

July 20, 2019

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

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai-400001

Ref: Bharti Airtel Limited (BHARTIARTL/532454)

Sub: Notice of 24th Annual General Meeting and Annual Report for the financial year 2018-19

Dear Sir / Madam,

Pursuant to Regulation 30, 34 and 44 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), we hereby notify as under:

- The 24th Annual General Meeting (AGM) of the Company will be held on Wednesday, August 14, 2019 at 03:30 P.M. (IST) at Air Force Auditorium, Subroto Park, New Delhi – 110010, India.
- Pursuant to Regulation 44 of Listing Regulations, we have provided the facility to vote by electronic means (remote e-voting) on all resolutions as set out in the notice of the AGM to those members, who are holding shares either in physical or in electronic form as on the cut-off date i.e. Wednesday, August 07, 2019. The remote e-voting will commence from 9:00 a.m. (IST) on Sunday, August 11, 2019 and end at 5:00 p.m. (IST) on Tuesday, August 13, 2019.
- 3. The members who have registered their email id, have been sent the Notice of the AGM, e-voting instructions and the Integrated Report and Annual Financial Statements for the financial year 2018-19 through email. The members who have not registered their email id have been sent the Notice of AGM, e-voting instructions and the Abridged Annual Report for the financial year 2018-19 by post.
- 4. The following are enclosed:
 - i. Notice of the 24th AGM along with e-voting instructions;
 - ii. Integrated Report and Annual Financial Statements for the financial year 2018-19; and
 - iii. Abridged Annual Report for the financial year 2018-19.

Kindly take the above on record.

Thanking you,

Sincerely Yours

For Bharti Airtel Limited

Rohit Krishan Puri

Dy. Company Secretary & Compliance Officer

CC:

Through email

- 1. Central Depositary Services (India) Limited
- 2. National Securities Depository Limited
- 3. Karvy Fintech Private Limited



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

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Bharti Airtel Limited

CIN: L74899DL1995PLC070609 Regd. Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase – II, New Delhi - 110 070, India T.: +91 011-46666100, F.: +91 011-41666137 Email id: compliance.officer@bharti.in Website: www.airtel.com

Notice of Annual General Meeting

Notice is hereby given that the Twenty Fourth (24th) Annual General Meeting (AGM) of the members of Bharti Airtel Limited (the Company), will be held on Wednesday, August 14, 2019 at 3.30 P.M. (IST) at Air Force Auditorium, Subroto Park, New Delhi - 110 010 to transact the following businesses:

Ordinary Business(es)

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions:

1. To receive, consider and adopt the standalone and consolidated financial statements of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and of the Auditors thereon

"Resolved that the audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2019, together with the reports of the Board of Directors and of the Auditors thereon be and are hereby received, considered and adopted."

2. Re-appointment of Ms. Chua Sock Koong as a Director liable to retire by rotation

"Resolved that Ms. Chua Sock Koong (DIN: 00047851), who retires by rotation and being eligible offers herself for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

Special Business(es)

3. Re-appointment of Mr. Vegulaparanan Kasi Viswanathan as an Independent Director

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"Resolved that pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Vegulaparanan Kasi Viswanathan (DIN: 01782934), Independent Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and the rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, be and is hereby re-appointed as an Independent Director of the Company for another term of five consecutive years with effect from January 14, 2019 to January 13, 2024."

4. Re-appointment of Mr. Dinesh Kumar Mittal as an Independent Director

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"Resolved that pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Dinesh Kumar Mittal (DIN: 00040000), Independent Director of the Company who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and the rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, be and is hereby re-appointed as an Independent Director of the Company for another term of five consecutive years with effect from March 13, 2019 to March 12, 2024."

5. Appointment of Ms. Kimsuka Narasimhan as an Independent Director

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"Resolved that pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof), Ms. Kimsuka Narasimhan (DIN: 02102783), who was appointed as an Additional Director of the Company by the Board of Directors w.e.f. March 30, 2019, be and is hereby appointed as an Independent Director of the Company, and to hold office for a period of five consecutive years from the original date of appointment i.e. March 30, 2019 upto March 29, 2024."

6. Waiver of recovery of excess managerial remuneration paid to Mr. Sunil Bharti Mittal, Chairman for the financial year ended March 31, 2019

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"Resolved that pursuant to the provisions of Sections 197, 198 read with Schedule V of the Companies Act, 2013 ("the Act") and other applicable provisions, if any, of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the recommendations of HR and Nomination Committee and the Board of Directors of the Company and subject to such approval as may be required, the approval of the members of the Company be and is hereby accorded to ratify and confirm the waiver of recovery of the excess remuneration amounting to ₹211.90 Mn. paid to Mr. Sunil Bharti Mittal (DIN: 00042491), Chairman for the financial year 2018-19, which is in excess of the limits prescribed under Schedule V of the Act in view of loss for the financial year 2018-19 and within the limits as approved by the Members of the Company at their 21st Annual General Meeting held on August 19, 2016.

Resolved further that the Board of Directors of the Company or a Committee thereof be and is hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid Resolution."

7. Waiver of recovery of excess managerial remuneration paid to Mr. Gopal Vittal, Managing Director & CEO (India and South Asia) for the financial year ended March 31, 2019

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"Resolved that pursuant to the provisions of Sections 197, 198 read with Schedule V of the Companies Act, 2013 ("the Act") and other applicable provisions, if any, of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the recommendations of HR and Nomination Committee and the Board of Directors of the Company and subject to such approval as may be required, the approval of the members of the Company be and is hereby accorded to ratify and confirm the waiver of recovery of the excess remuneration amounting to ₹ 88.77 Mn. paid to Mr. Gopal Vittal (DIN: 02291778), Managing Director & CEO (India and South Asia) for the financial year 2018-19, which is in excess of the limits prescribed under Schedule V of the Act in view of loss for the financial year 2018-19 and within the limits as approved by the Members of the Company at their 22nd Annual General Meeting held on July 24, 2017.

Resolved further that the Board of Directors of the Company or a Committee thereof be and is hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid Resolution."

8. Payment of remuneration to Mr. Sunil Bharti Mittal, Chairman for the period April 01, 2019 to September 30, 2021 or for such shorter period as may be prescribed under applicable laws

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"Resolved that pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Schedule V thereto and the Rules made thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force) and in furtherance of the ordinary resolution passed in the 21st Annual General Meeting held on August 19, 2016 ("21st AGM") and pursuant to the recommendations of HR and Nomination Committee and the Board of Directors of the Company and subject to such approval as may be required, the approval of the members of the Company be and is hereby accorded for payment to Mr. Sunil Bharti Mittal (DIN: 00042491), Chairman, such remuneration, as approved in the said resolution (reproduced in the annexed Explanatory Statement), as minimum remuneration in case the Company has no profits or the profits of the Company are inadequate during period commencing from April 1, 2019 to September 30, 2021 or for such shorter period as may be prescribed under applicable laws, notwithstanding that such remuneration may exceed the limits specified under Section 197 and Schedule V of the Act.

Resolved further that all other existing terms and conditions of appointment of Mr. Sunil Bharti Mittal shall remain unchanged unless otherwise modified by the Board of Directors of the Company.

Resolved further that the Board of Directors of the Company or a Committee thereof be and is hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid Resolution."

9. Payment of remuneration to Mr. Gopal Vittal, Managing Director & CEO (India and South Asia) for the period April 01, 2019 to March 31, 2022

To consider and, if thought fit, to pass the following resolution as a Special Resolution:

"Resolved that pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Schedule V thereto and the Rules made thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force) and in furtherance of the ordinary resolution passed in the 22nd Annual General Meeting held on July 24, 2017 and pursuant to the recommendations of HR and Nomination Committee and the Board of Directors of the Company and subject to such approval as may be required, the approval of the members of the Company be and is hereby accorded for payment to Mr. Gopal Vittal (DIN: 02291778), Managing Director & CEO (India and South Asia), such remuneration, as approved in the said resolution (reproduced in the annexed Explanatory Statement), as minimum remuneration in case the Company has no profits or the profits of the Company are inadequate during period commencing from April 1, 2019 and ending on March 31, 2022, notwithstanding that such remuneration may exceed the limits specified under Section 197 and Schedule V of the Act.

Resolved further that all other existing terms and conditions of appointment of Mr. Gopal Vittal shall remain unchanged unless otherwise modified by the Board of Directors of the Company.

Resolved further that the Board of Directors of the Company or a Committee thereof be and is hereby authorized to do

Registered Office:

Bharti Crescent 1, Nelson Mandela Road, Vasant Kunj, Phase - II, New Delhi - 110 070, India. CIN: L74899DL1995PLC070609 Email id: <u>compliance.officer@bharti.in</u>

Place: New Delhi Date: May 6, 2019 all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the aforesaid Resolution."

10. Ratification of remuneration to be paid to Sanjay Gupta & Associates, Cost Accountants, Cost Auditors of the Company for the FY 2018-19 and FY 2019-20

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"Resolved that pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of ₹ 8,50,000/-(Rupees Eight Lacs Fifty Thousand Only) per financial year plus applicable taxes and reimbursement of travel and out of pocket expenses as approved by the Board on the recommendation of the Audit Committee, to be paid to Sanjay Gupta & Associates, Cost Accountants, (Registration no. 00212), Cost Auditors of the Company for the cost audit w.r.t. the FY 2018-19 and FY 2019-20, be and is hereby ratified, confirmed and approved."

> By order of the Board For **Bharti Airtel Limited**

Pankaj Tewari Sr. VP & Company Secretary Membership No. A15106

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY / PROXIES NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY / PROXIES, IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED, NOT LESS THAN FORTY-EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS ENCLOSED WITH THIS NOTICE.
- 2. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
- 3. The notice of AGM is being sent to those members / beneficial owners whose name will appear in the register of members / list of beneficiaries received from the depositories as on July 12, 2019.
- 4. Copy of Integrated Report & Annual Financial Statements 2018-19, notice of the twenty fourth AGM, e-voting instructions, attendance slip, and proxy form, etc. are sent to the members through e-mail who have registered their e-mail Ids with the Company / Depository Participant (DPs) / Company's Registrar and Transfer Agent (RTA).

Members are requested to update their preferred e-mail lds with the Company / DPs / RTA, which will be used for the purpose of future communications. A form for the updation of e-mail ID is annexed with the notice.

Member(s) whose e-mail Id is not registered with the Company are being sent physical copies of the Notice of twenty fourth AGM, abridged version of Annual Report for the FY 2018-19, notice of e-voting etc. at their registered address through permitted mode.

Member(s) whose e-mail Id is registered with the Company and who wish to receive printed copy of the abridged / full version of the Annual Report may send their request to the Company at its registered office address or to the RTA, Karvy Fintech Private Limited, at Karvy Selenium, Tower B, Plot number 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032.

 Notice of twenty fourth AGM, abridged and full version of the Integrated Report & Annual Financial Statement 2018-19 and e-voting instructions will also be available under the 'Investors' section on the website of the Company www. airtel.com. 6. To facilitate smooth registration / entry at the AGM, the Company is pleased to provide web check-in facility, which would help the members to enter the AGM hall expeditiously without going through the registration formalities at the registration counters at the venue of the AGM.

The Procedure for web check-in for the AGM is as follows:

- Log in to https://karisma.karvy.com and click on the AGM Web Check-in link.
- Select the Company name, 'Bharti Airtel Limited'.
- Enter the security credentials as directed by the system and click on 'Submit'.
- ➡ The system will validate the credentials, click on 'Generate my Attendance Slip'.
- The Attendance Slip in PDF format will appear on the screen. Select the 'Print' option for printing or download the Attendance Slip for later printing.

The Shareholders need to furnish the printed attendance slip along with a valid identity proof such as PAN card, Aadhaar card, Passport etc. to enter the auditorium at the venue of the meeting.

- 7. Your Company is pleased to provide the facility of live webcast of proceedings of the AGM. Members who are entitled to participate in the AGM can view the proceeding of AGM by logging on the e-voting website of Karvy at https:// evoting.karvy.com using their secure login credentials. Members who are not able to attend the AGM physically are encouraged to use this facility of webcast.
- 8. Members, who are holding shares in physical form are requested to address all correspondence concerning registration of transfers, transmissions, sub-division, consolidation of shares or any other share related matters and / or change in address or updation thereof to the Company's RTA. Members, whose shareholding is in electronic format are requested to direct change of address requests, registration of e-mail address and updation of bank account details to their respective DPs.
- 9. As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's RTA for assistance in this regard.
- Non-resident Indian shareholders are requested to inform about the following to the Company or its Share Transfer Agent or the concerned Depository Participant, as the case may be, immediately of:

- a. The change in the residential status on return to India for permanent settlement; and
- b. The particulars of the NRE Account with a Bank in India, if not furnished earlier.
- 11. At the 22nd AGM held on July 24, 2017, the members approved the appointment of Deloitte Haskins & Sells LLP, Chartered Accountants (Registration No. 117366W/ W 100018) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of 27th AGM, subject to ratification of their appointment by members at every AGM. The requirement to place the matter relating to ratification of their appointment, by members at every AGM has been removed by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at this AGM.
- 12. Members wishing to claim dividends, which remain unclaimed are requested to contact the Company's RTA.
- 13. Pursuant to the provisions of Section 124 and 125 of the Companies Act 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer & Refund) Rules, 2016 (IEPF Rules), the dividend which remains unclaimed for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Members may visit the Company's website www.airtel.com for tracking details of any unclaimed amounts, pending transfer to IEPF. Members may note that they can claim their unclaimed dividend declared for the FY 2011-12 till October 11, 2019. Once unclaimed dividend is transferred to IEPF, no claim shall lie in respect thereof with the Company.

As per Section 124 of the Companies Act, 2013 read with the IEPF Rules, the shares on which dividend remains unclaimed for seven consecutive years or more are required to be transferred to the Investor's Education and Protection Fund (IEPF). Accordingly, during the financial year, the Company has transferred 54,607 equity shares to the IEPF. The shareholders whose equity shares are transferred to the IEPF can request the Company / RTA as per the prescribed provisions for claiming the shares out of the IEPF. The process for claiming the equity shares out of the IEPF is also available on the Company's website at http://www.airtel.in/about-bharti/equity/shares.

14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN to the Company's RTA. In view of SEBI's circular dt. April 20, 2018, the Company will send the letters to the shareholders holding equity shares in physical form for updating of PAN and bank account details with the Company / RTA.

- 15. Information regarding particulars of the Directors to be re-appointed in terms of Secretarial Standard 2, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the explanatory statement pursuant to Section 102 of the Companies Act, 2013, are annexed hereto.
- 16. In compliance with the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ("remote e-voting").
- 17. The Company has engaged the services of Karvy Fintech Private Limited ("Karvy") as the Agency to provide e-voting facility.
- 18. In terms of provisions of Section 107 of the Companies Act, 2013, since the Company is providing the facility of remote e-voting to the members, there will be no voting by show of hands at the AGM. The facility for ballot / polling paper / e-voting (physical voting) will be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting will be able to vote at the Meeting through ballot / polling paper / e-voting.
- 19. The members can opt for only one mode of voting i.e. remote e-voting or physical voting at the meeting. In case of voting by both the modes, vote cast through remote e-voting will be considered final and voting through physical voting at the meeting will not be considered. The members who have cast their vote by remote e-voting may also attend the Meeting.
- 20. The e-voting Event number, User Id and Password along with the detailed instructions for e-voting are provided in the e-voting instructions, being sent along with the notice of AGM.
- 21. The remote e-voting facility will be available during the following period:

Commencement of remote e-voting:

From 9:00 a.m. (IST) on Sunday, August 11, 2019

End of remote e-voting:

Upto 5:00 p.m. (IST) on Tuesday, August 13, 2019

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Karvy upon expiry of aforesaid period.

- 22. The Board has appointed Mr. Sanjay Grover, Managing Partner, Sanjay Grover & Associates, Company Secretaries, New Delhi (C.P. No. 3850) failing him Mr. Devesh Kumar Vasisht, Partner, Sanjay Grover & Associates, Company Secretaries, New Delhi (C.P. No. 13700) as a Scrutinizer to scrutinize the physical voting at the AGM venue and remote e-voting process in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for same purpose.
- 23. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on close of the cut-off date i.e. Wednesday, August 7, 2019 will only be entitled to avail the facility of remote e-voting / physical voting at the AGM venue. The person who is not a member / beneficial owner on the cut-off date should treat this notice for information purpose only.
- 24. Any person who becomes member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e. Wednesday, August 7, 2019 may obtain the User Id and password in the manner as mentioned below:
 - a) If the mobile number of the member is registered against shares held in demat form, the member may send SMS: MYEPWD<space> DP ID Client ID to +91-9212993399.

Example for NSDL:

MYEPWD<SPACE>IN12345612345678

Example for CDSL:

MYEPWD<SPACE>1402345612345678

 b) If the mobile number of the member is registered against shares held in physical form, the member may send SMS: MYEPWD<space>Event number + Folio No. to +91-9212993399.

Example for Physical:

MYEPWD<SPACE> XXXX1234567890

- Member may Call Karvy's Toll free number 1-800-34-54-001.
- Member may send an e-mail request to evoting@karvy. com.

If the member is already registered with Karvy for e-voting, he can use his existing User ID and Password for casting the vote through remote e-voting.

- 25. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website https:// evoting.karvy.com. In case of any other queries / grievances connected to remote e-voting, you may contact Mr. Ramesh Desai of Karvy Fintech Private Limited, Karvy Selenium, Tower B, Plot number 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032 at telephone number 040-67161528 or at e-mail: evoting@Karvy.com or call Karvy's toll free No. 1-800-34-54-001.
- 26. The Scrutinizer, after scrutinizing the votes cast at the meeting (physical voting) and through remote e-voting, will make a consolidated scrutinizer's report of the votes cast in favour or against, if any, and will submit the same to the Chairman of the meeting. The Chairman or the authorized person shall announce the results within Forty Eight (48) hours after the conclusion of the meeting at the Corporate and Registered office of the Company i.e. Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070, India. The results declared shall be available on the website of the Company (www.airtel.com) and on the website of the Karvy (https://evoting.karvy. com). The results shall simultaneously be communicated to the Stock Exchanges where the securities of the Company are listed. The resolutions will be deemed to be passed on the date of AGM subject to receipt of the requisite number of votes in favour of the resolutions.
- 27. The Register of Directors and Key Managerial Personnel and their shareholding, Register of Contracts or Arrangements in which Directors are interested and documents referred to in the notice and explanatory statement, including certificate from the Auditors of the Company under Regulation 13 of the SEBI (Share Based Employee Benefits) Regulations, 2014 are open for inspection at the Registered Office of the Company on all working days (Monday to Friday) between 11.00 a.m. and 1.00 p.m. upto the date of AGM and will also be available for inspection at the venue of the AGM.
- 28. Members who are holding shares in physical form in identical names in more than one folio are requested to write to RTA enclosing their Share Certificate(s) to enable the Company to consolidate their holding into one folio.
- 29. Members having any question on financial statements or on any agenda item proposed in the notice of AGM are requested to send their queries at least ten days prior to the date of AGM of the Company at its registered office address to enable the Company to collect the relevant information and redress the queries. Alternatively, Members may utilise the facility extended by the RTA for redressal of their queries by clicking on 'Investors' section at http://karisma.karvy. com. Members may also write at einward.ris@karvy.com, clearly mentioning their folio number.

- 30. Members / proxies / authorized representatives are requested to bring duly filled admission / attendance slips sent herewith along with the notice of the AGM at the meeting.
- 31. Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send to the Company a certified copy of the board resolution / authority letter / power of attorney authorizing their representative(s) to attend and vote on their behalf at the meeting.
- 32. For the security and safety of the members, no article / baggage including water bottles and tiffin boxes will be

allowed at the venue of the meeting. The shareholders / attendees are strictly requested not to bring any article / baggage etc. at the venue of the AGM.

- 33. In our constant endeavor to strengthen the shareholder service standards, a Shareholders Satisfaction Survey is conducted through a Shareholders Feedback Form uploaded on Company's website www.airtel.com under 'Investors' section. Accordingly, members may provide their valuable feedback.
- 34. The route map for the AGM Venue is provided at the end of this notice.

MEMBERS MAY PLEASE NOTE THAT NO GIFTS / GIFT COUPONS WILL BE DISTRIBUTED AT THE VENUE OF THE MEETING.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item No. 3

Pursuant to the provisions of Sections 149, 150, 152 and Schedule IV of the Companies Act, 2013 read with rules thereunder, Mr. Vegulaparanan Kasi Viswanathan (Mr. V. K. Viswanathan) was appointed as an independent director of the Company for a period of five years w.e.f. January 14, 2014 up to January 13, 2019. Since, Mr. V. K. Viswanathan has completed his initial term as an independent director of the Company on January 13, 2019, he is eligible for re-appointment for one more term.

Based on the outcome of performance evaluation of the Independent Directors, on the recommendation of the HR and Nomination Committee, the Board of Directors of the Company on January 13, 2019, has approved the re-appointment of Mr. V. K. Viswanathan for the second term as provided in the resolution, and he shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013. The Company has received a declaration from Mr. V. K. Viswanathan confirming that he meets the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is independent of the management.

