares of the Group from the market, for giving shares to employees. The Group treats Trust as its extension and shares held by Trust are treated as treasury shares.

Own equity instruments ("treasury shares") which are reacquired through Bharti Infratel Employees Welfare Trust are recognized at cost and deducted from equity. No gain or loss is recognized in the Consolidated Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in the share premium. Share options exercised during the reporting period are satisfied with treasury shares.

i) Financial Instruments

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

Financial Assets

Initial Recognition and Measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent Measurement

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through Profit and Loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt Instruments at Amortised Cost

The category applies to the Group's trade receivables, unbilled revenue, other bank balances, security deposits, etc.

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding

This category is most relevant to the Group.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The accretion of EIR is recorded as a finance income in the Consolidated Statement of Profit and Loss. The losses arising from impairment are recognised in the Consolidated Statement of Profit and Loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified at FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent solely payment of principal and interest (SPPI).

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses and reversals in the Consolidated Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Consolidated Statement of Profit and Loss.

Interest earned whilst holding FVTOCI debt instrument is reported as interest income.

The Group has classified Investment in bonds, commercial paper, corporate deposits etc within this category.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization at amortized cost or at FVTOCI, is classified at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Consolidated Statement of Profit and Loss. This category applies to the Group investment in mutual funds and government securities.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as FVTPL.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS-103 applies are classified as at FVTPL. There are no such investments in the Group.

De-recognition

- A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Group's balance sheet) when:
- The contractual rights to receive cash flows from the asset have expired, or

- The Group has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment on Financial Assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the Financial assets that are debt instruments and are initially measured at fair value with subsequent measurement at amortised cost e.g Trade receivables, unbilled revenue etc.

The Group follows 'simplified approach' for recognition of impairment loss allowance for trade receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in the subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on a twelve month ECL.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and

payables, net of directly attributable transaction costs. The Group's financial liabilities include trade payables, security deposits, etc.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at FVTPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in Other Comprehensive Income. These gains/ loss are not subsequently transferred to Consolidated Statement of Profit and Loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Consolidated Statement of Profit and Loss.

Financial Liabilities at Amortised Cost

This Category includes Security deposit received, trade payables etc. After initial recognition, such liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Consolidated Statement of Profit and Loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Consolidated Statement of Profit and Loss.

Reclassification of Financial Assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously

j) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received/ receivable, excluding discounts, rebates, and VAT, service tax or duty. The Group assesses its revenue arrangements against specific criteria, i.e., whether it has exposure to the significant risks and rewards associated with the rendering of services, in order to determine if it is acting as principal or as an agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements. The following specific recognition criteria must also be met before revenue is recognized:

Service revenue

Service revenue includes rental revenue for use of sites and energy revenue for the provision of energy for operation sites. Rental revenue and energy revenue is recognized as and when services are rendered on a

monthly basis as per the contractual terms under agreements entered with customer.

The Group has ascertained that the lease payment received are structured to increase in line with expected inflationary increase in cost and therefore not straight-lined.

Unbilled revenue represents revenues recognized from the last invoice raised to customer to the period end. These are billed in subsequent periods based on the rates specified in the master service agreement with the operators. The Group collects service tax on behalf of the government and therefore, it is not an economic benefit flowing to the Group, hence it is excluded from revenue.

Finance income

Finance income comprises interest income on funds invested and changes in the fair value of financial assets at fair value through profit or loss, and that are recognised in Consolidated Statement of Profit and Loss. Interest income is recognised as it accrues in Consolidated Statement of Profit and Loss, using the effective interest rate (EIR) which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

Dividend Income

Dividend income is recognised in Consolidated Statement of Profit and Loss on the date that the Group's right to receive payment is established.

k) Taxes

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). The Group periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill, if any or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit / (tax loss).
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit / (tax loss).
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

l) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

m) Dividend Payments

Provision for dividend is recognized, when it is approved by the shareholders and the distribution is no longer at the discretion of the Group. However, Interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

n) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity, net of any tax effects.

o) Retirement and other employee benefits

Short term employee benefits are recognised in the period during which the services have been rendered.

The Group post employment benefits include defined benefit plan and defined contribution plans. The Group also provides other benefits in the form of deferred compensation and compensated absences.

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions to a statutory authority and will have no legal or constructive obligation to pay further amounts. The Group contributions to defined contribution plans are recognized in Consolidated Statement of Profit and Loss when the services have been rendered. The

Group has no further obligations under these plans beyond its periodic contributions.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Under the defined benefit retirement plan, the Group provides retirement obligation in the form of Gratuity. Under the plan, a lump sum payment is made to eligible employees at retirement or termination of employment based on respective employee salary and years of experience with the Group.

The cost of providing benefits under this plan is determined on the basis of actuarial valuation carried out quarterly as at the reporting date by an independent qualified actuary using the projected unit credit method. Actuarial gains and losses are recognised in full in the year in which they occur in the Consolidated Statement of Profit and Loss.

The obligation towards the said benefit is recognised in the consolidated balance sheet as the difference between the fair value of the plan assets and the present value of the plan liabilities. Scheme liabilities are calculated using the projected unit credit method and applying the principal actuarial assumptions as at the date of consolidated Balance Sheet. Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies.

All expenses excluding remeasurements of the net defined benefit liability (asset), in respect of defined benefit plans are recognized in the profit or loss as incurred. Remeasurements, comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability (asset)), are recognized immediately in the consolidated Balance Sheet with a corresponding debit or credit through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

The Group provides other benefits in the form of compensated absences and long term service awards. The employees of the Group are entitled to compensated absences based on the unavailed leave balance. The Group records liability based on actuarial valuation computed under projected unit credit method. Actuarial gains / losses are immediately taken to the statement of profit and loss and are not deferred. The Group presents the entire leave encashment liability as a current liability in the balance sheet, since the Group does not have an unconditional right to defer its settlement for more than 12 months after the reporting date.

Under the long term service award plan, a lump sum payment is made to an employee on completion of specified years of service. The Group records the liability based on actuarial valuation computed under projected unit credit method. Actuarial gains / losses are immediately taken to the Consolidated Statement of Profit and Loss and are not deferred.

The amount charged to the Consolidated Statement of Profit and Loss in respect of these plans is included within operating costs.

p) Provisions

(i) General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Consolidated Statement of Profit and Loss, net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time (i.e., unwinding of discount) is recognised as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

(ii) Contingent Assets/ Liabilities

Contingent assets are not recognised. However, when realisation of income is virtually certain, then the related asset is no longer a contingent asset, and is recognised as an asset.

Contingent liabilities are disclosed in notes to accounts when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(iii) Asset Retirement Obligations

Asset retirement obligations (ARO) are provided for those operating lease arrangements where the Group has a binding obligation at the end of the lease period to restore the leased premises in a condition similar to inception of lease.

Asset retirement obligation are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the site restoration obligation. The unwinding of the discount is expensed as incurred and recognized in the Consolidated Statement of Profit and Loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

q) Earnings Per Share (EPS)

The Group Basic Earnings per share is determined based on the net profit attributable to the shareholders of the parent. Basic Earnings Per Share is computed using the weighted average number of Equity shares outstanding during the year excluding shares purchased by the Group and held as treasury shares.

Diluted EPS is computed using the weighted average common and dilutive common equivalents shares outstanding during the year including shares options except where the result would be anti dilutive.

r) Fair Value Measurement

The Group measures financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to

generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e as prices) or indirectly (i.e derived from prices)
- Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value measurements.

s) Foreign Currency

Functional and presentational currency

The Group financial statements are presented in INR, which is also the Group's functional currency. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash. All the financial information presented in Indian Rupees (INR) has been rounded to the nearest of million rupees, except where otherwise stated.

Transactions and Balances

Transactions in foreign currencies are initially recorded by the Group at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in Consolidated Statement of Profit and Loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

t) Corporate social responsibility expenditure

Pursuant to the requirements of section 135 of the Act and rules thereon and guidance note on "Accounting for expenditure on Corporate Social Responsibility activities" issued by ICAI, with effect from April 1, 2015, CSR expenditure is recognized as an expense in the Consolidated Statement of Profit and Loss in the period in which it is incurred.