A copy of the draft letter for re-appointment of Mr. V. K. Viswanathan setting out the terms and conditions is available for inspection at the Registered Office of the Company on any working day between 11.00 a.m. to 1.00 p.m. upto the date of AGM and will also be available for inspection at the venue of the AGM.

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member proposing the candidature of Mr. V. K. Viswanathan to be reappointed as an Independent Director as per the provisions of the Companies Act, 2013.

Brief profile of Mr. V. K. Viswanathan is enclosed and detailed profile is available on www.airtel.com. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services. Accordingly, the Board recommends the passing of resolution set out in item no. 3 as a Special Resolution.

Except Mr. V. K. Viswanathan and his relatives, to the extent of their shareholding, if any, none of the Directors or Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested, financially or otherwise, in the resolution as set out in item no. 3 of the Notice.

Item No. 4

Pursuant to the provisions of Sections 149, 150, 152 and Schedule IV of the Companies Act, 2013 read with rules

thereunder, Mr. Dinesh Kumar Mittal was appointed as an independent director of the Company for a period of five years w.e.f. March 13, 2014 upto March 12, 2019. Since, Mr. Dinesh Kumar Mittal has completed his initial term as an independent director of the Company on March 12, 2019, he is eligible for re-appointment for one more term.

Based on the outcome of performance evaluation of the Independent Directors, on the recommendation of the HR and Nomination Committee, the Board of Directors of the Company at their meeting held on January 31, 2019, has approved the re-appointment of Mr. Dinesh Kumar Mittal for the second term as provided in the resolution, and he shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013. The Company has received a declaration from Mr. Dinesh Kumar Mittal confirming that he meets the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is independent of the management.

A copy of the draft letter for re-appointment of Mr. Dinesh Kumar Mittal setting out the terms and conditions is available for inspection at the Registered Office of the Company on any working day between 11.00 a.m. to 1.00 p.m. upto the date of AGM and will also be available for inspection at the venue of the AGM.

In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member proposing the candidature of Mr. Dinesh Kumar Mittal to be reappointed as an Independent Director as per the provisions of the Companies Act, 2013.

Brief profile of Mr. Dinesh Kumar Mittal is enclosed and detailed profile is available on www.airtel.com. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services. Accordingly, the Board recommends the passing of resolution set out in item no. 4 as a Special Resolution.

Except Mr. Dinesh Kumar Mittal and his relatives, to the extent of their shareholding, if any, none of the Directors or Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested, financially or otherwise, in the resolution as set out in item no. 4 of the Notice.

Item No. 5

The Board of Directors of the Company had appointed Ms. Kimsuka Narasimhan as an Additional Director of the Company with effect from March 30, 2019. In accordance with the provisions of Section 161 of Companies Act, 2013, Ms. Kimsuka Narasimhan shall hold office up to the date of the forthcoming Annual General Meeting and is eligible to be appointed as an Independent Director for a term upto five years. In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member proposing the candidature of Ms. Kimsuka Narasimhan to be appointed as an Independent Director as per the provisions of the Companies Act, 2013.

In terms of Sections 149, 150 and 152 read with Schedule IV and any other applicable provisions, if any of the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is proposed that Ms. Kimsuka Narasimhan be appointed as an Independent Directors for a term of five consecutive years from the original date of appointment i.e., March 30, 2019 upto March 29, 2024. Brief profile of Ms. Kimsuka Narasimhan is enclosed and detailed profile is available on www.airtel.com.

The Company has received a declaration of independence from Ms. Kimsuka Narasimhan. In the opinion of the Board, Ms. Kimsuka Narasimhan fulfills the conditions specified in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for appointment as Independent Director of the Company.

A copy of the draft Letter of Appointment for Independent Director, setting out terms and conditions of appointment of Independent Director is available for inspection at the Registered Office of the Company during any working day between 11.00 a.m. to 1.00 p.m. upto the date of AGM and will also be available for inspection at the venue of the AGM. The same is also available on the website of the Company www.airtel.com.

The Board considers that her association would be of immense benefit to the Company and it is desirable to continue to avail her services. Accordingly, the Board recommends the passing of resolution set out in item no. 5 as an Ordinary Resolution.

Except Ms. Kimsuka Narasimhan and her relatives, to the extent of their shareholding, if any, none of the Directors or Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested, financially or otherwise, in the resolution as set out in item no. 5 of the Notice.

Item No. 6 and 7

Mr. Sunil Bharti Mittal, Chairman was re-appointed as a Chairman of the Company for a period of five years with effect from October 1, 2016 till September 30, 2021, by means of Ordinary Resolution passed by the Members at the 21st Annual General Meeting (21st AGM) of the Company held on August 19, 2016 on the terms and conditions including payment of remuneration as mentioned therein.

Mr. Gopal Vittal, Managing Director & CEO (India and South Asia) was re-appointed for a period of five years with effect from February 1, 2018 till January 31, 2023, by means of Ordinary Resolution passed by the Members at the 22nd Annual General Meeting (22nd AGM) of the Company held on July 24, 2017 on the terms and conditions including payment of remuneration as mentioned therein.

At the time of their re-appointment, the Company had adequate profits and the remuneration paid / payable to Mr. Sunil Bharti Mittal and Mr. Gopal Vittal was well within the limits prescribed under the Companies Act, 2013. However, during the last couple of years, the Indian Telecom industry has been going through a set of unprecedented circumstances and as a result of this industry upheaval, the standalone revenue of the Company dropped to an unforeseen level of ₹ 496,080 Mn and the EBITDA (before exceptional items) fell to ₹ 128,321 Mn registering a decline of 29.31% over the previous year. The Net Loss of the Company for the financial year March 31, 2019 stood at ₹ 18,290 Mn, as compared to Net Profit of ₹ 792 Mn, for the previous year. Owing to the above factors, the financial performance of the Company in the financial year ended March 31, 2019 did not meet expectations and it is possible that the Company may also have inadequate profits in coming years.

As a result of the above, the remuneration paid to Mr. Sunil Bharti Mittal and Mr. Gopal Vittal for the financial year 2018-19 exceeded the limits specified under Section 197 of the Companies Act, 2013 (the Act) read with Schedule V thereto. Pursuant to Section 197(10) of the Act, the members of the Company can waive the recovery of excess remuneration by passing a special resolution.

The management of the Company believes that the remuneration as previously approved by the members of the Company and paid to Mr. Sunil Bharti Mittal and Mr. Gopal Vittal is justified in terms of their key role within the Company.

The HR and Nomination Committee and the Board have at their respective meeting(s) held on May 06, 2019, subject to the approval of the members of the Company, accorded their approvals for waiver of the recovery of excess managerial remuneration paid by the Company to Mr. Sunil Bharti Mittal and Mr. Gopal Vittal and, in the interest of the Company have also recommended the aforesaid resolution as set out in this Notice for approval of the Members.

Accordingly, it is proposed that approval of the members of the Company by way of a special resolutions be obtained for the waiver of recovery of excess remuneration paid to Mr. Sunil Bharti Mittal and Mr. Gopal Vittal.

The Company has not defaulted in payment of dues to any bank or public financial institution or non-convertible debenture holders or other secured creditor, if any.

Save and except Mr. Sunil Bharti Mittal and Mr. Rakesh Bharti Mittal and their relatives to the extent of their shareholding interest, if any, in the Company for item no. 6 and Mr. Gopal Vittal and his relatives to the extent of their shareholding interest, if any, in the Company for item no. 7, none of the other Directors / Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the resolutions set out in item no. 6 and 7 respectively.

The Articles of Association of the Company, relevant resolutions passed at the Board and Committee Meetings and other allied documents being referred in the resolution, are available for inspection at the Registered Office of the Company on any working day between 11.00 a.m. to 1.00 p.m. upto the date of AGM and will also be available for inspection at the venue of the AGM.

Brief profile of Mr. Sunil Bharti Mittal and Mr. Gopal Vittal is enclosed and detailed profile is available on www.airtel.com.

Item No. 8 and 9

As stated earlier, Mr. Sunil Bharti Mittal, Chairman was reappointed as a Chairman of the Company for a period of five years with effect from October 1, 2016 till September 30, 2021, by means of Ordinary Resolution passed by the Members at the 21st Annual General Meeting (21st AGM) of the Company held on August 19, 2016 on the terms and conditions including payment of remuneration as mentioned therein.

Also, Mr. Gopal Vittal, Managing Director & CEO (India and South Asia) was re-appointed for a period of five years with effect from February 1, 2018 till January 31, 2023, by means of Ordinary Resolution passed by the Members at the 22nd Annual General Meeting (22nd AGM) of the Company held on July 24, 2017 on the terms and conditions including payment of remuneration as mentioned therein.

As explained under item nos. 6 and 7 above, during the last couple of years, the Indian Telecom industry has been going through unprecedented disruption due to ongoing price war by new entrant and as a result of this industry upheaval the Company has incurred a Loss Before Tax of ₹ 52,037 Million and Loss After Tax of ₹ 18,290 Million for the financial year ended March 31, 2019.

Pursuant to the provisions of Section 196, 197 and 198 of the Companies Act, 2013 read with Schedule V, a company having inadequate / nil profits, may subject to certain conditions including the passing of a special resolution, pay such remuneration to its managerial personnel as may be decided by the Board of Directors on the recommendation on HR and Nomination Committee.

The details of proposed remuneration paid / to be paid to Mr. Sunil Bharti Mittal, Chairman w.e.f. April 01, 2019 to September 30, 2021 or such shorter period as may be prescribed under applicable laws is as under:

Fixed Pay (inclusive of salary, allowances and retirement benefits) payable on monthly basis: ₹ 210 Mn per annum or such other amount as may be determined by the Board of Directors of the Company, provided that increment if any during the subsequent years, shall not exceed 10% per annum of the fixed pay of preceding financial year.

Variable Pay (Performance Linked Incentive) to be paid annually after the end of financial year: ₹ 90 Mn (at 100% performance) or such sum as may be determined by the Board from time to time, provided however that the total Variable Pay shall not exceed 50% of the annual fixed pay in any financial year.

Perquisites: As per Company's policy(s) or as approved by the Board from time to time, provided however that the aggregate value of the perquisites shall not exceed 50% of the fixed pay in any financial year.

Other Benefits: Other benefits including leave encashment as per Company's Policy(s).

Mr. Sunil Bharti Mittal shall also be entitled to reimbursement of all legitimate expenses incurred by him in performance of his duties and such reimbursement will not form part of his remuneration.

It may be noted that the remuneration proposed to be paid to Mr. Sunil Bharti Mittal is same as was approved by the members of the Company at their 21st AGM.

The other existing terms and conditions of appointment of Mr. Sunil Bharti Mittal shall remain unchanged unless otherwise modified by the Board of Directors of the Company.

The details of remuneration of Gopal Vittal, Managing Director & CEO (India and South Asia) as originally approved by the members at their 22nd AGM is as under:

Fixed Pay (inclusive of salary, allowances and retirement benefits) payable on monthly basis: ₹ 85 Mn per annum or such other amount as may be determined by the Board of Directors of the Company, provided that increment, if any, during the subsequent years, shall not exceed 15% per annum of the fixed pay of preceding financial year.

Variable Pay (Performance Linked Incentive) to be paid annually after the end of the financial year:₹51 Mn (at 100% performance) per annum or such sum as may be determined by the Board from time to time, provided however that the total Variable Pay shall not exceed 90% of the annual fixed pay for any financial year.

Employee Stock Options: In addition to the above, Mr. Gopal Vittal shall be entitled for such number of stock options as may be granted to him under any ESOP scheme of the Company.

Perquisites: As per Company's policy(s) or as approved by the Board from time to time, provided however that the aggregate value of the perquisites shall not exceed 15% of the fixed pay in any financial year.

Other Benefits: Other benefits including leave encashment as per Company's Policy(s).

Mr. Gopal Vittal shall also be entitled to reimbursement of all legitimate expenses incurred by him while performing his duties and such reimbursement will not form part of his remuneration.

On the recommendation of HR and Nomination Committee and within the aforesaid limits approved by members, the Board of Directors of the Company, in its meeting held on July 26, 2018, had revised the Variable Pay of Mr. Gopal Vittal to ₹ 55 Mn (at 100% performance) per annum.

It may be noted that the remuneration proposed to be paid to Mr. Gopal Vittal is within the overall limits as approved by the members of the Company at their 22nd AGM. The other existing terms and conditions of appointment of Mr. Gopal Vittal shall remain unchanged unless otherwise modified by the Board of Directors of the Company.

While approving the remuneration of both Mr. Sunil Bharti Mittal and Mr. Gopal Vittal, the members had also inter alia approved the payment of "Minimum Remuneration" in the event of inadequacy or absence of profits, in any financial year or years during the remaining tenure, comprising by way of fixed pay, variable pay (Performance Linked Incentives), perquisites, allowances and other benefits as minimum remuneration, subject to requisite approvals. Since the said remuneration of Mr. Sunil Bharti Mittal and Mr. Gopal Vittal was earlier approved as Ordinary Resolutions, the approval of members is now being sought to regularize such minimum remuneration by passing Special Resolutions.

Further, pursuant to Section 197 of the Companies Act, 2013 read with Schedule V thereto, where a Company has no profits or its profits are inadequate, it may pay any remuneration to the managerial personnel provided that, amongst others, a statement along with a notice calling the general meeting contains certain information. Since the notice calling the 21st AGM and 22nd AGM, at which the earlier resolutions w.r.t. approval of remuneration of Mr. Sunil Bharti Mittal and Mr. Gopal Vittal respectively were passed, did not include a statement as specified in paragraph (iv) of the second proviso after paragraph B of Section II of Part II of the aforesaid Schedule V, the same is also being regularized herewith.

The HR and Nomination Committee and the Board have at their respective meeting(s) held on May 06, 2019, subject to the approval of the members of the Company, accorded their approvals for payment of aforesaid remuneration to Mr. Sunil Bharti Mittal and Mr. Gopal Vittal in case of absence of profits / inadequacy of profits. The Board also, in the interest of the Company, recommends the aforesaid resolutions as set out in this Notice for approval of the Members at item no. 8 and 9.

Save and except Mr. Sunil Bharti Mittal and Mr. Rakesh Bharti Mittal and their relatives to the extent of their shareholding interest, if any, in the Company for item no. 8 and Mr. Gopal Vittal and his relatives to the extent of their shareholding interest, if any, in the Company for item no. 9, none of the other Directors / Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the resolutions set out in item no. 8 and 9.

The Articles of Association of the Company, relevant resolutions passed at the Board and Committee Meetings and other allied documents being referred in the resolution, are available for inspection at the Registered Office of the Company on any working day between 11.00 a.m. to 1.00 p.m. upto the date of AGM and will also be available for inspection at the venue of the AGM.

Brief profile of Mr. Sunil Bharti Mittal and Mr. Gopal Vittal is enclosed and detailed profile is available on www.airtel.com.

The information as required to be disclosed under paragraph (iv) of the second proviso of Paragraph B of Section II of Part II of Schedule V to the Companies Act, 2013 is given in the Annexure to the Notice in regard of both Mr. Sunil Bharti Mittal and Mr. Gopal Vittal.

Item No. 10

As per the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the members of the Company at the General Meeting.

In compliance with the above requirement, the Shareholders at the 21st Annual General Meeting held on August 8, 2018, had approved the remuneration of ₹ 880,000/- (Rupees Eight Lacs Eighty Thousand Only) plus applicable taxes and reimbursement of travel and out of pocket expenses to be paid to R.J. Goel & Co., Cost Accountants, (Registration no. 00026) as Cost Auditors to conduct the audit of the cost records for the financial year ending March 31, 2019.

R.J. Goel & Co., has resigned as a Cost Auditor of the Company w.e.f. April 8, 2019 and on the recommendation of the Audit Committee, Sanjay Gupta & Associates, Cost Accountants (Registration no. 000212) has been appointed in his place to conduct the audit of the cost records for the financial years ended/ending March 31, 2019 and March 31, 2020.

Ratification of the members is being sought for the payment of remuneration of ₹ 850,000/- (Rupees Eight Lacs Fifty Thousand Only) per financial year (i.e. for financial years 2018-19 and 2019-20) plus applicable taxes and reimbursement of travel and out of pocket expenses as contained in the resolution set out at item no. 10 of the notice.

The Board recommends and proposes to pass the resolution set out at item no. 10 of the notice as an Ordinary Resolution.

None of the Directors, Key Managerial Personnels and their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution, except to the extent of their shareholding interest, if any in the Company.

THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE V OF THE ACT

I. GENERAL INFORMATION

1. Nature of Industry

Bharti Airtel Limited is a leading global telecommunications company with operations in 18 countries across Asia and Africa. Headquartered in New Delhi, India, the Company ranks amongst the top 3 mobile service providers globally in terms of subscribers. In India, the company's product offerings include 2G, 3G and 4G wireless services, mobile commerce, fixed line services, high speed home broadband, DTH, enterprise services including national & international long-distance services to carriers. In the rest of the geographies, it offers 2G, 3G and 4G wireless services and mobile commerce.

2. Date or expected date of commencement of commercial production:

The Company was incorporated on July 7, 1995 and the Certificate of Commencement of Business was granted on January 18, 1996. Since then, the Company had commenced its business.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not applicable

4. Financial performance based on given indicators:

Financial year	2018-19	2017-18	2016-17
Gross Revenue	498,587	538,986	624,606
Profit before Interest, Depreciation and Tax	127,413	181,001	241,096
Profit after Tax	(18,290)	792	(99,256)
Rate of dividend	50%	106.8%	20%
Earnings per share	(4.58)	0.20	(24.84)

5. Foreign investments or collaborations, if any:

The Company has not entered into any material foreign collaboration and no direct capital investment has been made in the Company during the previous three financial years. The foreign investors, mainly comprising Promoter Group entities, FIIs and NRIs are investors in the Company on account of past issuances of securities and/or secondary market purchases. As on March 31, 2019, the aggregate foreign shareholding in the Company was approx 34.74%.

II. INFORMATION ABOUT THE APPOINTEE(S):

1. Mr. Sunil Bharti Mittal, Chairman

(a) Background details:

Mr. Sunil Bharti Mittal is the Founder and Chairman of Bharti Enterprises, one of India's leading conglomerates with diversified interests in telecom, insurance, real estate, agri and food, in addition to other ventures. Bharti has joint ventures with several global leaders viz. SingTel, SoftBank, AXA, and Del Monte, amongst others.

Bharti Airtel, the flagship company of Bharti Enterprises, is amongst the world's largest telecommunications companies offering mobile, fixed broadband, digital TV solutions and mobile commerce to over 400 million customers across India, South Asia and Africa.

He has been the pioneer of the mobile revolution in India. At a time when mobile telecom was considered inaccessible for the masses, Bharti Airtel revolutionized the business model to offer affordable voice and data services. Starting from operations in one Indian city in 1994, to a presence across 18 countries today, Bharti Airtel has transformed the quality of lives of millions of people globally, providing connectivity and digital empowerment. The Company continues to focus on driving data as the ensuing growth frontier, and is leading the rollout of next generation data networks across India and Africa.

He serves on many international bodies and think tanks; after serving as Chairman for two years, he is now Honorary Chairman of the International Chamber of Commerce (ICC). He was the Chairman of GSM Association (GSMA) from Jan 2017 to Dec 2018. He is a member of International Business Council-WEF, a member of the Telecom Board of International Telecommunication Union (ITU), and Commissioner of the Broadband Commission, a member of the Global Board of Advisors at the Council on Foreign Relations (CFR), a Trustee at the Carnegie Endowment for International Peace and on the Board of Qatar Foundation Endowment. From 2007 to 2008, he also served as President of the Confederation of Indian Industry (CII), the premier industry body in India. Sunil has served on the board of several multinational companies including Unilever PLC, Standard Chartered Bank PLC and SoftBank Corp.

He is closely associated with spearheading the Indian industry's global trade, collaboration and policy - he has served on the Prime Minister of India's Council on Trade and Industry. He is also a member of the India-US, India-UK and India-Japan, India-Sweden CEO Forums. He is Co-Chair of the India-Africa Business Council and India-Sri Lanka CEO Forum.

Deeply associated with the cause of education, He is on Harvard University's Global Advisory Council and the Governing Board of the Indian School of Business. He has also served on the Board of Dean's Advisors at Harvard Business School.

He believes that a responsible corporate has a duty to give back to the community in which it operates. This belief has resulted in Bharti Foundation, which operates nearly 200 Satya Bharti Schools as well as supports over 750 government schools under Quality Support Program to ensure holistic education for nearly 270,000 under-privileged children in rural India. Sunil was ranked among the Top 25 Philanthropists in the World in 2009 by the Barron's Magazine. He is also a Member of the Board of Trustees of Qatar's Education Above All Foundation.

(b) Past remuneration and remuneration proposed:

Details on proposed remuneration have been stated in the item no. 8 to the Explanatory Statement of the Notice. In monetary terms, the remuneration for the last 3 financial years is given hereunder:

			ln ₹ Mn.
Financial year	2018-19	2017-18	2016-17
Mr. Sunil Bharti Mittal	310.05	301.97	301.44

There has been no change in the remuneration of Mr. Sunil Bharti Mittal in the last 3 financial years.