Section 14

GLOSSARY

14.1 Company Related Terms

4 Overlapping Circles	Represents the telecommunication circles of Haryana, Rajasthan, Uttar Pradesh (East) and Uttar Pradesh (West) wherein Bharti Infratel and Indus Towers have overlapping operations. Bharti Infratel is not permitted to roll out any new towers in these telecommunications Circles, although it continues to own and operate its existing telecommunications towers in these Circles, and add additional sharing operators to these towers. New tower rollout in these telecommunication circles is done by Indus.
7 Circles	Represents the telecommunications circles of Bihar, Madhya Pradesh and Chhattisgarh, Orissa, Jammu and Kashmir, Himachal Pradesh, Assam and North East states wherein Bharti Infratel operates on exclusive basis.
11 circles	Represents the 7 telecommunications circles of Bihar, Madhya Pradesh and Chhattisgarh, Orissa, Jammu and Kashmir, Himachal Pradesh, Assam and North East states wherein Bharti Infratel operates on exclusive basis and the 4 common circles of Haryana, Rajasthan, Uttar Pradesh (East) and Uttar Pradesh (West) wherein Bharti Infratel and Indus Towers have overlapping operations.
15 circles	Represents the 11 telecommunication circles of Andhra Pradesh, Delhi, Gujarat, Karnataka, Kerala, Kolkata, Maharashtra & Goa, Mumbai, Punjab, Tamil Nadu (including Chennai) and West Bengal wherein Indus operates on exclusive basis and the 4 common telecommunication circles of Haryana, Rajasthan, Uttar Pradesh (East) and Uttar Pradesh (West) wherein Bharti Infratel and Indus Towers have overlapping operations.
Asset Turnover	Asset Turnover is defined as total revenues (revenues (annualized for 12 months), divided by average assets. Asset is defined as the sum of non-current assets and net current assets. Net current assets are computed by subtracting current liabilities from current assets. Average assets are calculated by considering average of opening and closing assets of the relevant period.
Adjusted Fund from Operations (AFFO)	It is not an IND AS measure and is defined as EBITDA adjusted for Maintenance and General Corporate Capex and Non Cash IND AS measures, i.e., operating lease revenue/expense on security deposit received/paid.
Average Co-locations	Average co-locations are derived by computing the average of the Opening and Closing co-locations at the end of relevant period.
Average Sharing Factor	Average Sharing factor is calculated as the average of the opening and closing number of co-locations divided by average of the opening and closing number of towers for the relevant period.
Average Towers	Average towers are derived by computing the average of the opening and closing towers at the end of relevant period.
BISL	Bharti Infratel Services Limited
BIVL	Bharti Infratel Ventures Limited
Bn	Billion
Book Value Per Equity Share	Total shareholder's equity as at the end of the relevant period divided by outstanding equity shares as at the end of the relevant period.
Capex	It includes investment in gross fixed assets and capital work in progress for the relevant period.
Capital Employed	Capital Employed is defined as sum of equity attributable to equity shareholders and net debt / (net cash).
Circle(s)	22 service areas that the Indian telecommunications market has been segregated into
Closing Sharing Factor	Closing Sharing factor is calculated as the closing number of co-locations divided by closing number of towers as at the end of relevant period.
Co-locations	Co-location is the total number of sharing operators at a tower, and where there is a single operator at a tower; 'co-location' refers to that single operator. Co-locations as referred to are revenue-generating co-locations.
Consolidated Financial statements	The Consolidated financial statements of the company till FY 2012-13 represent the financials of Bharti Infratel Ltd Standalone taken together with its wholly owned subsidiary Bharti Infratel Ventures Ltd and Bharti Infratel's 42% equity interest in Indus Towers Ltd. accounted for by proportionate consolidation. Consequent to Indus Merger, the financial statements of Indus have been prepared after giving effect to the Merger Scheme. Accordingly the Consolidated Financial Results of the Company from quarter ended June 2013 and onwards

represent the financials of Bharti Infratel Ltd Standalone taken together with its 42% equity interest in Indus Towers Ltd. Accounted for by proportionate consolidation and consolidating the new subsidiary Bharti Infratel Services Ltd. With effect from January 2015, Bharti Infratel Employee Welfare Trust (incorporated for allotment of shares to employees as part of Employee Stock Option Plan) has been included as part of the group. With effect from September 2015, Smartx Services Ltd (incorporated on September 21, 2015 as a wholly owned subsidiary) has been included as a part of the group. Effective 29th March 2016, Bharti Infratel Services Limited has been closed pursuant to Board's decision to initiate the process of striking off the name of the company from the register of ROC.