(c) Recognition or awards:

Sunil is a recipient of the Padma Bhushan, one of India's highest civilian honors, awarded to individuals for demonstrating distinguished services of high order. He has also been awarded Harvard Business School's Alumni Achievement Honor – the utmost honor accorded by the institute to its alumni. He is the recipient of GSMA's prestigious Chairman award, besides being decorated with numerous industry honors. Sunil has been conferred Honorary Doctorates by several leading universities in India and Europe.

(d) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of origin):

Taking into consideration the size of the Company, the profile of the Chairman, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior levels in other companies. (e) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:

Mr. Sunil Bharti Mittal has no pecuniary relationship with the Company or its Key Managerial Personnel other than his remuneration in the capacity of the Chairman. He is brother of Mr. Rakesh Bharti Mittal, Non-executive Director of the Company. He does not hold any share in the Company in his personal capacity.

2. Mr. Gopal Vittal, Managing Director & CEO (India and South Asia)

(a) Background details:

Gopal Vittal is currently the Managing Director & Chief Executive Officer (India & South Asia) of Bharti Airtel Limited. In his role as CEO, he is responsible for defining and delivering the business strategy and providing overall leadership for Airtel's India & South Asia operations.

Under the leadership of Mr. Vittal, Airtel had achieved a life-time high revenue market share. Airtel was recognized as the second most valuable brand in the country. In 2018, Airtel was also ranked 10th 'Best Company to Work for' and the 'Best Employer in Telecom' in India. In the last six years, he has strengthened the operation while driving transformation of the telco to be a strong digital services player.

Mr. Vittal was previously with Bharti Enterprises where he was the Group Director, Special Projects (April 2012 - Feb 2013). In this capacity, he worked towards formulating and supporting Airtel's International strategy and data expansion. He also held the post of Director, Marketing at Bharti Airtel (2006-08).

In addition, Mr. Vittal has also been with Hindustan Unilever for over a 20 years. He led several national and global assignments across sales, marketing and general management. In his last four years he was the Head of the US\$ 3.5 Home and Personal Care Business driving accelerated growth from 5% to 15%.

Mr. Vittal is an alumnus of Madras Christian College and has completed his MBA from IIM, Kolkata.

(b) Past remuneration and remuneration proposed:

Details on proposed remuneration have been stated in the item no. 9 of the Explanatory Statement of the Notice. In monetary terms, the remuneration for the last 3 financial years is given hereunder:

			ln ₹ Mn.
Financial year	2018-19	2017-18	2016-17
Mr. Gopal Vittal	209.05	169.73	124.02

(c) Recognition or awards:

Gopal Vittal was recognized by Voice & Data as Telecom Person of the Year 2016 for his leadership under which Airtel made rapid strides in the 4G LTE segment in India. Airtel was the first to launch 4G in India, and under his leadership, Airtel expanded its 4G services across the country.

Gopal Vittal has been elected to the Board of GSMA for the 2019-2020 term. He has joined 25 other distinguished leaders from across the world to provide strategic guidance and roadmap to the premier global telecoms body, which represents more than 750 of the world's mobile operators.

(d) Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of origin):

Taking into consideration the size of the Company, the profile of the Managing Director & CEO (India & South Asia), the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior levels in other companies.

(e) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:

Mr. Gopal Vittal has no pecuniary relationship with the Company or its Key Managerial Personnel other than his remuneration in the capacity of the Managing Director & CEO (India and South Asia). As on date of this notice, he holds 522,664 shares in the Company in his personal capacity.

III. OTHER INFORMATION:

1. Reason of loss or inadequate profits:

The last few years have seen disruption in the Indian telecom industry with the emergence of the new player offering services below cost, which has eroded the size of the industry by about 20%. In order to hold on to its market share, as also to cater to the exploding demand, especially for data the reduced industry price points, despite shrinking revenues, airtel continued to invest in its network to remain competitive. Equally, the high cost of spectrum meant that finance costs for the Company continued to remain elevated. However, it is noteworthy that despite the turmoil in the industry, the Company has held well to its market share and continues to gain an increasing share of 4G customers in the Country. Equally, the disruption has

provided an opportunity for the industry to consolidate and therefore the Company is well poised to be a beneficiary from the growth potential of the Indian telecom industry. With a population of 1.3 billion and data penetration being ~40% and growing, the Company is committed to ushering in a digital transformation of the Country.

2. Steps taken or proposed to be taken for improvement:

During this phase of intense competition coupled with changing customer needs and consumption, the Company is focusing on digital innovations to win the customers. The Company was the first to introduce minimum commitment plans which aimed to rapidly simplify its pricing portfolio and help focus on providing differential services to high value consumers. The industry first exclusive reward program #Airtelthanks was launched as one of the biggest digital transformation programs aimed to delight valued customers with exclusive benefits like premium content, device upgrades, network experience and red carpet customer care. The program targets to create long term customer value by increased loyalty and stickiness to the network.

With these efforts and others in pipeline, the Company is making a dynamic shift in its strategy from simply being a pipe providing connectivity to being an ecosystem of digital services with an aim to win quality customers across verticals and offer them brilliant experience across all touch points.

In order to strengthen the Balance Sheet, the Company is on its path of debt reduction through the recent successful Rights Issue and the intended IPO at London Stock Exchange along with a parallel listing on the Nigeria Stock Exchange during the year 2019-20. In addition to this, the Company continues to focus on the War on Waste program to ensure cost savings and delivering incremental profitability.

3. Expected increase in productivity and profits in measurable terms:

Even though the current industry transition is turning out to be stressful entailing massive dislocation in the short run, the new industry structure will ultimately prove beneficial for the sector. The Company has already started seeing some return of stability and green shoots of growth. With the industry consolidating to only 3 private players and Company's scale and efficiencies, backed by digital innovations and content partnerships, the Company expects to improve its mobile business profitability in the medium to long term. In addition, the non-mobile business continues to expand at a healthy rates and Africa remains on its profitable growth journey. Information of Directors to be appointed and the Directors seeking re-appointment at the forthcoming Annual General Meeting pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in accordance with provisions of Companies Act, 2013 and Secretarial Standards, as on the date of Notice.

Name of the Director	Ms. Chua Sock Koong	Mr. Vegulaparanan Kasi Viswanathan	Mr. Dinesh Kumar Mittal
Directors Identification Number (DIN)	00047851	01782934	00040000
Date of Birth (Age in years)	September 14, 1957 (61 Years)	November 20, 1950 (68 Years)	January 25, 1953 (66 Years)
Original date of appointment	May 07, 2001	January 14, 2014	March 13, 2014
Qualifications	 Bachelor of Accountancy (First Class Honours) from the University of Singapore Certified Public Accountant and Chartered Financial Analyst 	■ Chartered Accountant	 IAS Master's degree in physics with specialisation in Electronics from University of Allahabad, India.
Experience and expertise in specific functional area	Finance and Management	Finance and Management	Finance, Public Policy, International Trade, Corporate Governance and Infrastructure
Remuneration Last Drawn	A	s mentioned in Corporate Governance Re	port#
Number of Meetings of Board attended during the year	A	s mentioned in Corporate Governance Re	port#
Shareholding in Bharti Airtel Limited	Nil	Nil	Nil
Relationship with other Directors / KMPs	Nil	Nil	Nil
Terms and conditions of re-appointment and remuneration	As per the "Policy on Nomi	nation, Remuneration and Board diversity	" (annexed to Board's Report)#
Directorships held in other companies in India	≞ Bharti Telecom Limited	 United Spirits Limited K S B Limited Magma Fincorp Limited HDFC Life Insurance Company Limited Bosch Limited Magma HDI General Insurance Company Limited TransUnion CIBIL Limited Century Metal Recycling Limited 	 Balrampur Chini Mills Limited Max Financial Services Limited Max India Limited Max Ventures And Industries Limited Max Bupa Health Insurance Company Limited Atyati Technologies Private Limited Business Strategy Advisory Services Private Limited HSBC Asset Management (India) Private Limited Arohan Financial Services Limited Max Life Insurance Company Limited

Name of the Director	Ms. Chua Sock Koong	Mr. Vegulaparanan Kasi Viswanathan	Mr. Dinesh Kumar Mittal
Membership / Chairmanship of committees in public limited companies in India (only includes Audit Committee and Stakeholders Relationship Committee)	Nil	 Bharti Airtel Limited – Audit Committee (Chairman) Bosch Limited – Stakeholders Relationship Committee (Member) Bosch Limited – Audit Committee (Member) Magma HDI General Insurance Company Limited – Audit Committee (Chairman) HDFC Life Insurance Company Limited – Audit Committee (Chairman) HDFC Life Insurance Company Limited – Audit Committee (Chairman) Century Metal Recycling Limited – Audit Committee (Member) K S B Limited (formerly K S B Pumps Limited) – Audit Committee (Member) TransUnion Cibil Limited – Audit Committee (Chairman) Magma Fincorp Limited – Audit Committee (Member) United Spirits Limited – Audit Committee (Chairman) 	 Bharti Airtel Limited – Stakeholders Relationship Committee (Member) Balrampur Chini Mills Limited – Audit Committee (Member) Max Life Insurance Company Limited – Audit Committee (Member) Max India Limited – Audit Committee (Member) Max Ventures and Industries Limited – Audit Committee (Member) Max Financial Services Limited – Audit Committee (Chairman) Max Financial Services Limited – Stakeholders Relationship Committee (Member)

In terms of Section 136(1) of the Companies Act, 2013, Rule 10 of the Companies (Accounts) Rules, 2014 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Abridged Annual Financial Statements, excluding Corporate Governance Report and annexures of Boards' Report is being sent to the members. Members who desire to obtain the full version of the report may download the same from website of the Company or may write to the Secretarial department at the registered office address of the Company and will be provided with a copy of the same.

Name of the Director	Ms. Kimsuka Narasimhan	Mr. Sunil Bharti Mittal	Mr. Gopal Vittal
Directors Identification Number (DIN)	02102783	00042491	02291778
Date of Birth (Age in years)	May 03, 1964 (55 Years)	October 23, 1957 (61 Years)	June 18, 1966 (53 years)
Original date of appointment	March 30, 2019	July 07, 1995	February 01, 2013
Qualifications	 ► Chartered Accountant ► Cost Accountant 	 ■ Graduated from Panjab University ■ Alumnus of Harvard Business School 	 Graduation from Madras Christian College MBA from Indian Institute of Management, Kolkata
Experience and expertise in specific functional area	Finance and Management	General Management	Marketing and Management
Remuneration Last Drawn	As m	entioned in Corporate Governance Rep	ort#
Number of Meetings of Board attended during the year	As m	entioned in Corporate Governance Rep	ort#
Shareholding in Bharti Airtel Limited	Nil	Nil	601,878 Equity Shares
Relationship with other Directors / KMPs	Nil	Brother of Mr. Rakesh Bharti Mittal	Nil
Terms and conditions of re-appointment and remuneration	As per the "Policy on Nominati	on, Remuneration and Board diversity"	(annexed to Board's Report)#
Directorships held in other companies in India	 Astrazeneca Pharma India Limited Akzo Nobel India Limited Kimberly-Clark India Private Limited 	 Bharti (SBM) Holdings Private Limited Bharti SBM Trustees II Private Limited (formerly known as Bharti Management Private Limited) Bharti (Satya) Trustees Private Limited Bharti Overseas Private Limited Bharti (SBM) Resources Private Limited Bharti (SBM) Services Private Limited Bharti (SBM) Services Private Limited Bharti (SBM) Trustees Private Limited Bharti Enterprises (Holding) Private Limited Bharti Telecom Limited Airtel Payments Bank Limited Bharti SBM Trustees S1 Private Limited Bharti SBM Trustees S2 Private Limited Bharti SBM Trustees D1 Private Limited Satya Bharti Foundation* 	 Airtel Payments Bank Limited Satya Bharti Foundation* St. Jude India Childcare Centres Indus Towers Limited Bharti Telemedia Limited

*A company limited by guarantee

Name of the Director	Ms. Kimsuka Narasimhan	Mr. Sunil Bharti Mittal	Mr. Gopal Vittal
Membership / Chairmanship of committees in public limited companies in India (only includes Audit Committee and Stakeholders Relationship Committee)	 ■ Bharti Airtel Limited – Audit Committee (Member) ■ Akzo Nobel India Limited – Audit Committee (Chairman) 	Nil	 ■ Bharti Airtel Limited – Stakeholders Relationship Committee (Member) ■ Airtel Payments Bank Limited – Audit Committee (Member)

In terms of Section 136(1) of the Companies Act, 2013, Rule 10 of the Companies (Accounts) Rules, 2014 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Abridged Annual Financial Statements, excluding Corporate Governance Report and annexures of Boards' Report is being sent to the members. Members who desire to obtain the full version of the report may download the same from website of the Company or may write to the Secretarial department at the registered office address of the Company and will be provided with a copy of the same.

Registered Office:

Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase - II, New Delhi - 110 070, India. CIN: L74899DL1995PLC070609 Email id: <u>compliance.officer@bharti.in</u> By order of the Board For **Bharti Airtel Limited**

Pankaj Tewari Sr. VP & Company Secretary Membership No. A15106

Place: New Delhi Date: May 06, 2019



CIN: L74899DL1995PLC070609

Regd. Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase – II, New Delhi - 110 070, India T.: +91 011-46666100, F.: +91 011-41666137

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

ADMISSION SLIP

Twenty Fourth Annual General Meeting

Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the Company.

		DP Id & Client Id / Regd. Folio No.*		No. of Shares	
--	--	--------------------------------------	--	---------------	--

Name(s) and address of the member in full _____

I / we hereby record my / our presence at the Twenty Fourth Annual General Meeting of the Company being held on Wednesday, August 14, 2019 at 3.30 p.m. (IST) at Air Force Auditorium, Subroto Park, New Delhi – 110 010, India.

Please ($\sqrt{}$) in the box

□ Member □ Proxy

Signature of Member / Proxy

*Applicable for member holding shares in physical form.



CIN: L74899DL1995PLC070609 Regd. Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase – II, New Delhi - 110 070, India **T.:** +91 011-46666100, **F.:** +91 011-41666137

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

PROXY FORM

Form	No.	MGT-11
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[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L74899DL1995PLC070609

Name of the Company: Bharti Airtel Limited

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

Na	me of the member (s):	
Reg	jistered address:	
I/W	'e, being the member (s) ofs	hares of the above named Company, hereby appoint
1.	Name:	
		E-mail ld:
	Signature:	or failing him.
2.	Name:	
	Address:	E-mail ld:
	Signature:	or failing him.
3.	Name:	
	Address:	E-mail ld:
	Signature:	

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Twenty Fourth Annual General Meeting of the Company scheduled to be held on Wednesday, August 14, 2019 at 03.30 p.m. (IST) at Air Force Auditorium, Subroto Park, New Delhi - 110 010 or / and at any adjournment thereof in respect of such resolutions as are indicated below:

SI. No.	Resolutions	For	Against
Ordir	nary Business(es):		
1.	To receive, consider and adopt the standalone and consolidated financial statements of the Company for the financial year ended March 31, 2019 and the report of the Board of Directors and of the Auditors thereon		
2.	Re-appointment of Ms. Chua Sock Koong as a Director liable to retire by rotation		
Spec	ial Business(es):		
3.	Re-appointment of Mr. Vegulaparanan Kasi Viswanathan as an Independent Director		
4.	Re-appointment of Mr. Dinesh Kumar Mittal as an Independent Director		
5.	Appointment of Ms. Kimsuka Narasimhan as an Independent Director		
6.	Waiver of recovery of excess managerial remuneration paid to Mr. Sunil Bharti Mittal, Chairman for the financial year ended March 31, 2019		
7.	Waiver of recovery of excess managerial remuneration paid to Mr. Gopal Vittal, Managing Director & CEO (India and South Asia) for the financial year ended March 31, 2019		
8.	Payment of remuneration to Mr. Sunil Bharti Mittal, Chairman for the period April 01, 2019 to September 30, 2021 or for such shorter period as may be prescribed under applicable laws		
9.	Payment of remuneration to Mr. Gopal Vittal, Managing Director & CEO (India and South Asia) for the period April 01, 2019 to March 31, 2022		
10.	Ratification of remuneration to be paid to Sanjay Gupta & Associates, Cost Accountants, Cost Auditors of the Company for the FY 2018-19 and FY 2019-20		

Signed this	 day of	2019

Signature of Member	

Signature of Proxy holder(s)	
------------------------------	--

Note:

This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company situated at Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase – II, New Delhi-110070 not later than 48 hours before the commencement of the Meeting.

Affix revenue stamp of ₹1/-



CIN: L74899DL1995PLC070609 Regd. Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase – II, New Delhi - 110 070, India T.: +91 011-46666100, F.: +91 011-41666137 Email id: compliance.officer@bharti.in Website: www.airtel.com

ECS MANDATE FORM

[APPLICABLE FOR SHARES HELD IN PHYSICAL FORM ONLY]

То

Karvy Fintech Private Limited Unit: **Bharti Airtel Limited** Karvy Selenium Tower B, Plot number 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032

Name of the First / Sole Member	
Folio No.	

PAN / E-mail information

Income Tax Permanent Account Number (PAN) (Please attach a photocopy of PAN Card)	
Email ID	

Particulars of Bank Account

Bank Name							
Branch Name & Address							
Bank Account Type (tick)	SB		Currer	nt	Othe	ers	
Bank Account Number							
9 Digit Code Number of the Bank and Branch appearing on the MICR Cheque issued by the Bank (Please attach a photocopy of the Cheque)							
IFSC Code							

I hereby declare that the particulars given above are correct and complete and also express my concurrence to receive information through email towards dividend paid by the Company under the ECS mode.

Signature of the 1st Registered Holder / Sole Holder



CIN: L74899DL1995PLC070609 Regd. Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase – II, New Delhi - 110 070, India T.: +91 011-46666100, F.: +91 011-41666137 Email id: compliance.officer@bharti.in Website: www.airtel.com

E-Mail Registration Form

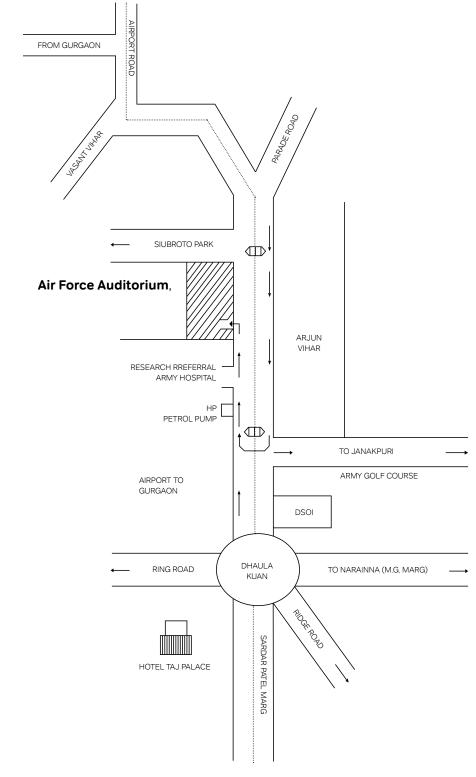
[APPLICABLE FOR SHARES HELD IN PHYSICAL FORM ONLY]

To Karvy Fintech Private Limited Unit: **Bharti Airtel Limited** Karvy Selenium Tower B, Plot number 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032

Name of the First / Sole Member	
Folio No.	
Email ID	
Mobile no.	
Address	

Signature of the $1^{\mbox{\tiny st}}$ Registered Holder / Sole Holder

Route map to the venue of the 24th AGM of Bharti Airtel Limited



Venue: Air Force Auditorium, Subroto Park, New Delhi - 110 010 **Landmark**: Adjacent to Research & Referral, Army Hospital



CIN: L74899DL1995PLC070609 Regd. Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase – II, New Delhi - 110 070 T.: +91 011-46666100, F.: +91 011-41666137 Email id: compliance.officer@bharti.in Website: www.airtel.com

Name of the member including Joint holder(s), if any

Registered address of the sole / : first named member

DP ID & Client ID No. / Registered : Folio No.

No. of shares held :

Dear Member(s),

Sub: Voting through electronic means

Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (Listing Regulations), the Company is pleased to provide remote e-voting (e-voting) facility to its members to exercise their right to vote on resolutions proposed to be passed in the Twenty Fourth Annual General Meeting (AGM) of the Company scheduled to be held on Wednesday, August 14, 2019 at 03.30 p.m. (IST) at Air Force Auditorium, Subroto Park, New Delhi - 110 010.

The Company has engaged Karvy Fintech Private Limited ("Karvy") as the authorized agency to provide e-voting facility. The particulars of e-voting are as follows:

E-Voting Event Number (EVEN)	User ID	Password / PIN

The e-voting facility will be available during the following voting period:

Commencement of e-voting	From 9:00 a.m. (IST) on Sunday, August 11, 2019
End of e-voting	Upto 5:00 p.m. (IST) on Tuesday, August 13, 2019

The e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Karvy upon expiry of aforesaid period.

The cut-off date for the purpose of e-voting and voting at the Twenty Fourth Annual General Meeting shall be Wednesday, August 07, 2019.

This communication is an integral part of the Notice dated May 6, 2019 for the Twenty Fourth Annual General Meeting scheduled to be held on August 14, 2019. Please read the instructions printed overleaf before exercising the vote.

The Notice of the Twenty Fourth Annual General Meeting and this communication are also available on the website of the Company at www.airtel.com.

Registered Office:

Bharti Crescent 1, Nelson Mandela Road, Vasant Kunj, Phase - II, New Delhi - 110 070, India. CIN: L74899DL1995PLC070609 Email id: <u>compliance.officer@bharti.in</u> By order of the Board For **Bharti Airtel Limited**

Pankaj Tewari Sr. VP & Company Secretary Membership No. A15106

Place: New Delhi Date: May 6, 2019

Instructions and other information relating to remote e-voting (e-voting) are as under:

- In case a member receives an e-mail from Karvy (for members whose e-mail Ids are registered with the Company / Depository Participants(s)):
 - a) Launch internet browser by typing the URL: https://evoting.karvy.com.
 - b) Enter the login credentials (i.e. User id and password mentioned overleaf). Your Folio No. / DP ID / Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
 - c) After entering these details appropriately, click on "LOGIN".
 - d) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and one special character (@,#,\$,etc.). The system will prompt you to change your password and update your contact details like mobile number, e-mail ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and take utmost care to keep your password confidential.
 - e) You need to login again with the new credentials.
 - f) On successful login, the system will prompt you to select the E-Voting Event Number (EVEN) for Bharti Airtel Limited.
 - g) On the voting page enter the number of shares (which represents the number of votes) as on the cut-off Date under each of the heading of the resolution and cast your vote by choosing the "FOR / AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR / AGAINST" taken together shall not exceed your total shareholding as mentioned overleaf. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head. Option "FOR" implies assent to the resolution and "AGAINST" implies dissent to the resolution.
 - You may then cast your vote by selecting an appropriate option and click on "Submit".
 - Members holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
 - j) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
 - k) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
 - I) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail contact@ cssanjaygrover.in with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."
- In case a member receives physical copy of the Annual General Meeting Notice by post (for members whose e-mail lds are not registered with the Company / Depository Participant(s)):
 - a) User ID and initial password are provided overleaf.
 - b) Please follow all steps from Sr. No. (a) to (l) as mentioned in (1) above, to cast your vote.
- Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently or cast the vote again.

- 4. The Board has appointed Mr. Sanjay Grover, Managing Partner, Sanjay Grover & Associates, Company Secretaries, New Delhi (C.P. No. 3850) failing him Mr. Devesh Kumar Vasisht, Partner, Sanjay Grover & Associates, Company Secretaries, New Delhi (C.P. No. 13700) as a Scrutinizer to scrutinize the physical voting at the AGM and e-voting process in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for same purpose.
- 5. In case of any query and / or grievance, pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website https://evoting. karvy.com or contact Mr. Ramesh Desai of Karvy Fintech Private Limited, Karvy Selenium, Tower B, Plot number 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad 500032 or evoting@Karvy.com or phone number 040-67161528 or call Karvy's toll free No. 1-800-34-54-001 for any further clarifications.
- 6. The facility for ballot / polling paper / e-voting shall be made available at the venue of the Annual General Meeting and the members attending AGM who have not cast their vote by remote e-voting shall be able to vote at the AGM through ballot / polling paper / e-voting.
- The members who have cast their vote by remote e-voting may also attend AGM, but shall not be entitled to cast their vote again.
- The voting rights of the members for e-voting shall be in proportion to the paid up value of their shares in the equity share capital of the Company as on the cut-off date i.e. Wednesday, August 07, 2019.
- 9. Person(s), whose names are recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. Wednesday, August 07, 2019 only shall be entitled to avail the facility of remote e-voting / physical voting at the AGM. The person who is not a member / beneficial owner on the cut-off date should treat this notice for information purpose only.
- Any person who becomes member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e. Wednesday, August 07, 2019 may obtain the User Id and password by in the manner as mentioned below:
 - a) If the mobile number of the member is registered against shares held in demat form, the member may send SMS:

MYEPWD<space> DPID Client ID to +91-9212993399

Example for NSDL: MYEPWD<SPACE>IN12345612345678

Example for CDSL: MYEPWD<SPACE>1402345612345678

b) If the mobile number of the member is registered against shares held in physical form, the members may send SMS: MYEPWD<space>Event number + Folio No to 9212993399.

Example for Physical: MYEPWD<SPACE> XXXX1234567890

- c) Member may Call Karvy's Toll free number 1-800-3454-001
- d) Member may send an e-mail request to evoting@karvy.com

If the member is already registered with Karvy for e-voting, he can use his existing User ID and Password for casting the vote through e-voting. However, Karvy shall endeavor to send User ID and Password to those new members whose mail ids are available.

- 11. The Scrutinizer shall immediately after the conclusion of the voting at the Annual General Meeting, first count the votes cast at the AGM thereafter unblock the votes cast through remote e-voting in the presence of atleast two (2) witnesses not in the employment of the Company. The Scrutinizer thereafter shall submit his Report to the Chairman after completion of his scrutiny. The result of the voting will be announced within Forty Eight (48) hours after the conclusion of the meeting at the Corporate and Registered office of the Company i.e. Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070, India.
- 12. The Results declared along with the Consolidated Scrutinizer's Report(s) will be available on the website of the Company (www.airtel.com) and on Karvy's website (https://evoting.karvy.com). The results shall simultaneously be communicated to the Stock Exchanges viz. BSE Limited and National Stock Exchange of India Limited.



Integrated Report and Annual Financial Statements 2018-19 Bharti Airtel Limited

#airtelThanks



The Future of **Digital Experiences**

About this Report

Bharti Airtel Limited is pleased to present its second Integrated Report. With this, we continue our journey aimed to create value for all our stakeholders.



For the online version of the Annual Report please log on to http://www.airtel.com

> Throughout the report look out for these

Reference to other pages within the report

Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements. We undertake no obligation to update or revise any forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Reporting scope and period

The Integrated Report covers information on business operations of Bharti Airtel Limited, aptly disclosed through six capitals as defined by International Integrated Reporting Council (IIRC). All the six capitals (except financial capital) cover information on India operations excluding Bharti Infratel Limited and Airtel Payments Bank Limited unless specified otherwise. The parameters for financial capital covered in this report are in relation to 'Bharti Airtel Limited' on standalone basis.

The Integrated Report considers the primary reporting period as April 01, 2018 to March 31, 2019. However, some of the sections of the report represent facts and figures of previous years to provide a comprehensive view to the stakeholders.

Reporting framework

The report follows the International <IR> Framework as developed by IIRC

(www.integratedreporting.org) and should be read in conjunction with the financial statements included herein and the notes thereto. The financial and statutory data presented is in accordance with the requirements of the Companies Act, 2013 (including the rules made thereunder), Indian Accounting Standards, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable laws.

Key company information

Bharti Airtel Limited ISIN: INE397D01024 BSE Code: 532454 NSE Code: BHARTIARTL CIN: L74899DL1995PLC070609

Assurance

To ensure the integrity of facts and information, the Board of Directors and management have reviewed the Integrated Report and Thinkthrough Consulting Pvt. Ltd. has carried out the independent assurance on sustainability disclosures presented in the report. The 'Independent Assurance Statement' issued by Thinkthrough Consulting Pvt. Ltd. forms a part of this report.

The statutory auditors, Deloitte Haskins & Sells LLP, Chartered Accountants have provided assurance on the financial statements and the 'Independent Auditor's Report' has been duly incorporated as a part of this report.



inH.

<mark>Sunil Bharti Mittal</mark> Chairman



Gopal Vittal Managing Director & CEO (India & South Asia)



Haphunath

Raghunath Mandava CEO (Africa) Airtel Africa plc

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Corporate Information

Board of Directors

Mr. Sunil Bharti Mittal, Chairman Ms. Chua Sock Koong Mr. Craig Edward Ehrlich Mr. Dinesh Kumar Mittal Mr. Gopal Vittal, Managing Director & CEO (India & South Asia) Ms. Kimsuka Narasimhan Mr. Manish Kejriwal Mr. Rakesh Bharti Mittal Mr. Shishir Priyadarshi Ms. Tan Yong Choo Mr. V. K. Viswanathan

CEO (Africa) Airtel Africa Plc

Mr. Raghunath Mandava

Chief Financial Officer

Mr. Badal Bagri

Company Secretary

Mr. Pankaj Tewari

Statutory Auditors

Deloitte Haskins & Sells LLP Chartered Accountants

Internal Assurance Partners

Ernst & Young LLP ANB & Co., Chartered Accountants

Cost Auditors

Sanjay Gupta & Associates Cost Accountants

Secretarial Auditors

Chandrasekaran Associates Company Secretaries

Registered & Corporate Office

Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase – II, New Delhi – 110 070, India CIN: L74899DL1995PLC070609

Website

http://www.airtel.com

With the rapid transformations in the telecom industry, customer expectations have been changing as well. And for a good reason, digital experience is set to become seamless.



For us, after 23 remarkable years of serving the Indian market and consistently delivering on the trust placed on us by our customers, the challenge has not been to keep pace with it all – but to surpass the present standards and create something that could very well be touted as the future of digital experiences in our nation. Which culminated into **#airtelThanks!**

We are looking forward to building #airtelThanks into a large scale telco-brand collaboration property, which will set the precedence for a telecom experience like no other. We are keen on being a differentiator not just for the sake of it; we strive to set new standards of innovation, service, customer relationship and excellence in this industry. We wish to show that possibilities are endless once you're willing to stretch beyond the familiar.

And thereby, we aim to create the future of digital experiences which the people of India so clearly deserve! Bharti Airtel Limited is a leading global telecommunications company with operations in 18 countries* across Asia and Africa. Headquartered in New Delhi, India, the Company ranks among the top three mobile service providers globally in terms of subscribers.

In India, the company's product offerings include 2G, 3G and 4G wireless services, mobile commerce, fixed line services, high speed home broadband, DTH, enterprise services (including national & international long distance services to carriers). In other countries, it offers 2G, 3G, 4G wireless services and mobile commerce. Bharti Airtel has over 403 million customers across its operations at the end of March 2019.

Vision

Our vision is to enrich the lives of customers. Our obsession is to win customers for life through an exceptional experience.



Alive, Inclusive, Respectful.

Objectives







Our portfolio

Wireless Services

We offer postpaid, prepaid, international roaming, data connectivity and other value-added services to our customers.

Homes Services

We offer fixed-line telephone and broadband (DSL) services pan-India.

Digital TV Services

Our Direct-To-Home (DTH) platform offers both standard and high definition (HD) digital TV services with 3D capabilities and Dolby surround sound.

Airtel Business

We are India's leading and most trusted provider of ICT services with a diverse portfolio of services to enterprises, governments, carriers and small and medium businesses.

Tower Infrastructure

We own and operate 40,388 telecom towers under our subsidiary Bharti Infratel Limited (on a standalone basis) with presence across all 22 telecom circles.

Payments Bank

India's first payments bank with active operations across 29 states in India.

*Including JVs in Ghana and Bangladesh.

How we will win 🦓

Quality Customers

- **Delivery of Differentiated** Services
- Accelerate B2B
- Own the Home

Micro Marketing

- Track and Drive Performance at a District Level
- Simultaneously grow the Online channel

Brilliant Experience

From Speed to Experience

Simplify

■ Digitize our business

Powerful Partnerships

Services at Scale

Combine our Digital Assets into 1 Lifestyle

War on Waste

- Share Infrastructure

People: One Airtel

World population

 \rightarrow

24% of the total population covered*

Indian population coverage

95.3%* 15 countries**

Africa

presence

Recognized brand

🤊 airtel

16,369 India & South Asia

Talented people

3,352

Africa

19,721 Total Employees

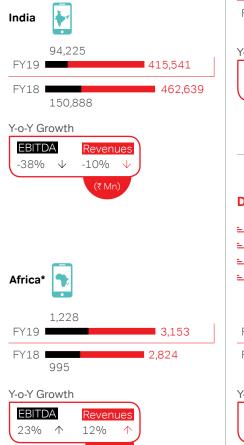
* Based on UN Report dated January 1, 2013 **Including JV in Ghana

Segment wise **Performance**

Wireless services

- Bundled plans with unlimited voice packs
- 💶 First to launch 4G in India
- 🗕 🛛 Postpaid plans
- MyPlan customized plans as per customer usage
- Infinity Options with unlimited benefits
- 💶 Pocket friendly data packs
- Recognized as the smartphone network

Mobile



Homes services

Landline

- Attractive plans and offers
- Highly reliable services
- 兰 24/7 online support
- Value-added services

Internet

- 🛀 'V-Fiber' technology
- 느 Up to 100 Mbps speed



Digital TV services

- 🗕 Android TV
- 느 Universal Remote
- MyPlan Customized
- Interactive services



Airtel Business

- Diverse portfolio of services voice, data, video, network integration, data centres, managed services, enterprise mobility applications and digital media
- Strategically located submarine cables and satellite network
- Global network running across 250,000 Rkms, covering 50 countries and 5 continents



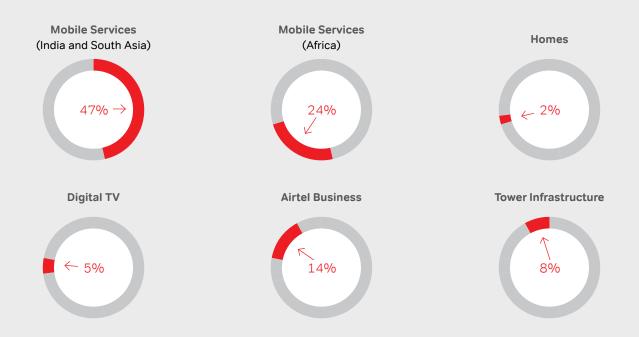
Tower Infrastructure

- One of the world's largest passive infrastructure providers
- Over 92,277 towers (including proportionate share of Indus)



*on Constant Currency, 14 Countries operations

Revenue Mix FY 2018-19





Quarterly Highlights

Q1'19

Completed the **acquisition of Telenor** (India) Communications 43.4 Private Limited. Added 43.4 MHz spectrum to its portfolio on integration of Telenor's operations



Launched world first innovative **carrier digital platform** which enables carriers to do wholesale voice business with Airtel at the click of a button



Further strengthened its **'Mera Pehla Smartphone'** initiative with a strategic partnership with Amazon India to provide cashback on 65+ Amazon.in exclusive 4G smartphones



Launched Airtel Home – India's first-ofits-kind digital quad-play platform that simplifies the customer experience for homes that use multiple Airtel services

Q2'19



Launched **#airtelThanks** with an aim to delight its valued customers with exclusive and differentiated benefits



Launched **'Foreign Pass'** – a range of affordable international roaming voice packs for prepaid customers in India



Bharti Airtel ranked first within the information technology and telecommunication (ICT) category at the 15th Annual national awards for excellence in Cost Management



Chosen as the winner in two prestigious categories - **Best Wholesale Carrier (Global) and Best Wholesale Business Transformation** at the

Carriers World Awards 2018, a benchmark for excellence in the global wholesale market



Airtel Nigeria awarded as the best promoter of digital services by the President



Partnership with Netflix & Zee Entertainment to enhance customer delight & experience

Strategic partnership with **Telecom Egypt (TE)** for global submarine cable systems, wherein, Airtel will get IRUs (Indefeasible Right of Use) on Middle East North Africa (MENA) submarine cable and TE North Cable Systems



Airtel Uganda recognized by Digital Impact Awards, Africa as the Best Technology Brand on Social Media, Best Digital Customer Experience by Technology Brand, Best Saving and Lending Product (Digital driven), Best Professional, Legal and Regulatory brand



Launched **'Bandwidth on Demand'** for businesses to enable them to efficiently manage their bandwidth requirements in real-time

Q3'19



Conducted India's first Licensed Assisted Access (LAA) trial over a **LIVE LTE network** with Ericsson. LAA enables the use of unlicensed spectrum in the 5 GHz band in combination with licensed spectrum



Unveiled **'Airtel 3.0'**- a range of futuristic digital technologies and exciting products at the India Mobile Congress (IMC) 2018



Launched Google Assistant based Digital Customer Care



Airtel's music streaming app Wynk Music got rated as 'Most Entertaining app of 2018' on Google Play Store



Airtel bagged top honors at CIO CHOICE awards. Declared as the winner in the Co-location, Public Cloud, Network Security and Information Security categories at the seventh edition of the CIO CHOICE awards



Airtel Nigeria awarded with **Smart recharge campaign** of the year by Advertiser association of Nigeria



Airtel Tanzania won an Appreciation Award for the contributions and continued support in improvement of school environment in Tanzania by Tanga City Council and was also recognized for Mobile Health Support by Ministry of Health Quarterly Highlights

Q4'19



Emerged as the fastest network for download speeds according to independent industry leaders in speed and performance testing



Launched **'Wynk Tube'** as an extension of Wynk Music to allow users to stream audio and video of popular tracks



LTE Deployed LTE 900 technology

in 10 Circles to offer significantly better indoor 4G coverage



Became the **first** operator to launch **4G services** in the Andaman and Nicobar islands



DoT accorded an In-principle approval for the merger of Consumer Mobile Business of Tata Teleservices (Maharashtra) Limited and Tata Teleservices Limited with Bharti Airtel Limited and Bharti Hexacom Limited subject to fulfillment of certain conditions Airtel's Carrier Digital Platform won the **9th edition of Aegis Graham Bell Award** for Wholesale Voice business under 'Service Innovation' category



Airtel Africa Ltd announced an intended **IPO on London and Nigeria Stock Exchanges** during the year 2019-20



Subsequent to the balance sheet date, on May 03, 2019, the Company launched a rights issue of

₹249.4_{Bn.} The right issue will close on May 17,

2019. The proceeds will be used to repay debt



Airtel Nigeria named as **'Brand of the Year 2018'** by the Board of Editors of **"Leadership",** one of the foremost newspapers



Filed an application for **Payment Service Bank (PSB)** license with Central Bank of Nigeria



Airtel ranked amongst the **top 10 companies** (out of 100) in the Indian Corporate Governance Scorecard, an independent report jointly developed by Bombay Stock Exchange, International Finance Corporation and Institutional Investor Advisory Services (IIAS) with support from the Government of Japan. Bharti Airtel is the only telecom company to make it to the top 10

Performance Highlights

			Financia	Year Ended M	arch 31	
	Units	IFRS		Ind A	Ind AS**	
		2015	2016	2017	2018	2019
Operating Highlights		· · · · ·				
Total Customer Base	000's	324,368	357,428	372,354	413,822	403,645
Mobile Services	000's	310,884	342,040	355,673	395,722	384,078
Homes Services*	000's	1,679	1,949	2,129	2,172	2,270
Digital TV Services	000's	10,073	11,725	12,815	14,168	15,392
Airtel Business*	000's	1,732	1,714	1,736	1,760	1,904
Consolidated Financials (₹ Mn)						
Total revenues	₹Mn	920,394	965,321	942,506	826,388	807,802
EBITDA (before exceptional items)	₹Mn	314,517	341,682	356,208	304,479	262,937
Cash Profit from Operations before derivative and exchange fluctuation (before exceptional items)	₹Mn	285,280	289,083	283,668	227,169	167,777
Earnings Before Tax	₹Mn	107,130	128,463	77,232	32,669	(17,318)
Net Profit	₹Mn	51,835	60,767	37,997	10,990	4,095
Consolidated Financials (₹ Mn)						
Shareholder's Equity	₹Mn	619,564	667,693	674,563	695,344	714,222
Net Debt	₹Mn	668,417	835,106	913,999	952,285	1,082,346
Capital Employed	₹Mn	1,287,981	1,502,799	1,588,562	1,647,629	1,796,568
Key Ratios						
Capex Productivity	%	77.40	69.89	64.51	49.26	40.65
Opex Productivity	%	43.63	42.75	40.62	42.16	46.30
EBITDA Margin	%	34.17	35.40	37.79	36.84	32.55
EBIT Margin	%	17.23	17.22	16.63	13.41	5.90
Return on Shareholder's Equity	%	8.52	9.44	5.66	1.60	0.58
Return on Capital employed	%	8.05	8.32	6.45	4.64	5.06
Net Debt to EBITDA	Times	2.08	2.46	2.73	3.19	4.32
Interest Coverage ratio	Times	8.43	7.06	5.20	4.37	2.84
Book Value Per Equity Share	₹	154.99	167.03	168.8	174.0	178.7
Net Debt to Shareholders' Equity	Times	1.08	1.25	1.35	1.37	1.52
Earnings Per Share (Basic)	₹	12.97	15.21	9.51	2.75	1.02

Note:

* Effective FY 2016-17, the Company has realigned the reporting of its corporate fixed line voice and fixed line data business with Airtel Business and accordingly Telemedia Services renamed to Homes Services. Hence, the customer base of 'Broadband and Telephone Services' is now represented as 'Homes' and 'Airtel Business'.

** With effect from April 01, 2016, the Company has applied Ind AS for the preparation of its financial statements. The transition is carried out from accounting principles generally accepted in India with the transition date being April 01, 2015.

All figures are based on Consolidated Financial Statements. Previous year(s) figures are restated / reclassified, wherever necessary.