CSR	Corporate Social Responsibility
Cumulative Investments	Cumulative Investments comprises of gross fixed assets (including Capital Work In Progress).
Earnings Per Share (EPS)-Basic	It is computed by dividing net profit or loss attributable for the period to equity shareholders by the weighted average number of equity shares outstanding during the period.
Earnings Per Share (EPS)- Diluted	Diluted earnings per share is calculated by adjusting net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period for the effects of all dilutive potential equity shares.
EBIT	Earnings before interest, taxation excluding other income for the relevant period.
EBIT (Including Other Income)	Earnings before interest, taxation including other income for the relevant period.
EBITDA	Earnings before interest, taxation, depreciation and amortization and charity and donation excluding other income for the relevant period. It is defined as operating income and does not include depreciation and amortization expense, finance cost (net) and tax expense.
EBITDA (Including Other Income)	Earnings before interest, taxation, depreciation and amortization and charity and donation including other income for the relevant period.
Enterprise Value (EV)	Calculated as sum of Market Capitalization plus Net Debt / (Net Cash) as at the end of the relevant period.
EV / EBITDA (times)(LTM)	Computed by dividing Enterprise Value as at the end of the relevant period (EV) by EBITDA for the preceding (last) 12 months from the end of the relevant period.
Future Minimum Lease Payment Receivable	The Company has entered into long term non-cancellable agreements to provide infrastructure services to telecom operators. Future Minimum Lease Payment Receivable represents minimum amounts receivable in future under the above long term non-cancellable agreements.
Finance Cost (Net)	Calculated as Finance Cost less Finance Income
GAAP	Generally Accepted Accounting Principle
IGAAP	Indian Generally Accepted Accounting Principle
IND AS	Indian Accounting Standards
Indus Merger	<p>During the quarter ended June 30, 2013, the Scheme of Arrangement (Scheme) under Section 391 to 394 of the Companies Act, 1956 for transfer of all assets and liabilities as defined in the Scheme from Bharti Infratel Ventures Limited (BIVL), wholly owned subsidiary of the Company, Vodafone Infrastructure Limited (formerly known as Vodafone Essar Infrastructure Limited), and Idea Cellular Tower Infrastructure Limited (collectively referred to as 'The Transferor companies') to Indus Towers Limited (Indus) was sanctioned by the Hon'ble High Court of Delhi vide its order dated on April 18, 2013 subject to the final order in another appeal pending before the Division Bench of Delhi High Court and any other orders in any further proceedings thereafter.</p> <p>The Scheme had become operative from June 11, 2013 upon filing of certified copy of the order with the Registrar of Companies with an appointed date of April 1, 2009 i.e. effective date of scheme and accordingly effective June 11, 2013 the transferor companies have ceased to exist and have become part of Indus Towers Ltd. Pursuant to the Indus Merger the IRU agreements between the Transferor Companies and Transferee Company Ceases to exist.</p>
Indus Consolidation	Indus Consolidation represents consolidation of Bharti Infratel's 42% proportionate shareholding in Indus Towers Ltd and 100% of BIVL till FY end 31 st Mar 2013 net of IRU eliminations. W.e.f quarter ending June'13 and onwards Indus Consolidation represents consolidation of Bharti Infratel's 42% proportionate shareholding in Indus Towers Ltd.
Intangibles	Comprises of acquisition cost of software.
NA	Not ascertainable