Message from the Chairman



"#airtelThanks turned out to be an extremely successful initiative in this regard helping us deliver greater value to customers in terms of content and services."

Dear Shareholders,

Indian mobile market firmly consolidated into a

3+1 industry structure

Africa continued its upward trend and robust revenue growth and profitability to register a healthy year

Overall, the initiatives are today benefiting over

250,000

students in India's far flung villages Global economic growth moderated during the year in the midst of several developments like the US-China trade confrontation and the overhang of uncertainty around Brexit in Europe. While US remained an exception exhibiting sustained momentum, China continued to slowdown. India – our primary market, with initial implementation challenges of its historic federal tax reform of GST recovered well during the year registering over 7% GDP expansion. Our African markets witnessed healthy recovery in GDP growth led by a rebound in the Nigerian economy. Overall, the Company experienced moderate economic condition in both the geographies.

Global industry evolution gained rapid traction during the year as 4G networks expanded at great pace and the emerging markets moved forward towards high speed mobile broadband for all. Exponential growth in smartphone penetration and low tariff sharply accelerated growth in data consumption. We witnessed significant changes in usage behavior in different markets. Massive surge in video consumption continued to be the mainstay of galloping data usage. While per capita data consumption nearly doubled in India, usage expanded by over 40% in Africa.

We witnessed varying business dynamics during the year in the two regions - India and Africa given different market conditions. While the Indian mobile market firmly consolidated into a 3+1 industry structure, revenues for the sector did not see any uptick during the year and continued to witness an ultra-low tariff regime. High overall industry debt continues to be a major concern. Africa on the contrary, continued its upward trend and robust revenue growth and profitability to register a healthy year.

In India, amidst conspicuous pricing pressure, we did well to retain our market share by focusing on 'revenue paying customers' and orienting ourselves towards mid to high end of the market. The introduction of the minimum commitment plans helped us register significant recovery in ARPU towards the end of the year. In the face of rapidly changing customer needs and consumption, we remained focused on digital innovations to remain the network of choice. #airtelThanks has been an extremely successful initiative helping us deliver greater value to customers in terms of content and services. We believe content partnerships will play a major role in customer acquisition and retention in the coming days and the industry will increasingly gravitate towards collaborating with producers of content.

Airtel Africa had a robust year on all parameters. With the addition of 10 million new customers, the count reached 99 million. Total revenues witnessed strong growth aided by significant expansion in data revenue (31%) and Airtel Money (60%). EBITDA margin expanded by 4% underlining the efficacy of our efforts in operational efficiency. Exponential increase in 3G and 4G sites in different markets further strengthened our network coverage and quality. We now have 4G presence in 11 out of the 14 markets. Robust growth in Airtel Money infrastructure and coverage during the year augurs well for this rapidly growing revenue stream.

We believe, the momentum in 4G is going to continue for a few more years across different markets. Emerging markets like India and Africa today are some distance away from launch of 5G networks. But rapid strides of new technologies like AR, VR, IOT and AI and sharply proliferating data usage in customer lives, no matter what development level they are in, can trigger an accelerated transition across markets. As a Company, we have always believed in staying ahead of the curve as far as adopting new technology is concerned. With our reinforced balance sheet we are ready to take the lead subject to enabling regulatory environment, a complementary technology ecosystem- network and

device, and overall market dynamics.

During the year, Airtel completed the acquisition of Telenor (India) following all regulatory and statutory approvals. We also completed the merger of the Consumer Mobile Businesses of Tata Teleservices (Maharashtra) and Tata Teleservices with Bharti Airtel and Bharti Hexacom. Bharti Infratel and Indus Towers and their respective shareholders and creditors entered into the final phase of scheme of amalgamation and arrangement to create a pan India Tower Co, the largest tower company in the world outside China. We also entered into an agreement to merge Airtel Kenva with Telekom, subject to regulatory approvals.

The year witnessed multiple rounds of successful fund raising through equity infusion by both Bharti Airtel Limited (Airtel) and Airtel Africa plc (Airtel Africa). While Airtel successfully completed its first ever and amongst the largest Rights Issue in the Country to raise ₹ 249.4 billion, Airtel Africa completed its Initial Public Offer (IPO) on the London Stock Exchange in the premium listing segment at an offer price of 80 pence/share to raise \$ 750 million at an overall equity valuation of US\$ 3.9 billion, with a secondary listing on the Nigerian Stock Exchange. Earlier during the year, seven leading global investors comprising Warburg Pincus, Temasek, Singtel, SoftBank Group International, Qatar Investment Authority and others had invested \$1.45 billion in Airtel Africa through primary equity issuance.

Ben Verwaayen, completed his tenure on the Board during the year, we thank him for his service to the Company and also welcome Kimsuka Narasimhan who has joined the Board as an Additional Independent Director. Airtel Africa Board was constituted during the year having a great mix of competence and experience.

The Group philanthropic arm Bharti Foundation extended the reach of its school education programmes to newer regions. Overall, the initiatives are today benefiting over 2,50,000 students in India's far flung villages, and being widely acclaimed as one of the largest privately run initiatives in school education in India. The Satya Bharti Abhiyan, our rural sanitation initiative, operational in the State of Punjab has a total beneficiary count of over 1,75,000 today. Airtel Africa's CSR initiatives are oriented towards local priorities in the countries we operate in. Our initiatives in Africa are largely driven by our belief that our interventions in the areas of spreading digital awareness among youth and children, healthcare, youth empowerment can result in meaningful development and welfare in these countries.

The world is moving towards a digital future where telecommunication will play a pivotal role. As countries move further on their digital path, telecom companies will come across numerous opportunities to contribute towards enabling this journey. As a Company, we will continue to approach every opportunity with speed and proactive care for our customers, and ensure they continue to be at the heart of everything we do.

in #1

Sunil Bharti Mittal

Message from Managing Director & CEO

(India & South Asia)



Dear Shareholders,

The Financial Year 2018-19 was another eventful year for the telecom industry. In addition to the unprecedented consolidation, we saw a major shift in consumer behavior. The role of telecom companies is no longer restricted to just providing the "pipe" and the right price plan. It is now about creating an ecosystem of digital services (music, content, payments and much more) and leveraging data, network, and distribution assets to deliver these services. Airtel has been at the forefront of this industry transformation from both lenses - digital innovation as well as strengthening our core connectivity proposition.

As part of digital innovation - we launched '#airtelThanks', a first of its kind rewards program for our premium customers. It offers a host of exclusive benefits such as premium content, handset protection, gift cards etc. This program has been at the heart of our upgrade strategy and has been powered by our partnerships with leading brands across the globe. We further strengthened our own digital assets - 'Airtel TV' & 'Wynk Music' and launched 'Airtel Books' with more than 70,000 e-books from leading publications. All of these programs are backed by a 360 degree view of our customers - enabled by our Innovation Lab (X Labs), which dedicatedly focuses on next-gen technologies and harnesses power of our data.

In parallel, we continue to strengthen our core connectivity offering with differentiated focus on 4G. More than 15,000 new towers and 120,000 mobile broadband base-stations were deployed last year to expand our 4G footprint and fulfill capacity requirements. Airtel has been recognized as the fastest network by independent global agencies for 3 quarters in a row. Further, to improve indoor coverage, we are re-farming 900 band for LTE across 10 circles. We have also launched our VoLTE services across India, to help enhance voice quality.

As we look ahead, we continue to remain excited about the massive opportunity in India. With only three private operators serving 1.3 Billion people and significant 4G penetration upside, the industry is poised for sustained long term growth. Airtel is well positioned to serve this growth. Even in the most turbulent times, we have held our market share. We have a simple strategy – go after quality customers and offer them a brilliant network experience.

Quality Customers – We will leverage '#airtelThanks' to build greater value for our customers and offer differentiated services (content, financial services and network experience) to our premium customers. This will be the key to our premiumisation strategy and will help drive up ARPU. On the non-wireless front, we will focus on serving the digital needs of a Home and aspire to take a decisive lead in convergence and triple play across content, speed and mobile. In B2B, we will focus disproportionately on growing our core connectivity business and at the same time build new products/verticals including Security, Data Centers and Cloud.

Brilliant Network Experience – We remain obsessed with network quality and have shifted our focus from Speed to Experience. Instead of Speed, we are focusing on solving for the right use cases for our customer segments – be it Gaming, Video or Payments. In line with our strategy to focus on quality customers, we will build capacity only where it matters. We will deploy smart, low cost equipment to densify our network and sweat the existing spectrum. Simultaneously, we will build a solid back haul through the massive investments that have already been made.

This strategy would be enabled through five key anchors:

Services at scale: We will continue to grow our digital services (Airtel TV, Wynk, Books, Payments etc.) and combine them into a single consumer app that enables sampling of these services - '#airtelThanks'. We will use our deep customer understanding and data to drive adoption and distribute it through 'Mitra' (our offline sales system app). **Micro-marketing:** We will continue to de-average our business at District/Tehsil level to take focused offline GTM actions. We will simultaneously grow the online channel by simplifying our product flows and integrating with third party platforms.

Simplify: Our goal is to raise the bar on customer experience by being an open, highly responsive and transparent telco for our customers. We will achieve this by brutally simplifying our business and processes.

War on Waste: We will deploy smartly in key districts, adopt disruptive solutions and share infrastructure.

Partnerships: This is core to Airtel culture – we aspire to be the best partner in the ecosystem. We will invest in building a digital layer to enable easy and quick integration and drive mutual growth with partners.

Finally, and most importantly – our People. We are committed to ensuring growth of our talent. We have simplified our organization structure to offer large and meaningful roles to all employees. We have invested heavily in Digital talent including Product, Engineering and Data Science. We are institutionalizing agile ways of working at Airtel, given that this will be key to success in the new telecom age. Going forward the war for relevance will be fought through the lens of war for talent. Attracting the best people and retaining them will be ever more important.

As an organization, we continue to be committed to sustainable and inclusive growth. Our Integrated Report spells out our initiatives for environment sustainability and community development. Bharti Foundation has been doing remarkable work to spread awareness about education and empowerment of girl child.

As we move ahead, I would like to thank our customers, our people, our partners and our shareholders for their support and faith in us. We seek your continued guidance in our journey.

Gopal Vittal

Message from CEO (Africa)



Message from Managing Director & CEO

Dear Shareholders,

Airtel Africa continued on its growth trajectory in 2018/19. This was achieved through a continued focus on distribution excellence, ensuring excellent overall network quality and enabling existing customers to garner more benefits from our network. We added 9.6 Mn customers, taking the total base to 98.9 Mn. Airtel Africa's revenue growth of 12% (constant currency), was primarily driven by mobile data and Airtel Money. Airtel Africa continued to improve its EBITDA margin, up 4%, highlighting our investments in efficient operations and cost management in recent years. All services - Voice, Data and Airtel Money have seen a significant increase in usage across the customer base.

Airtel Money continues to increase financial inclusion in the countries in which we operate, providing customers with mobile money service that are accessible 24 hours a day, 7 days a week through their mobile devices. In order to support and strengthen the infrastructure and coverage required to enable continued multi-channel growth of Airtel Money. We now have around 19,700 Airtel Money branches, kiosks and mini-shops and approximately 286,000 Airtel Money agents and we have a robust SIM activating outlets channel, enabling strong customer growth and cross-selling through brand recognition across all 14 countries.

There is ongoing investment in network expansion to improve coverage, quality and support the growing demand for data. We increased the number of new 4G sites by 7,182 taking the total number to 9,297. In addition, we added 2,701 new 3G sites, taking the total number to 16,426 and 1,433 new 2G sites, taking the total number to 21,059. During the year we launched 4G in Nigeria, Chad and Congo B, this means that we now have 4G in 11 out of our 14 operations. Over the period, smartphone penetration rose in all of our 14 markets. Airtel Africa continued to remain focused on delivering the right cost model, by working on continuously improving its operating model across various activities. Some of the key initiatives which resulted into significant savings were, redesign of the managed service model across the markets, energy optimization, bandwidth remodelling to get greater capacity at a better cost and restructuring the IT organization.

Airtel Africa continued to invest in the hiring and development of talent with senior hires at the Group HQ as well as in the markets. In addition, the roll-out of the new IT Target Operating Model has led to the creation of new specialist roles at the Africa Development Centre.

Airtel Africa is committed to supporting the communities in the areas where it operates. In addition to the ongoing initiatives around education, health and the development of youth, it also stepped up to assist the flood victims in Malawi and of the Cholera outbreak in Zambia. The Company also provided environmentally friendly boreholes to communities in Nigeria and free digital education for children in Madagascar, amongst other initiatives.

Airtel Africa is satisfied with the progress in 2018/19 and is enthusiastic about the opportunities for 2019/20. We have the right talent, in the right positions, to deliver on our commitment to grow the number of subscribers and revenue. We will continue to invest in our network and operations to ensure that our customers truly benefit from the potential that mobile communications and financial inclusion can offer.

Regards,

Haphunath

Raghunath Mandava

"We now have around 19,700 Airtel Money branches, kiosks and mini-shops and approximately 286,000 Airtel Money agents and we have a robust SIM activating outlets channel, enabling strong customer growth and crossselling through brand recognition across all 14 countries."



#airtelThanks An Industry First Exclusive Rewards Program

Airtel completed 23 years of serving the Indian market this year. This long and fruitful journey has not been possible without our customers. To convey our gratitude to the impeccable trust our customers have placed in us, we launched #airtelThanks. Since the start of its journey, Airtel has been obsessed with one single focus - delighting customers and providing them a differentiated experience. #airtelThanks is the biggest initiative to celebrate our relationships with customers by making them feel extra special. Equally, it offers the opportunity to reach customers with highly targeted offerings, rendering this program a win-win for our customers and partners.

"We are truly very excited about building #airtelThanks into a large scale 'telco-brand' collaboration property."

#airtelThonks



Celebrating our relationship with our customers under the aegis of **#airtelThanks**

Backed by an ecosystem of online & offline partners enabling compelling rewards for our customers

Digitally on-boarded rewards program housing **130 Mn+** customers

Forms the bedrock of our vision to become an OPEN TELCO

#airtelThanks packs benefits and rewards ranging from access to great content on Airtel TV, Wynk, Amazon Prime and Netflix to exciting offers viz. device cashback, device protection, insurance.

This ensures singular focus on catering to the needs of quality customers, which is at the heart of Airtel's strategy. It focuses to add more value to our customers and provide a differentiated experience, using technology and data as the backbone of the product. The program is segregated into three parts and the benefits vary based on the tier customers to which they belong.

With diverse customer benefits available at each tier, the program also affords an ability to excite customers to climb up the tier ladder and create long term customer value by increased loyalty and stickiness to the network.

- Silver (Basic but superhit): This tier customers get access to basic content like Airtel TV and Wynk.
- Gold (A cut above): In addition to Silver tier benefits, they get access to Airtel TV premium, Shaw academy, amazon prime and the handset protection insurance.
- Platinum (Peak of perks): The highest tier and customers will get VIP service from Airtel, premium content, amazon prime, ebooks, device protection, exclusive invites, and priority access to events and sales.



Salient Features of #airtelThanks

Differentiated & exclusive experiences delivered consistently

Airtel has built the #airtelThanks on deep technology and incredible partnerships. The program is focused on delivering highly differentiated experiences that are tailored to the customers' needs. Customer base is segmented and targeted by ensuring VIP services to the high-value customers. These experiences accompanied with the ample daily data quota truly unlocks the smartphone experience on a worldclass mobile network.

Offering Tangible Value & New Propositions

While fulfilling our customers' telco needs lies at the core of what we do, we continue to strive to offer much more. Under #airtelThanks customers now have access to special bundles offering tangible value beyond telco:



Life Insurance – Airtel, in partnership with HDFC life, announced ₹4 Lakh Term Life Insurance to drive financial inclusion in India – a first for any telco across the world.

prime video

Amazon Prime Membership – A **2**. 1 first of its kind partnership in India which enables customers to enjoy exclusive Amazon Prime benefits for the duration of their prepaid pack. Smartphone customers recharging with the pack will get access to all Amazon Prime benefits that include the best of entertainment and shopping: Prime Video, Prime Music, Prime Reading and unlimited free fast shipping on millions of items along with early and exclusive access to deals on Amazon in



 Other benefits such as content from Zee5 and Netflix, regional content companies, access to books etc.

Stronger Postpaid Value to our Customers

For many customers across the country, Airtel has become an integral part of not just their lives but also of their family. We value this deeply and further to enhance bond, as part of #airtelThanks, we strengthened the value residing in the postpaid family plans. It was also ensured that value discovery in the plan upgrade and plan change journeys are simple for the end customer.

Building Ecosystem of Partners

One of the key technological investments that Airtel made was the creation of a content provisioning platform that could provide millions of telco customers access to premium content from providers such as Amazon Prime, Netflix, Zee5 and Airtel TV Premium. In line with our philosophy of being an "Open Telco", we partnered with a multitude of OTT providers to curate and offer products that cater to Airtel's user base, such as:

- Long-term Prime subscription product for postpaid and broadband users
- A limited period with multi-extension capability of Prime subscription for our prepaid users
- L Netflix gift worth ₹ 1500
- ⊒ ZEE5 premium subscription
- Norton mobile security

prime video

NETFLIX

Airtel focuses on achieving an open telco platform with the partnership principles based on T.E.A.M. (Transparent commercials, Ease of integration on our platform, Accelerated adoption of partner propositions and Mutual Growth).

NETFLIX

A single, one-Airtel view of the customer

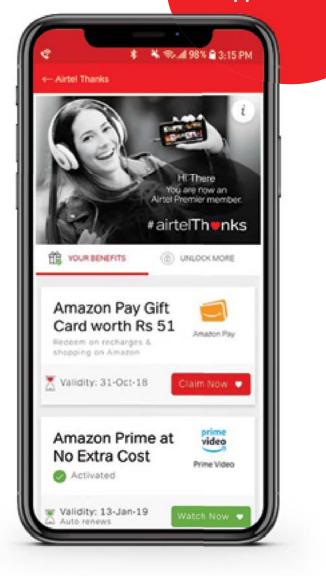
#airtelThanks targets to generate curiosity and create word of mouth by offering its users experiences that money can't buy. Surprises badges and personalized offers are among the few that pop-up from time to time basis events & usage behavior. Gamification of surprises and rewards has been done to drive customer delight and engagement.

Bringing Tiers to Life on #airtelThanks App

myAirtel App was rechristened as #airtelThanks App to help users choose, access and navigate through their benefits in a very simple and user-friendly manner. The app uses strong data-science and segmentation algorithms to customize the user experiences, based on user interests and profiles.

While conceptualizing the product and architecting engineering systems to enable the program at the required scale was challenging, it was a strong handshake between multiple teams across marketing, brand, retail, customer support, and operations verticals that ensured a seamless, consistent experience across all touchpoints.

#airtelThanks App



Airtel X Labs Innovating New Age Digital Experiences!

At Airtel X Labs, our work has been fundamentally transforming the way people communicate and the way businesses operate. Since our early days in the mobile era, Airtel has worked relentlessly to break down communication barriers and deliver solutions that truly enrich the lives of our customers. This, indeed, has been at the core of our attempts at creating the future of digital experiences.

Today, we generate

100's of trillions of records

annually from calls, network, apps, IoT devices, phones, GPS and more. Very few entities in India, or globally, come even within the lower orders of magnitude of this volume of data. The data is protected under "Bharti Airtel Information Privacy Policy (BIPP)" which is in alignment with the Information Technology (IT) Rules 2011 and best practices of GDPR regulation.

The approach to solving critical business problems for Airtel is similar to creating a 3-layered cake. We need to understand, measure and maximize personalization for every customer; and engage them in an OmniChannel environment with recommended services and offers. To maximize customer engagement and happiness and to minimize churn, we continuously optimize our Intelligent network. Multiple teams such as Growth, Product Engineering, Data Intelligence, IoT and Experience Design work closely with Product Management and Product Engineering to develop world class products that entertain and inform. connect devices to the internet, enable businesses to securely harness the power of their data, and there helps one keep pace with the rapidly progressing world.



The **Growth** team at Airtel X Labs drives user retention, acquisitions, and revenue by optimizing Airtel's products and inventing high-impact marketing channels. For example, the growth team built the Airtel Online Store to enable customers to buy premium devices with instant credit verification and approval, and secure plans – all with a few clicks.



The **Digital Intelligence** team

works across the company to process high volumes of data, create microtargeting marketing campaigns, improve personalization and optimization, ensure revenue, and generate reporting and analytics. The platform triggers insights from activities of 400+ million customers.

R P

At its core, the **Product** team ensures that Airtel retains its competitive edge in a rapidly-evolving digital landscape. From customer experience and online experience to data services and incubations, the team's focus is to innovate, personalize and differentiate the Airtel experience by making it future forward. This team forms the basis of all innovations in design and experience –across products such as My Airtel App, Wynk, Airtel Payments Bank et. al.

In addition to building products, Airtel X Labs is focused on improving connectivity through **IoT**. This team spans automotive automation, movable assets, smart energy and smart cities.