Interest Coverage Ratio(LTM)	It is computed by dividing EBITDA for the preceding (last) 12 months from the end of relevant period by finance cost for the preceding (last) 12 months.
IRU	Indefeasible right to use
Lease Rent Equalization	It represents the effect of fixed escalations (as per the terms of lease agreements with landlords) recognized on straight line basis over the fixed, non-cancellable term of the agreement, as applicable
LTM	Last Twelve months
Market Capitalization	Number of issued and outstanding shares as at end of the period multiplied by closing market price (NSE) as at end of the period.
Mn	Million
MSA	Master Service Agreement
Maintenance & General Corporate Capex	Represents the capital expenditure undertaken by the company for general maintenance, upkeep and replacement of equipments installed at the Towers which is undertaken on the end of their useful life as well as General Corporate related capital expenditure such as on office/ facilities and information technology.
Net Debt / (Net Cash)	It is not an IND AS measure and is defined as the sum of long-term borrowings, short-term borrowings minus cash and cash equivalents, current and non-current investments, and other bank balances adjusted for unpaid dividend declared including dividend distribution tax adjusted in equity as at the end of the relevant period.
Net Debt / (Net Cash) to EBITDA (LTM)	It is computed by dividing net debt / (net cash) as at the end of the relevant period by EBITDA for preceding (last) 12 months from the end of the relevant period.
Net Debt / (Net Cash) to Funded Equity Ratio	It is computed by dividing net debt / (net cash) as at the end of the relevant period by Equity attributable to equity shareholders as at the end of the relevant period.
Operating Free Cash flow	It is not an IND AS measure and is defined as EBITDA adjusted for Capex and Non Cash IND AS measures, i.e., operating lease revenue/expense on security deposit received/paid
PE Ratio	Price to Earnings ratio is calculated as closing market price (NSE) as at the end of relevant period, divided by diluted annual earnings per share. Annual Diluted Earnings per share is calculated by adding the preceding last four quarters diluted Earnings per share
ROC	Registrar of Companies
Return On Capital Employed (ROCE) Pre Tax – (LTM)	For the full year computations, ROCE is computed by dividing the sum of EBIT for the period by average (of opening and closing) capital employed. For the quarterly computations, it is computed by dividing sum of EBIT for the preceding (last) 12 months from the end of the relevant period by average (of opening and closing) capital employed during the relevant periods.
Return On Equity (ROE) Pre Tax- (LTM)	For the full year computations, ROE (Pre Tax) is computed by dividing the sum of Profit before tax for the period by average (of opening and closing) equity shareholders funds. For the quarterly computations, it is computed by dividing sum of Profit before tax for the preceding (last) 12 months from the end of the relevant period by average (of opening and closing) equity shareholders funds during the relevant periods.
Return On Equity (ROE) Post Tax- (LTM)	For the full year computations, ROE (Post Tax) is computed by dividing the sum of Profit after tax for the period by average (of opening and closing) equity shareholders funds. For the quarterly computations, it is computed by dividing sum of Profit after tax for the preceding (last) 12 months from the end of the relevant period by average (of opening and closing) equity shareholders funds during the relevant periods.
Revenue per Employee per month	It is computed by dividing the Total Revenues (net of inter-segment eliminations) by the average number of on – roll employees in the business unit and number of months in the relevant period.
Revenue Equalization	It represents the effect of fixed escalations (as per the terms of service agreements with customers) recognized on straight line basis over the fixed, non-cancellable term of the agreement, as applicable.
SHA	Shareholders Agreement
Sharing Operator	A party granted access to a tower and who has installed active infrastructure at the tower

Sharing Revenue	It represents service revenue accrued during the relevant period.
Sharing revenue per Sharing Operator per month	Is calculated on the basis of sharing revenues accrued during the relevant period divided by the average number of co-locations for the period, determined on the basis of opening and closing number of co-locations for the relevant period.
Sharing revenue per Tower per month	Is calculated on the basis of sharing revenues accrued during the relevant period divided by the average number of towers for the period, determined on the basis of opening and closing number of towers for the relevant period.
SmarTx	Smartx Services Ltd
Towers	Infrastructure located at a site which is permitted by applicable law to be shared, including, but not limited to, the tower, shelter, diesel generator sets and other alternate energy sources, battery banks, air conditioners and electrical works. Towers as referred to are revenue generating towers
Tower and Related Infrastructure	Infrastructure Located at site which is permitted by applicable law to be shared, including, but not limited to, the tower, shelter, diesel generator sets and other alternate energy sources, battery banks, air conditioners and electrical works

14.2 Regulatory Terms

BSE	The Bombay Stock Exchange Limited
DoT	Department of Telecommunications
IP-1	Infrastructure Provider Category 1
NSE	National Stock Exchange
SEBI	Securities and Exchange Board of India
TEC	Telecom Engineering Center
TRAI	Telecom Regulatory Authority of India

14.3 Others (Industry) Terms

BTS	Base Transceiver Station
CII	Confederation of Indian Industry
DG	Diesel Generator
EMF	Electro Magnetic Field
FCU	Free Cooling Units
GBT	Ground Based Towers
IPMS	Integrated Power Management Systems
PAN	Presence Across Nation
PPC	Plug and Play Cabinet
RESCO	Renewable Energy Service Company
RET	Renewable Energy Technology
RTT	Roof Top Towers
TAIPA	Tower and Infrastructure Providers Association
Wi-Fi	Wireless Fidelity

Written correspondence to be sent to:

ir@bharti-infratel.in
www.bharti-infratel.com