Wynk is not merely a company, but is an inspired, passionate, curious and empathetic group of people that wants to push the boundaries of technology for the greatest cause they pursue-entertainment. Ranked consistently as the top music app across play-stores in India, Wynk platform carries 6 million songs in 14 languages. It has a highly engaged user base; an average user spends 450 minutes on the app every month.

The core of success at X Labs is our people. We have a strong group of product gurus, engineers, data scientists, experience/ interface designers and industry experts from around the world. Our team members have previously worked at Facebook, Microsoft, Amazon, Flipkart, Walmart Labs, Nokia, and startups in India and abroad. They are graduates of leading global institutions – Indian Institute of Technology, Indian Institute of Science, Indian Statistical Institute, Massachusetts Institute of Technology, and the Wharton School at the University of Pennsylvania, to name a few. Such a varied, skilled and expansive group helps us further in developing a bouquet of truly unique, and exciting digital products and services that resonates with our customers and brings them closer to new age digital experiences.

Board of Directors



Mr. Sunil Bharti Mittal Chairman



Ms. Chua Sock Koong Non-Executive Director





Mr. Craig Edward Ehrlich Independent Director



Mr. D. K. Mittal Independent Director



Mr. Gopal Vittal MD & CEO (India & South Asia)



Ms. Kimsuka Narasimhan Independent Director



Chairman	Member	Committees
		Audit Committee
		Risk Management Committee
		HR & Nomination Committee
		Stakeholders' Relationship Committee
		CSR Committee
		Committee of Directors



Mr. Manish Kejriwal Independent Director



Mr. Rakesh Bharti Mittal Non-Executive Director





Mr. Shishir Priyadarshi Independent Director



Ms. Tan Yong Choo Non-Executive Director



Mr. V. K. Viswanathan Independent Director



Risk **Management**

At Bharti Airtel, we have thrived globally by building a culture of innovation and high performance. Exploring potential markets, adapting new technologies, entering strategic partnerships and launching new product offerings open up new possibilities but bring along with them potential risks and uncertainties.

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

At the Board Governance level,

the Risk Management Framework is evaluated frequently by the Company's Risk Management Committee. An annual evaluation is also done by the Board of Directors. These apex reviews include: discussions on the management submissions on risks, Identifying crucial risks and approving relevant action plans to mitigate such risks on priority. The responsibility of assisting the Risk Management Committee on independent basis lies with the Internal Audit function armed with full status of risk assessments and management. Acquiring frequent updates on certain identified risks, depending upon the nature, quantum and the likely impact on the business is also the Risk Management Committee's job.

At the Management level, the

respective CEOs for the Management Boards (AMB and Africa Exco) are responsible for managing risks across their respective businesses, viz., India & South Asia, and Africa. The strategic risk registers capture the risks identified by the operating teams (Circles or Operating Companies) as well as the functional leadership teams at the national level. The AMB / Africa Exco ensure that the environment – both external and internal – is scanned for all possible risks. Internal Audit reports are also considered for the identification of key risks.

At the Operating level, the Executive Committees (EC) of Circles in India and Operating Companies in the international operations are entrusted with responsibilities of managing the risks at the ground level. Every EC has local representation from all functions, including many centrally driven functions like Finance, SCM, Legal & Regulatory besides customer facing functions, such as Customer Service, Sales & Distribution and Networks It is the responsibility of the Circle CEO or Country MD to pull together various functions and partners to manage the risks. They are also responsible for identification of risks, and escalating it to the Centre for agreeing mitigation plans. Operating level risk assessments have been concluded at Function / OpCo risk assessment and mitigation plans agreed and kicked off.

Risk identification process



The key risks that may impact the Company are:

	Nature of risk	Business division impact	Risk definition	Outlook from last year
1	Regulatory and Political uncertainties	Legal & Compliance	Volatile and uncertainty in macro- environment with geo-political tensions in India, Sri Lanka and 14 African countries	Stable (
2	Economic uncertainties	Operational	Business operations might be impacted with instability in economies in our countries of operations with factors like inflation, interest rates, capital controls and currency fluctuations	Stable
3	Poor network infrastructure	Operational	Risks in network infrastructure cost due to technical failures, human errors and natural disasters. Dynamic changes in IT landscape require constant up-gradation of technologies.	Stable (

Risk Management

	Nature of risk	Business division impact	Risk definition	Outlook from last year
4	Customer lifecycle management	Operational	Unprecedented disruption and unfair pricing may lead to competition and may lead to erosion of revenue with loss of customers. Further the evolving customer expectations in terms of quality, variety, features and pricing pose threat to business sustainability.	Stable
5	Data loss prevention	Operational	Risk of data loss can lead to accidental exposure of confidential information across all endpoint devices.	Stable
6	Operating expenses	Operational / Strategic	Increase in business operating expenses (new sites rollouts, capacity) and/or rate increases (inflation, Fx impacts, wage hikes, energy etc.).	Stable
7	Network experience	Strategic	Telecom companies are required to invest in innovation to match with changes in industrial landscape to provide high quality customer experience and meet the increased customer demand for a stronger and better network connectivity	Stable
8	Internal control and processes	Operational	Any gaps in internal controls and / or process compliances not only lead to wastages, frauds and losses, but can also adversely impact the Airtel brand.	Stable
9	Digitization and Innovations	Strategic	Rapid technology evolution may impact the business functionality and lead to slowdown in business.	Emerging
10	Climate change	Strategic	Increasing carbon footprint is a serious concern which raises questions on business credibility and sustenance in the long-term	Emerging

Integrated Strategy for Value Creation





Manufactured Capital



Intellectual Capital



Social & Relationship Capital

Human Capital



Natural Capital

Materiality Assessment

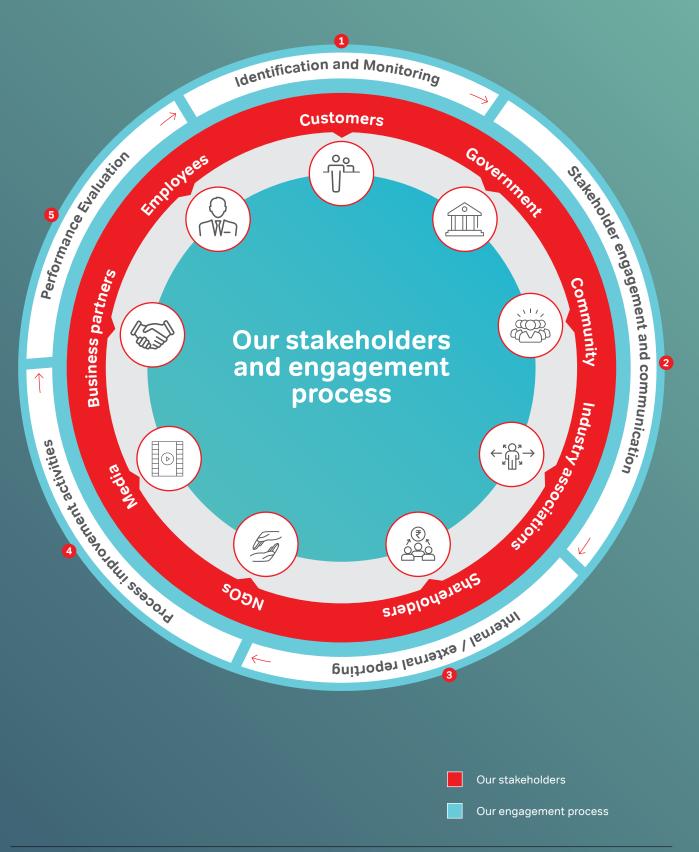
As one of the leading global telecom players, we believe our services empower millions of people connect everyday helping build a sustainable and inclusive eco-system. Our strategic business model focuses on what matters most to our stakeholders thereby enriching lives and creating long-term value

Every two years, Airtel conducts a materiality assessment in accordance with GRI Standards and guided by Account Ability's AA1000 Principles Standard (2018). In 2017-18, we, at Airtel, revalidated our material topics through a detailed stakeholder engagement to evaluate the key expectations of our stakeholders, as well as the risks identified through our risk management process. Materiality was considered in the context of global trends, the UN Sustainable Development Goals and our overall corporate strategy. While this aided the revision of our Sustainability strategy, it also enabled further engagement with stakeholders, review of industry best practices, benchmarking of our own performance and an evaluation of our key risks and opportunities.

We conduct a detailed stakeholder survey to identify and prioritize the material issues / sustainable concerns. The identified material issues were then prioritized based on topics of relevance to our stakeholders as well as to the management, which are listed below.

- Enhancing Customer experience and satisfaction
- Climate change and Carbon emissions of telecom infrastructure
- Sustainable Community Development
- Enhancing Network quality (reliability and availability)
- ► Product and Service quality
- Customer Data protection and security
- Ethical and transparent business transactions

- Resource optimization and waste management
- High standards of Corporate Governance
- Improving Employee engagement and development
- Digital inclusion and access
- Collaborative long term supplier/ partner relationships
- Digitization and innovative service offerings



Our Business and Value Creation Model

Source	Inputs	Outputs
Financial Capital Our prudent management of finances and diligent allocation of funds helps capitalize long-term opportunities and ensure sustainable financial growth.	 ₹ 983,593 Mn Equity ₹ 835,910 Mn Net Debt 	 282.6 Mn Mobile customers 299,987 4G sites Over 80% increase in 4G data
Intellectual Capital Our procedures, governance, knowledge, technologies and experience of top management supports our focus on new product launches to enhance customer experience and drive long-term sustainability.	 Digital talent base Strategic partnerships Innovative digital channels Powerful brand campaigns 	Win the 4G game decisively We are focused on Quality customers. We provide differentiated
Human Capital Less We strive to build an inspiring work culture with collaborative team efforts that are directed towards achieving strategic business goals.	 14,818 Employees on roll 56,000+ Contractual Employees ₹67.5 Mn spent on all trainings ~25% Employees under the age of 30 	services and build greater value for them through #airtelThanks.
Manufactured Capital We are committed to increase the investments in building our network infrastructure to enrich customer experience and expand the user base across businesses.	 181,079 Mobile Network Towers 417,613 Mobile Broadband Base Stations 280,534 Rkms Optic Fibre Network Highest ever Home Passes deployed 7 Submarine Cable Systems 65 Global Points of Presence 	Brilliant Network We are obsessed with Network Quality. We invest in cutting edge infrastructure and
Social & Relationship Capital Doing business responsibly is fundamental to our business objectives and we work to create meaningful economic and social value for a wider stakeholder community.	 ₹ 495.65 Mn spent on social activities 4,700+ Suppliers 1.09+ Mn Retailers 13,500+ Channel Partners 180,000+ Shareholders 302+ Mn Customers (total) 	 automation tools to provide best experience to our customers. 15,331 new network towers installed Data Traffic 11,733 Bn MBs (Mobile)
In our pursuit towards excellence, we remain vigilant towards usage of natural resources and be responsible towards reducing the impact on apvironment	 735,796.39 Mwh of electricity consumed at our own operations 15,075.33 KL of diesel consumed at our own operations 	 2,109.7 Bn MBs (Homes) Minutes on Network 3,282.8 Bn MBs (Gross)

impact on environment.

	Outcomes
 Wynk Music, Airtel TV, #airtelThanks and Airtel Books 130+ Mn Wynk Music downloads 100+ Mn Airtel TV downloads > 1.2 Bn Avg. minutes streamed monthly on Airtel TV 130+ Mn #airtelThanks customers 	 25.87% EBITDA margin ₹ (18,290) Mn Profit after tax ₹ 1,330,734 Mn Market Capitalisation (BSE) ₹ 238,401 Mn Paid to exchequer 1.71% Return on Capital Employed ₹ 19,988 Mn Total dividend paid (including interim)
Build new revenues We are strengthening our non-Mobile verticals (Broadband, Digital TV, Airtel Business) and building new ones (Wynk,	 ₹ 880,620 Mn Intangible assets and goodwill Industry first rewards program launched with #airtelThanks Airtel X Labs, our inhouse platform helps trigger insights from millions of customers to drive revenues ~240,846¹ Training hours (total) 4.2 Employee engagement score (out of 5)
Airtel TV, Books). Win with war on waste We are continuously identifying ways to simplify	 ₹ 3+ Mn Gross revenue per employee per month ~77% succession rate for middle and top leve management Mobile Services: 95.3% Population Coverage India's Fastest Mobile Network² Homes Services: 93 Cities covered 639 Districts covered
illars illereduce our business – not just to reduce our Opex, but to also leave a positive impact on the environment. E Over 4,168 Tonnes	Airtel Business: ■ Winner - Best Wholesale Carrier (Global) and Best Wholesale Business Transformation ³ ■ ₹ 788,981 Mn paid to suppliers ■ 5 Investor complaints ■ Enriching customer experience Impact (cumulative) through programs of Bharti Foundation:
Win with People of e-waste recycled We are committed to Smart deployment in nsuring growth of our key districts, adoption of talent. We offer large disruptive solutions and and meaningful roles to sharing of infrastructure eavily in Digital talent. -34 years Average age of employees 8.8% female employees	 2+ Mn Community members 4+ Lakhs Students 2500+ Schools 16.82% increase in deployment of renewable energy in our own operations from FY 2014-15 59,772 green sites (sites having less than 100L of diesel consumption in a quarter) 5,979.45 Tonnes of waste recycled 71% reduction in network emission intensity for
xcluding mandatory trainings. y Ookla Speedtest Awards for Q1-Q2 and Q3-Q4 of 2018 -19. t Carriers World Awards 2018.	 mobile (carbon emissions per terabyte) from FY 2017-18 10,147.78 KL diesel saved since 2015-16 in our own mobile network infrastructure

Build new revenu

Strategic business pillars

Financial Capital

To create sustainable value for all stakeholders, we, at Airtel manage our financial capital in an astute, optimum and diligent manner, thereby harnessing opportunities for long-term value creation.



Source

Financial capital (includes shareholders' equity and debt) is a critical input in executing our business activities and in generating, accessing and deploying other forms of capital.

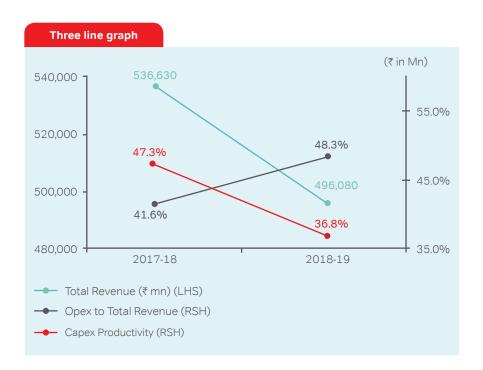
Inputs

Our financial strength is based on the primary sources of financial capital such as shareholders equity, internally generated cash flows and debt raised from capital market. These resources serve us to maintain our network, functional units, fund expansion and modernization & pay dividends to our shareholders. The components of the debt portfolio are determined by the Company's senior management in a manner which enables the Company to achieve an optimum debt-mix basis its overall objectives and future market expectations.

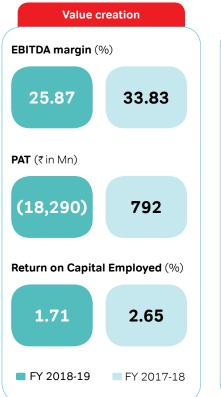
Bharti's three line graph – Key enabler for driving value creation

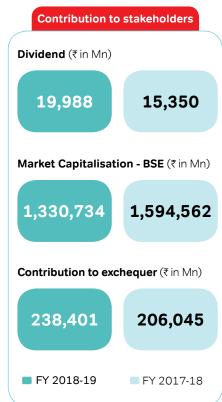
At the core of the value creation process is Bharti's three line graph which measures:





Outcomes





Intellectual Capital

In an evolving industry, our intellectual capital, comprising of our skilled & experienced team, technologies, processes & systems and most of all the innate command of our brand – keeps us a step ahead. Our innovations, new-age product offerings and seamless accessibility help us deliver superior consumer experience.

Brand Affinity

Being an innovator at heart, Brand 'Airtel' has always stood for providing excellent performance and experience to its customers. That we have the superior confidence on our delivery while being brutally honest was displayed via our campaign **"Sab Kuch Try Karo, Phir Sahi Chuno"**.

We further strengthened our customer connect with #airtelThanks - an industry first rewards program, bringing a host of rewards for our consumers.

Our customer obsession paid off when the brand achieved its highest-ever scores[#] on key brand metrics of Saliency and Consideration. Bold & Audacious: With path-breaking campaigns like Open network & Postpaid promise, our communication has always been about building transparency and trust with our consumers.

Pioneer: We have always been a company of "many firsts" like 1st 4G, 1st open network, 1st payments bank, 1st rewards program in the industry. Finding innovative solutions to real customer problems keeps us running.

Aspirational. Youthful. Energetic:

With its youthful and energetic imagery, Airtel has always positioned itself as an Aspirational brand.

Salience

10.1% Y-o-Y increase as per March 2019 exit scores

Consideration

6.0% Y-o-Y increase as per March 2019 exit scores

*Data collected by Market Research agency - Ipsos Research Private Limited

Advancing digital innovation

Airtel X Labs

Since inception, Airtel has focused on breaking communication barriers with a passion to enrich lives of customers. At Airtel X Labs, a team of highly experienced individuals processes 100s of trillions of records that get generated from calls, network, apps, IoT devices, phones, GPS and more to deliver innovative solutions across a spectrum of consumer, business and business partners. The data is protected under "Bharti Airtel Information Privacy Policy (BIPP)" which is in alignment with the Information Technology (IT) Rules 2011 and best practices of GDPR regulation.

#airtelThanks

An industry first offering, #airtelThanks is a structured rewards program launched in FY 2018-19, that is designed to deliver exclusive benefits and rewards to Airtel Mobile customers. A unique loyalty platform, that feeds on real-time events in a customer's lifecycle. Airtel has built this platform on two fundamental innovations - customer 360° view and partnerships. The analytics of the platform runs real time mapped to each customer profile backed with an Open API that is tied to partnership with 3rd party service provider for any provisional billing. The platform is integrated with a scalable model of own subscription engine and provisional billing engine for prompt activation of any service.

eCAF - Background Uniformity and Whiteness Detection application

A robust and dynamic software tool built to process Customer Application Form (CAF) faster, while meeting all regulatory requirements. The eCAF tool enables processing of photographs of client using complex algorithms like Face Detection, Contour Detection and Whiteness Detection, to ensure only genuine images are allowed.

Optical Character Recognition (OCR)

Our development of OCR has helped process KYC data from an image within 350 milliseconds (0.35 seconds) with more than 95% accuracy. The tool helps scan data from multiple KYC documents like Aadhaar, Pan Card and Voter ID. We submitted our OCR technology in the International Conference on Document Analysis and Recognition (ICDAR) competition where we were ranked 6th globally.

~95%

Accuracy to read data imaging from KYC documents

Chatbot and Voicebot

An automated redressal tool, chatbot and voicebot help resolve queries on self-service mode covering issues ranging from account activation, new products and services and more. The intelligent tool is embedded with fully functional speech to text model with Hinglish (commonly spoken form of Hindi with English embedded words) with extremely high accuracy rate. This has helped customers avoid waiting on call to speak to customer care representative with quicker resolution to their queries.

Internet of Things (IoT)

Connectivity is the future of communication across platforms with IoT playing a crucial role. Airtel is a trusted IoT connectivity provider offering Connectivity Management Platform (CMP) enabling millions of customers to stay connected. The home-grown CMP platform is purpose built and scalable using latest technologies and micro services architecture. In addition, IoT team is offering Device Management & Application Enablement Platform to build various E2E IoT solutions.

Artificial Intelligence and Machine Learning

The digital team at Airtel has adapted modern day machine learning mechanism to engage the customers in a OmniChannel environment understanding, measuring and maximizing their requirements. The Digital Intelligence team of scientists and data engineers works to create micro-targeting approach to improve the element of personalization for each Airtel customer.

My Circle App

An innovative, user-friendly and carrier agnostic safety app, My Circle was launched in partnership with the Federation of Indian Chambers of Commerce and Industry (FICCI) Ladies Organization. An app designed to empower women in any distress or panic situation, it sends an SOS alert with user's location over SMS to specific contacts with compatibility in 13 different languages.

An inspiring workforce

Our people are the foundation of our success. We continue to attract, grow and retain a talented, skilled and diverse workforce, driven by a culture of digital innovation and strong ethics. Our team comprises of experts from Fortune 500 companies and leading tech companies with education from the top technology colleges in the country and abroad. We are committed to build an environment that enables our employees to flourish, fostering a sense of trust and responsibility towards organizational goals.



Human Capital

We, at Airtel, believe that our people are our key differentiators. Embedding a culture of organisational agility and collaborative team efforts, we have strengthened our people agenda to create a harmonious environment fostering a culture of innovation, pride and trust.

14,818 Total number of employees

~25% Employees under the age of 30

~34 years Average age of our employees

₹3+ Mn Gross revenue per employee per month

4.2 Employee engagement score (out of 5)

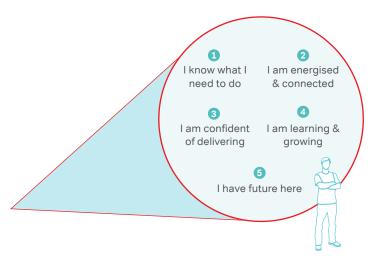
₹67.5 Mn Total spend on all trainings

16.82 Hours Total training per employee

Creating a talent pool

Emerging as one of the largest telecom provider in the world is no mean feat. But our dynamic and vivacious talent pool has ensured that Airtel continues to steadfastly climb up the ranks. And here we are today, standing at the zenith of success, leading with more than 400 million customers, globally.

We trust in the magic of transformational experiences. Through our overarching strategy of 'Win With People' we have endeavoured to create a philosophy that seeks to sustain a growth that is symbiotic in nature. We have built an eco-system that helps create an impact across **five people pillars** at Airtel.



Human Capital

Under the ambit of human resource objectives, Airtel recognises the importance of enabling its employees to grasp concepts, master skills and ultimately blossom into future leaders. The digital platforms therefore ensure that the employees progress dynamically to sustain their career growth.

Master of craft

We acknowledge the importance of learning and educational initiatives. At Airtel, we believe in curating modern and futuristic education solutions. These measures in turn facilitate the employees to achieve higher and distinguished levels of functional proficiency thereby influencing organisational performance.

Building a digital learning culture

At Airtel, we believe that if a learning culture comes first, performance will follow. In the wake of modernism seeping into the essence of business organisations, we believe that an environment promoting learning and development becomes crucial for the Company's overall performance. We reckon that having incorporated a comprehensive learning eco-system, we have effectively put into motion, a winning strategy that correlates to the performance of our business and aids us to effectively set future goals in the process.

As a responsible and future-driven organization, Airtel has incorporated digital initiatives that create an impact throughout the lifecycle of the employee working with us.

Decoding Telecom Network

We believe in building the functional efficiencies of our employees and enhancing their understanding of the various network verticals at Airtel. For employees to solve on-ground customer problems effectively, this program seeks to teach them the insights of network and comprehend the impact of various technologies.

This enhanced understanding helps the teams to troubleshoot better on the ground, which results in faster query and complaint resolution, reduction in customer calls and enhanced customer satisfaction.

Holistic trainings

At Airtel we take a holistic approach to workforce development with an integrated approach that factors all the development aspects like Functional, Behavioural and Leadership.

Functional Training

At Airtel, we prioritise our employees and strive to endow them with the required skills and capacities to generate functional efficiency. Our functional training program includes induction, functional knowledge and skills by incorporating a customer-centric mindset to keep pace with changing times.

177,070 Training hours

3,000 Training interventions

Behavioural Training

We recognise the importance of behavioural training and have been able to include it within our allencompassing strategy of building a learning culture. The program includes modules of collaborative relationships, problem-solving, design thinking and communication.

24,635 Training hours

270 Training interventions

Leadership Training

Our leadership training program is designed to focus on mentoring and building future leaders with communication, self-awareness, resilience and agility as focus areas. The program provides insights on effective learning for higher management levels covering employees at managerial levels.

39,140 Training hours

178 Training interventions



Digital learning platforms

As an organisation en route to its digital metamorphosis, it becomes significant for us to adhere to digital learning platforms that are relevant and appropriate. With our agenda of providing every employee an opportunity to learn and grow, we have been successful in animating a culture that values learning.

₹21.6 Mn

Total amount invested in online training

12,633

Number of employees who took online training

161,641

Manhours of online training attended

At Airtel, we have created platforms that provide premium content quality, binding employees in a chain of learning, development and knowledge sharing. Some of the platforms we currently host are:

iLearn

ILEARN

At Airtel we sought to redefine and rejuvenate processes and procedures by which our employees think, operate and collaborate in alignment with radical changes at industry level. With an aim to fulfil the criteria of skills and knowledge, we conducted a mixed bag of functional, behavioural and leadership trainings throughout the year. Our guiding principles for learning and development are:

Digital to be the primary medium for learning

Clarity of ownership: functions to coown Learning Agenda

 Equipping employees to own their development: Providing clarity on learning offerings

Maximizing impact through Leader - led trainings

129,229 Training hours

Airtel 101

With the purpose of enhancing the functional knowledge of our employees, we launched this mobile app for all our employees who are presented with courses in the form of byte sized units.

107,131

Training hours

Coursera

Provides employees an opportunity to learn and receive certifications from international universities strongly integrated to our learning strategy. The platform is open to all B1 employees and above on a self-nomination basis.

3,887 Training hours

Pluralsight

₽

Imparts knowledge on the latest technology and innovation with online video training courses for select employees in Airtel X Labs and network on nomination basis.

~600 Training hours 303

Courses done



New initiatives undertaken in FY 2018-19

- Launch of New Induction Platform – Centum Learning
- 🛓 Launch of Learning Menu Card
- Launch of Common Leadership Academies
- Movement of Learning Data to Microsoft Business Intelligence
- Launch of new & improved version of Airtel 101 App

Learnings across employee life cycle

	Platforms
Joining & Induction	Induction Platform iLearn Function specific on job training
Goal setting	iLearn
Performance on the job	Workshop iLearn Airtel 101 Career App
Next-role readiness	Online courses Insight+ Coaching

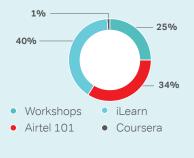
~240,846* Total training hours

3,400+ 93%

Unique courses

23% Learning coverage

Quantum of learning



*Excluding mandatory trainings

Human Capital

Leadership Development

At Airtel, the quest for maintaining organisational viability and effectiveness is never-ending. We believe that the right work culture includes the values of not just learning but also leading by example. With programs under the pillar of leadership, guiding us forward in our journey, we aim to engender a work culture which shall signal the genesis of future leaders and consequently a business that will thrive on monumental success.

Airtel Leadership Academies

With an objective to provide a common framework for all functions related to leadership development, our leadership training activities are held to aid us in preparing and streamlining internal talent to push them forward for higher roles.

For inducting middle management individuals, meticulous procedures are adopted in order to shortlist the best of the talents. As of now, 98 individuals have been enlisted to undergo development in order to step onto higher roles.

For posts pertaining to top management, the formation of Executive Leadership Program is currently underway at the Airtel Leadership Academy. This program shall aim to groom future leaders featuring in select succession pipelines.

~77% Succession rate – Middle and top management

The programs for the different levels include:

0.....

mid-level roles

-> 0.....

Emerging Leaders Program (ELP) to groom talent for First Time **Manager Roles**

> Future Leaders Program (FLP) to groom talent for

Advanced Leaders Program (ALP) to groom talent for Functional

Head roles

C-Suite Leadership Program (XLP) to groom talent for **CEO roles**

Ascent 2.0

A passionate and lively team fosters trust, collaboration and generates higher levels of efficiency. With an aim to provide participants valuable insights about team building and alignment, the programs covered managers and sought to convey the formula for creating highly engaged and energized teams.

180 People managers covered

Hire Right

With a view to focus on recruitment techniques that are to be used during the selection process, this program was a one-day experiential program which incorporated the utility of recruitment tools and frameworks such as the 'STAR model', Competency based interviewing and Behavioural Event Interviewing (BEI) through role plays and group exercises.

366



Investing in our people, consistently!

At Airtel, we believe in providing employees with opportunities to grow and transform into leaders of tomorrow. We acknowledge the fact that growth and succession are important differentiators that segregates the gifted from the ordinary. With an extraordinarily talented workforce, we strive to create programs that aim at extracting and attracting top talent to strengthen our inventory of potential synergists.

Young Leaders Program

The Young Leaders Program is a 12-month structured program for young recruits from premiere B-schools. Established in 2001, the Program is aimed at creating a pool of business leaders for tomorrow, who are mentored under the direct ownership of Airtel Management Board. The Young Leaders get an opportunity to interact with senior leaders and learn from them. The program exposes Young Leaders to different aspects of the organization through various stints like Functional Stint, Cross-Functional Stint, Global Stint and Corporate Social Responsibility functions.

14

No. of campuses visited under Young Leaders Program

16

No. of campuses visited under Young Technical Leaders Program

49

Young Leaders (9 females) were recruited in FY 2018-19

78

Young Technical Leaders (16 females) were recruited in FY 2018-19

Benefit of the program:

It allows Airtel to enrich its human capital and generate a pool of talented employees who are ready to take up higher positions. No. of recruits who moved to a higher level post the training program:

94%

Young Leaders (48 out of 51) moved to the next level after one year program

82%

Young Technical Leaders (61 out of 74) moved to the next level after one year program

The program also facilitates higher retention as the recruits receive advanced training and advance faster in their career.

Building leaders of tomorrow

It is essential to analyse the achievements and efficiency of the top performers. At Airtel, we believe that the right cognitive aptitude, attitude and behaviour makes an individual stand out. We acknowledge the need of ramping up the career growth of employees who display potential to spearhead diverse functions of work. We at Airtel incorporate succession strategies to build the pipeline of prospective leaders, leveraged through learning and development opportunities. Under this, various contingencies are covered like global stints, exposure across different functional positions and places, action learning projects and guidance and support from senior leadership.

Talent calibration exercise

We seek to gauge the true potential and critical skill sets of our employees starting at the Vice President level and above with a thorough assessment. To simplify the process of identifying talent, a Succession Docket/Dossier is prepared and maintained on a biannual basis, which is a repository of information related to the incumbents.

We believe in the power of oneness and togetherness. At Airtel, employee engagement remains one of the most important aspects of our 'Win With People' strategy. We seek to inculcate an engaged and responsive workforce that is committed, devoted and fiercely loyal to Airtel.

Airtel X Labs

Creation of Airtel X Labs as the digital brand for Airtel is to attract digital talent for Airtel. We created employervalue proposition for Airtel X Labs with a launch in November, 2018 for the internal employees. Airtel X Labs articulates and defines values that keep customer at the core of everything. Based on the values of Customer orientation, Collaboration, Ownership, Courage, Curiosity and Innovation and bias for action, Airtel X Labs has created a positive impact on our employees. At Airtel X Labs, the employees get to:

- Create an impact at scale with new product development that can impact millions of people
- Get an opportunity to solve complex problems by creating disruptive solutions
- Move fast and learn faster by encouraging risk-taking and experimentation
- Work with the best of minds and technologies in an ecosystem that is built to inspire



Human Capital

Amber

The engagement survey is run via a chatbot called Amber that reaches out to employees at pre-designated touchpoints. We have shifted from conventional methods of measuring employee engagement to a method which allows us to better capture our employees' perceptions, expectations and satisfaction level. Amber uses a tenure based questionnaire which ensures that at each lifecycle touchpoint, the employee gets questions asked

that are relevant to him. The feedback is analysed by each tenure, hence, we can deep dive into details of our employee feedback. This allows us to derive more meaningful data at a granular level which can be used to design suitable action to ensure employee retention and satisfaction.

4.2 Employee engagement score (out of 5)



Workplace by Facebook

We believe that digital innovation is relevant today and we try our best to combine new-age digital platforms into the ecosystem of our corporate culture. Workplace by Facebook is one such tool which has transformed our communication and collaboration process.

What it is for Airtel

- More than 12,000 employees have an active Workplace account.
- Messages from top leadership are live streamed including quarterly chats between the CEO and the Chief People Officer.
- The tool encourages team participation and engagement with the leadership by facilitating two-way communication.
- The platform is available on the desktop and as a mobile app which enables connectivity and communication on-the-go and is complete with features such as live videos, groups and news feed to enable the people to stay connected.
- The platform has helped promote cross-cultural and functional collaboration and promoted a spirit of 'One Airtel'.

HIVE

The quest for walking the extra mile to gather information stops with HIVE. A one-stopshop solution, this information sharing app with an easy user interface is available to all the employees at Airtel to enhance their knowledge.

Employee Welfare

We, at Airtel, consider the safety and security of our employees to be one of our key priorities. With great power comes the responsibility to safeguard it. With a view to protect and preserve the welfare of our people, we have developed and implemented policies that strengthen our commitment to guarantee a protected and safe workplace.

Our Health & Safety Policies

Arrangements concerning the safety and security of our employees and their working environment are plenty. We have set up stringent policies and facilities which include:

- Workplace Safety Policy
- 🛀 Health Safety Policy
- 🗕 Environment Policy
- Domestic Travel Safety and Security Policy
- 😑 Policy for Safety of Women
- ⊨ Health Insurance Policy
- HIV/AIDS Policy
- Parental Leave Policy
- Work from home Policy
- Child care facilities

15,933 Hours

Employees underwent safety trainings in FY 2018-19



Awards and Accolades – Recognising Employee contributions

Praise and recognition are essential for creating a workplace that is looked upto with reverence and admiration. Employees respond to appreciation expressed through rewards and recognition which in turns consolidates the faith of the workforce in their Company and leads to better productivity and final results.

Kudos

We cherish the untiring efforts and zealous contributions our employees put in for making Airtel a leader in its own rights. At the core of our employee engagement scheme remains our acknowledgement of their efforts through Kudos. Centred around the



objective of conferring accolades on our employees, Kudos is our recognition program that rewards our employees for their sustained efforts. The awards are classified into various categories that include Instant Awards, Planned Awards in the nature of Silver, Gold and Diamond Awards and Long Service Awards etc.

4,300

2,096 Planned Awards (Silver, Gold and Diamond)

1,346 Long Service Awards

A Diversified Space

The importance of workplace diversity cannot be understated. One of the most significant qualifiers of any organization is its ability to maintain diversity in its workforce which comprises of not just a healthy mix of varied individuals but also embraces a gender neutral approach for the workforce. The advantages are innumerable when it comes to maintaining a healthy gender ratio and diverse workforce personnel in the human resources sector.

In tune with the policy of maintaining diversity, Airtel is committed to creating a work ecosystem that comprises of a diverse workforce which seeks to serve and employ people irrespective of their past disadvantages, gender, disabilities and eliminates any possibilities of discrimination. 8.88% Females out of total employees

10.64% of management workforce consist of female employees



Bharti Airtel Limited Integrated Report and Annual Financial Statements 2018-19

Manufactured Capital Ork Experience Centre

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046

A great foundation always precedes great service in a telecom industry. Our strong infrastructure base enables us to serve our customers with highest standards of services they deserve.

Airtel is a leading global telecommunications company with a portfolio of services that includes voice and data solutions over fixed, wireless and internet platform, DTH and enterprise solutions. As one of the world's leading integrated providers of telecommunication services, we continue to invest aggressively in deployment of latest network technologies to delight our customers.

Service Area (Unpaired)

- 900, 1800, 2100, 2300 MHz Band
- 1800, 2100, 2300 MHz Band
- 900, 1800, 2300 MHz Band

Airtel's Spectrum Snapshot India is divided into 22 licensed service areas

Manufactured Capital 🛜

Invest in strengthening our Network Infrastructure

We are making sustained investments in strengthening our infrastructure to build a network that enhances user experience with innovative services. Given the changes in the telecom landscape which have necessitated unprecedented network rollouts with emerging opportunities, our strategy is to sustain market leadership by setting up an integrated network infrastructure to deliver brilliant network experience for our consumers.

As a result we constantly invest towards building a strong network infrastructure, spectrums and other related assets across the globe. To meet up with the increasing data usage requirements and widening customer base, we have invested to widen our 4G and 3G data coverage with additional sites that has helped improve voice quality and improved data speed.

In modernizing our network, and as a part of our smart investment strategy, we continue to grow our connectivity footprints by providing 5G readiness. A key focus across our operations has been to maintain high quality and differentiated network experience. We continue to provide the best network experience in India across our product segment supported by our strong spectrum bandwidth.

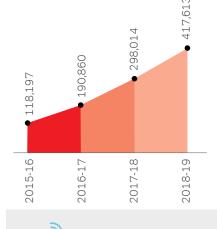
232.80 MHz Spectrum in 900 MHz band

536.10 MHz

Spectrum in 1800 MHz band

Increasing network penetration

No. of Mobile Broadband Base Stations





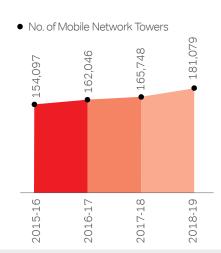
Airtel has been deploying leading edge technologies and is the first operator in India to provide pre 5G experience by deploying 4CC CA & LAA technology in the network.

Airtel has also showcased 5G capabilities during Indian Mobile Congress 2018, with peak user

250 MHz

Spectrum in 2100 MHz band

570 MHz Spectrum in 2300 MHz band



throughput of 1.5 Gbps throughput using commercial grade CPEs and 3 Gbps using prototype device. Airtel also demonstrated 5G use-cases such as 3D hologram, AR/VR based online gaming & ultra-high definition video streaming.

Radio network & packet core deployed by Airtel across India is hardware ready to support 5G-NSA architecture.

Pushing the limits

To aid the problem of telecom connectivity in the village of Hayuliang in Anjaw district, Arunachal Pradesh, Airtel took up the challenge of setting up a tower base. The town, which is 308 kms away from the capital city of Itanagar, consists of several army base camps as it is located on the borders of China and Myanmar. Due to absence of any other operator, we came forward to serve the needs of the army and 5K rural population in the area.

However, being an air site many challenges were faced while setting-up the tower base. The process was delayed due to presence of 60-80% hard rocks and heavy and continuous rain fall, landslides and road blockage leading to collapse of civil structure. Moreover, the materials had to be carried manually to site.

Network connectivity remains fundamental to economic growth of any region today, and we took up the challenge, successfully completing the project. In just two days of launch, we saw a strong traffic statistics. Going forward, we will continue to set-up new tower base and spread connectivity to the last mile.



Creating Value for a Larger Customer Audience

People today are looking for anytime and anywhere seamless connectivity. To address this need, we are investing towards infrastructure development that optimises the growing need for an improved and unmatched network connectivity across multiple products.

With our wide array of innovative service offering including voice and data solutions over fixed, wireless and internet platform, DTH and enterprise solutions, we continue to provide seamless, personalised and digital experience to our customers. While continuously

making investment in network and IT infrastructure needed to broaden and improve service delivery, we recognize the imperative of providing value to our customers through our innovative service.

Customers

282.6 Mn Mobile Services

15.4 Mn Digital TV Services

2.3 Mn Homes Services

1.9 Mn Airtel Business (B2B)

Our Presence and Performance across Businesses

🤊 airtel 4G

Mobile Services

7,906 Census Towns

786,192

Non-Census Towns & Villages

181,079 Mobile Network Towers

417,613 Total Mobile Broadband Base Stations

95.3% Population Coverage

2,811.3 Bn 11,733 Bn Minutes on Network

280,534 Optic Fibre Network (RKms)

Data Traffic (MBs)

🔊 airtel

Homes Services

93 Cities covered 2,109.7 Bn Data Traffic (MBs)

airtel | digital TV

Digital TV Services

639 Districts covered

99.8% Coverage



Airtel Business is India's leading and most trusted ICT services provider and offers diverse portfolio of services to enterprises, governments, carriers, and small and medium businesses. Airtel Business constantly provides innovative integrated solutions, superior customer service and unmatched depth / reach to global markets. Along with voice, data and video, our services also include network integration, data centers, managed services, enterprise mobility applications and digital media.

250,000 Global network runs (RKms)



Countries covered

Global PoPs (Point of Presence)



Submarine cable systems

Social & Relationship Capital

Our integrated and diverse product portfolio brings multiple benefits to the people helping stimulate social and economic growth. We make a positive contribution to the communities building a strong relationship driven by enduring values of Alive, Inclusive, Respectful.





Redefining customer experience

Operating in a dynamic and competitive business environment, we keep our customers at the heart of our business strategy. Our long-term strategy of 'win customers for life' strengthens our commitment to ensure a superior customer experience.

#airtelThanks

An industry-first initiative, #airtelThanks brings along a host of benefits across digital content, device security, financial services, differentiated customer care and surprise offers from top brands to our customers.

Google Assistant

Airtel partnered with Google to launch the country's first Google Assistant based digital customer care enabling seamless customer care service powered by Artificial Intelligence.

Next-Gen Airtel Store

Introduced the 100th Next-Gen Airtel store in Kolkata with latest technologies. Next-Gen Airtel Stores conceptualized by UK based 8 Inc., are the new benchmark to provide transparent digitally empowered experiences.

Foreign Pass

The introduction of 'Foreign Pass' brought a range of affordable international roaming packs for prepaid customers in India with value-added voice packs for customers travelling to 20 most popular countries.

Strategic Partnerships

Airtel partnered with several digital content providers to provide exclusive streaming for its customers. In addition, we strengthened our eco-system with device partners offering our customers to upgrade to device of their choice with bundled benefits.

Expanding Network Infrastructure

We continued to expand our 'Project Leap' with sustained investments targeted toward building data capacities and a superior 4G network across the country. During the year under review, we made giant strides under the project with being the first operator to launch 4G services in Andaman & Nicobar islands and other technological investments aimed to enhance consumer experience.

Decision Tree

A digital empowered predictive tool that enables identification of cause of customer problems and proactively suggesting the recommended and intelligent cause of action basis consumer profile. The tool has enhanced experience for telemedia customers reducing their dependency on partner based systems.

Konnect App

The Konnect App was launched to deliver exceptional customer experience, enhance field capacity utilization and streamline the complaint resolution process. The app helps optimize service schedule preparation for addressing service requests of customers for broadband and telemedia with automation and digital resolutions.

7%

Network complaint reopen service request ratio (dropping from 13% prior to Konnect)

Minimum Commitment Plans

The introduction of minimum commitment plans aims to simplify its pricing portfolio and focus on providing differential services to high value consumers.



Social & Relationship Capital \, 😢

Spreading far and wide

Our extensive presence across the country with several retailers, channel partners and franchises provide a onestop solution for our diverse portfolio of services. Millions of customers across our businesses can have access thereof for their multiple needs. 1.09+ Mn

33,000+ Feet on Street Executives

1,500+ Franchise stores 750+ Own retail stores

13,500+ Channel Partners

Harnessing the power of partnerships to transform lives

IFFCO Kisan Sanchar Limited (IKSL)

Bharti Airtel is in active collaboration with nearly four million farmers to improve their productivity and income, using the power of telecom and modern technologies. Vital information like weather, commodity prices, agronomy and horticulture and government schemes is accessible online to farmers, to heighten their knowledge and take timely steps to increase yield and productivity. The IKSL initiative is a joint venture between Airtel and IFFCO that adds value to the agricultural sector by provision of timely, relevant and high-quality information and services leveraging mobile phones. Thus helping

farmers take informed decisions leading to cost reduction and quality output, increase in income and better livelihood opportunities.

2+ Mn Farmers benefited

1.56+ Lakhs IFFCO Kisan Mobile App Active Users

250 Plants covered under urban greens

20 States covered

High-Speed Network in Smart Cities

We partnered with the authorities of Faridabad and Raipur to provide highspeed network connectivity to create a city wide network that will support the inclusion of almost all digital assets onto a common platform, which will ensure confluence of data from multiple sources, applications, sensors, objects and people.

Telepresence Services for Rajasthan Government

We partnered with government of Rajasthan to provide next generation Immersive Telepresence solutions along with the existing video conference infrastructure at several government offices.



Crime and Criminal Tracking Networks and Systems

Airtel is supporting various state police departments in providing highspeed network connectivity to create a robust network that will enable the Crime and Criminal Tracking Networks and Systems (CCTNS), a project under Indian government's initiative to create a comprehensive and integrated system for effective & preventive policing through e-Governance. The system includes nationwide online tracking system by integrating police stations across the country.



government to enable digital empowerment, build trust and identify areas of cooperation to create value for

Partnering with Government to drive

development and e-Governance

At Airtel, we are partnering with

areas of cooperation to create value for a wider stakeholder community. In our endeavor to ensure inclusive growth, we have partnered with government to undertake a deeper responsibility to co-create value for the community at large. We joined hands with several state governments in India to facilitate and create advanced telecommunication services, aligning to the government's vision of 'Digital India'. Some of the projects undertaken were as follows:

High-Speed Network in Smart Cities

Crime and Criminal Tracking Networks and Systems

Telepresence Services for Rajasthan Government

Strengthening our partnerships with suppliers

At Airtel, how we treat our suppliers is also an important part of our long-term sustainable strategy. While we foster a culture of innovation and integrity in our internal operations, we put equal thrust on developing strong partnerships with our suppliers. Our strong sourcing policy describes a detailed approach to responsible procurement practices from

suppliers who are aligned to sustainable business practices. Our right selection of key suppliers helps in shaping a sustainable future and creates value for our stakeholders.

Airtel's 'Partner World', a one stop online portal for end-to-end partner management enables the suppliers

to share information, interact/ collaborate, and ultimately form closer relationships with the company. The Annual Confluence, a partnership event, provides opportunities for our partners to interact with the top management and align towards achieving long-term goals of Airtel.

Investor complaints received and

resolved in FY 2018-19

Investors

At Airtel we have a successful history of delivering value-creation backed by a steady financial performance. Amidst evolving industry scenario, we have been successful in meeting our financial targets. We continue to engage effectively with our investors through our investor relations team, providing

Our commitment to communities

Our business model is structured to capture the evolving stakeholder valuechain that brings benefit and sustainable development for all. Our socio-economic activities are purposefully curated to address the social and environment issues and ensure sustainable development.

Active Participation by the Circle Offices

Our employees across various circle offices participate in several socialactivities as we believe they have a potential to make a difference to the future. Some of the initiatives undertaken by the circle offices team include:

- Blood donation camps
- Safety workshops
- Distributing school bags and stationery
- Life saving skills training
- Share to care
- ACT (A Caring Touch)
- Disaster management

and responsibly. Our team conducts regular roadshows, conferences and presentations to further increase the awareness and information quotient to existing as well as potential stakeholders.

all the information and updates, timely

Bharti Foundation

Bharti Foundation, the philanthropic arm of Bharti Enterprises, drives our approach in building positive community relations. Through its various programs, we reach out to societies in rural India,

> Satya Bharti School Program

> > Abhiyan

empowering lives of the underprivileged through education with a focus on girl child and sanitation among others. Our programs have created a positive impact in the society:

Satya Bharti Quality Support Program Satya Bharti **Higher Education** Programs

5

Read more in detail about our social engagements in Corporate Social Responsibility Report on page 60

Natural Capital

We have built a resilient and energy-efficient infrastructure system to support the growing telecom user base, extending our sustainability philosophy. We, at Airtel, ensure efficient use of natural resources while contributing effectively to a circular economy.

Airtel along with its networkinfrastructure partners is committed to re-invent and reduce the environmental footprint of their business and operations. We are also continuously in search of more energy efficient technologies and innovative solutions for a greener future. Our efforts are focused towards reducing our direct and indirect environmental impact. We have invested in innovative energy conservation technologies, resource optimisation and waste management by recycling waste and optimising resource utilisation. Over the years we are targeting towards eradicating use of fossil fuel in our

network infrastructure and transitioning towards grid supply and renewable energy which have constantly shown an increase.

Through our persistent efforts, along with our network partners, we have been able to upgrade and convert the existing telecom towers into energy efficient towers. In addition to this it is our constant endeavor to maximize sourcing green energy from renewable sources through wheeling agreements for sourcing our power and in the process, reducing our carbon footprint.

71%

Reduction in network emission intensity for mobile (carbon emissions per terabyte) from FY 2017-18

30.48%

Reduction in $\rm CO_2$ emission per rack in our data centres from FY 2015-16

10,147.78 KL

Diesel saved since 2015-16 in our own mobile network infrastructure

~72,255 MWh

Renewable energy consumed in our operations

18 Tonnes

Paper recycled/reused in our facilities

Over 939 MWh Energy saved in our facilities

~6,399 Tonnes

Paper saved through e-bill initiatives since FY 2011-12

33.7%

Reduction in diesel consumption in our operations in FY 2018-19 as compared to FY 2017-18

3,347

Solar-enabled towers by owned and partner sites till FY 2018-19

360.92 Mn

Sheets of paper saved through our acquisition of mobility customer

16.82%

Increase in deployment of renewable energy in our own operations from FY 2014-15



(((n))) *

Natural Capital 🔈

Our climate change interventions

Network Infrastructure

- Deployment of renewable energy solutions like solar, wind in our towers and Main Switching' Centres (MSCs)
- 🚊 Auto shutdown in non peak hours
- Low Power consuming BTS £.
- Power factor correction £,
- Real time energy monitoring Ξ.
- Hybrid battery bank solutions E.
- Free Cooling Units (FCU) & Natural Ξ. Cooling Units (NCU)
- Deployment of shared sites
- Conversion of indoor BTS to outdoor ±., BTS

71%

Reduction in network emission intensity for mobile (carbon emissions per terabyte) from FY 2017-18

7,678.58 Kl Of diesel saved since FY 2017-18 in our own mobile network infrastructure

Data Centres

- Excess load surrender
- Equipment optimization and utilization
- Cooling optimization
- Cold Aisle Containment
- £. Diesel usage optimization
- Hot spot rectification ≞.

7%

- ±., Power utilisation efficiency correction
- Improved Power Usage Efficiency ≞.
- ISO 14001:2015 implemented to enhance environmental performance

Reduction in CO₂ emission per rack from FY 2017-18

Over 5.000 MWh Energy saved in our data centres

Facilities

- Power factor correction
- Energy efficient lighting and motion £. sensors
- Photovoltaic Solutions
- E Facility consolidation and optimum space utilisation
- Power purchasing agreements ≞.
- Excess demand surrender
- L UPS optimization
- Adiabatic cooling system to reduce power consumption of chiller

48% Reduction in CO₂ emission per square feet from FY 2017-18

Over 939 MM/h Energy saved in our facilities

Exploring Green Energy Solutions

Airtel is working relentlessly along with its partners on expanding their green energy portfolio by embracing various technologies like solar energy, biomass, zero emission batteries etc.

Solar-DG Hybrid Solution

A unique and innovative solution that uses 3 KW -7 KW capacity solar panels in tandem with battery banks, which helped reduce the DG running hours from 20 to 6 hours a day. The system is further optimized by a hybrid solar controller. Currently, 3,347 (cumulative) own and partner network sites implemented solar hybrid solution with installed capacity of over 17 MWp.

Rooftop Solar Energy at Main Switching Centers (MSC)

Over the past 5 years, **18** rooftop solar plants were set up at our main switching centers, with a total generation capacity of over 1 MWp.

Migration to Battery solution

In FY 2018-19, over 800 sites were installed with advance VRLA batteries and Lithium-ion battery solutions to reduce the reliance on diesel by our network infrastructure partners. Few network sites were also installed with Lithium-ion battery banks by utilizing ground based mast designs with lithium ion battery solution.

Green Wheeling

Leveraging the opportunity provided by Open Access (Electricity Act, 2003) for non-discriminatory sale/purchase of electric power from various sources, including renewable sources:

Procured over 71,157 MWh green energy in FY 2018-19 through various Power Wheeling agreements. Green energy procurement helped us to save over 58,348 tonnes of CO₂ emissions per annum.

Project Green City

Was launched with our network infrastructure partners few years back; and 59,772 sites have been tagged as green sites till date that have less than 100L of diesel consumption in a quarter.

Over 71,157 MWh Green energy procured in FY 2018-19 through various Power Wheeling agreements

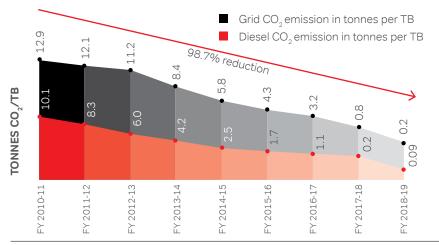




Our impact

We have made sustained efforts in the sphere of acquiring green energy, achieving efficiency, reducing demand and innovating for clean energy solutions. These are evident in the emission reduction we have managed to achieve over time. The graphs below show a comparative analysis of the emission levels for the last few years in our network infrastructure, facilities and our data centers. This will decline progressively with the adoption of newer, better technology making renewable energy more viable.

Emission trends in our network infrastructure



71%

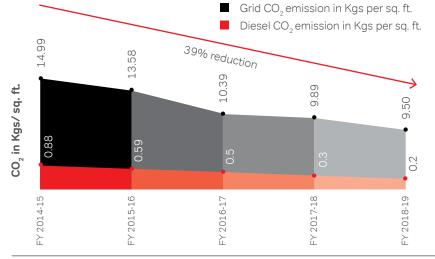
Reduction in network emission intensity for mobile (carbon emissions per terabyte) from FY 2017-18

98.7%

Reduction in network emission intensity for mobile (carbon emissions per terabyte) from FY 2011-12

10,147.78 KL

Reduction in diesel consumption in our mobile network infrastructure from FY 2015-16



77.27%

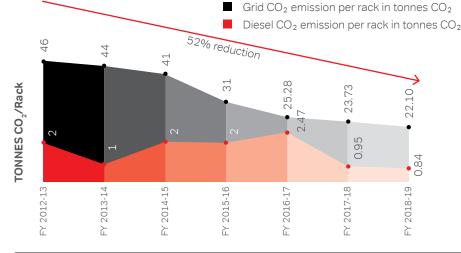
Reduction in diesel emissions from FY 2014-15

4.8%

Reduction in Grid CO_2 emissions per square feet in our facilities from FY 2017-18

Emission trends in our data centers

Emission trends for our facilities



52,588 MWh

Procured from renewable energy sources

23.63%

Decrease in diesel consumption as compared to FY 2014-15

30.48%

Reduction in \rm{CO}_2 emission per rack in our data centres from FY 2015-16

Natural Capital 🔈

Resource and Waste Optimization

As a leading company in the telecommunication industry, we ensure that we make a positive impact through demonstration of environmental stewardship. This drives us to keep a sharp eye on our resource utilization, waste generation and its disposal. We have been able to considerably cut down on waste generation through deployment of innovative technologies to reduce waste at source. We have developed a systematic approach for resource optimization across our operations. Our effective waste management policies ensure segregation, reuse, refurbishment and recycling. We significantly reduced the total waste disposed from our operations in FY 2018-19 to 20.07 tonnes. All waste disposal is carried out as per the national rules and regulations. Apart from that, we also influence our partners and suppliers to reduce their environmental footprint and disclose the same publicly.

Moving towards a Greener Paperless Future

We have made significant strides in reducing paper consumption and thereby preventing paper waste through our initiatives on digitalisation of processes:

Encouraging electronic billing and online payment methods in place of physical copies of bills and receipts. In FY 2018-19, 142.4 Mn Ebills were sent to our customers. This led to saving of over **427 Mn** sheets of paper, **82.7%** increase since FY 2011-12.

- Automated queue-managementbased printing solutions and automated intra-office approval processes to reduce paper consumption.
- Promoting recycling of used paper in our facilities. In FY 2018-19, 105.30 tonnes of paper was used, of which 17.1% was recycled through our partners.
- Blue bins have been installed to maximize collection in offices.



Waste management

At Airtel, the e-waste generated from technology upgradation, capacity augmentation and others, is traced end-to-end, handled and recycled as per the Waste Electrical and Electronic Equipment (WEEE) guidelines.

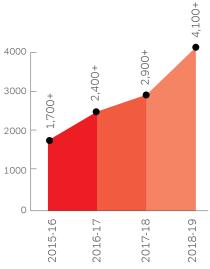
Waste collected at the warehouse is segregated and dismantled further to be recycled and in some cases, recovered using chemical processes. The batch of waste is scavenged and swapped to revive working parts, ensuring reusability and inter-operability, hence, minimising the waste generated. All the non-reusable hazardous waste including lead batteries are disposed through authorised recyclers, who have acquired requisite clearance from the Central/ State Pollution Control Boards. In past 5 years, almost more than 10,000 tonnes of e-waste generated was recycled. In addition over **4,168 tonnes** of e-waste from IT and network infrastructure was responsibly recycled in the FY 2018-19 through our authorised partners.

4,168 tonnes

of e-waste from IT and Network Infrastructure was responsibly recycled in FY 2018-19



Total amount of E-waste recycled (in Tonnes)



Responsible water management

Water management is not a material issue for us being a telecommunication services industry where water is used only in our facilities for domestic purposes. However various initiatives were undertaken last year to conserve and recycle water such as:

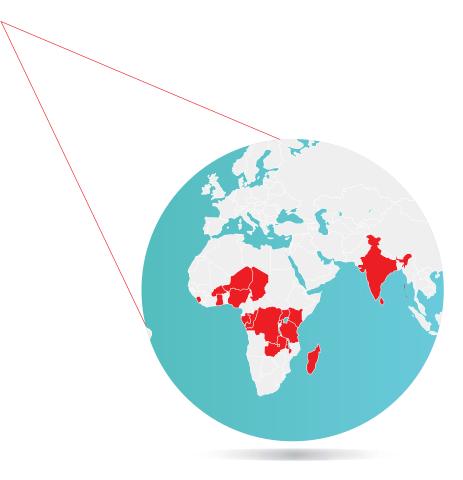
- All our facilities are equipped to reduce water consumption and augment rainwater harvesting wherever feasible, as well as minimize waste generation, and maximize reuse and recycling.
- 2. We have installed efficient water fixtures, sensors and retrofitted water fixtures with aerators and float adjustments to reduce water volume utilization.
- Sewage Treatment Plants (STPs) are installed in facilities for handling domestic waste water, which is recycled for use in HVAC cooling towers, washroom flushing and gardening.

Corporate Social **Responsibility Report**

At Bharti Airtel, our relentless pursuit has always been to not just become a leading global telecommunications company but also one that cares. It is this quest that enthuses us to approach our corporate responsibility with all seriousness. We aim to positively impact not just our financial performance, but our future generations as well.

With operations in 18 countries and over 403 Mn customers, we understand our responsibility to leaving a positive impact on the communities. Our initiatives in the field of education, women empowerment, sanitation, employment generation and healthcare, validates our steadfast commitment to making the world we operate in, a better place. Moreover, Airtel's network spreads to remotest pockets of India, where rural communities suffer from poverty and lack of access to education and healthcare facilities. In FY 2018-19, over 149 Mn customers came from rural areas. Hence, undertaking programs on education and health is paramount for community development in these regions.

During FY 2018-19, Bharti Airtel Limited made significant contributions towards various community development projects. Airtel contributed ₹ 94.78 Mn to Bharti Foundation towards furtherance of its objectives, ₹ 300 Mn to Satya Bharti Foundation towards setting up of Satya Bharti University and ₹ 100.87 Mn for other community development and philanthropic initiatives.





Bharti Foundation

Bharti Foundation was set up in the year 2000 as the philanthropic arm of Bharti Enterprises. The Foundation implements and supports programs primarily in education as well as sanitation for the underprivileged section of the society. Through its flagship initiative the 'Satya Bharti School Program', the Foundation provides free quality education across primary, elementary

400,000+

272,564 Students being impacted in the

current academic year

Foundation also works in partnership with respective state governments towards strengthening the quality of over-all schooling experience for students in government schools through the 'Satya Bharti Quality Support Program'. Our sanitation initiative, 'Satya

as well as secondary level education to

thousands of underprivileged children,

with a special focus on the girl child. The

4,000+ Villages

2+ Mn Community members impacted

*The above data includes all education programs and partner projects and the impact created since inception

Education

Satya Bharti School Program

The flagship Satya Bharti School Program was started in 2006 with an aim of imparting free and quality education to the disadvantaged rural children in India - most of whom are first generation learners. The program gives special focus to education of the girl child, with atleast 50% students enrolled in Satya Bharti Schools being girls. The program covers the entire education value-chain, widening its activity from primary to elementary, and to senior secondary education as well. The program also offers, free books, study material and uniforms to the students apart from free education. All the schools are kept clean with proper hygienic conditions and with free nutritious mid-day meals also provided during the day. Well-trained and inspired teachers are entrusted with the responsibility to provide quality education to the students.

This Program creates a platform for the rural children to get hold of, not only quality education but also the way forward to a responsible life that is inspired by the principles of values, commitment, integrity and a desire to make a difference in the society.



Satya Bharti School Students- Sivaganga, Tamil Nadu

Bharti Abhiyan', was launched in 2014 in rural district of Ludhiana, Punjab and has enabled the district to attain Open Defecation Free (ODF) status.

Through these programs we are contributing to some extent to the Sustainable Goals such as Quality Education, Gender Equality, Clean Water and Sanitation.

2,500+

17,000 Teachers

Corporate Social Responsibility Report

Key Achievements, 2018-19

Satya Bharti School Students won laurels in various international and national level competitions. Our students have excelled in both scholastic and co-scholastic activities, which are detailed below.

Co-Scholastic

 Satya Bharti Adarsh Senior Secondary School, Rauni (Ludhiana) won the internationally acclaimed 'School Enterprise Challenge Award' for the second consecutive year for promoting entrepreneurship.



Sr. Secondary School Rauni, Punjab- India Country Prize Winner 2018

- Students gave a stellar performance at "Khula Aasmaan" - a national level painting competition by India Art Foundation, winning two gold, one bronze and 30 honorable mentions and consolations).
- 11 Satya Bharti Schools featured among the 'Top 100' of which Satya Bharti School Bhomsagar (Jodhpur) featured in the 'Top 20' at the 'Design for Change' contest that acknowledges meaningful community campaigns for bringing change.
- Simranjeet Kaur, student, Satya Elementary (Ludhiana East, Punjab) was awarded a Bronze medal' at 'Pramerica Spirit of Community Award 2019' recognising the student's effort

for community services under the individual category for 'Mensuration Education.'

- Seven Satya Bharti School Students emerged as winners of 'Inspire Aspire' Poster Making Competition 2018.
- Satya Bharti Adarsh Senior Secondary School Chogawan (Amritsar, Punjab) has been awarded 'Best School in Community Involvement' and Satya Bharti School (primary level), Amritakunda (Murshidabad, West Bengal) has been awarded 'Best Eco-Friendly School' by 'Mind Mingle Education Awards', recognising best efforts that

make an impact under education.

- Three of five Satya Bharti Adarsh Senior Secondary Schools (Chogawan, Sherpur Kalan and Jhaneri) were awarded with 'Top 500 Schools' in the country by 'Brainfeed (School Excellence Awards 2018)' recognising excellence in providing quality education.
- 'Centre for Teacher Accreditation (CENTA)', a Teaching Professionals Olympiad awarded four Satya Bharti School Teachers (2 for subject and 2 national level awards). The Olympiad had teachers participating from 2,000+ locations form India and UAE from over 10,000 schools.

Scholastic

76 Satya Bharti School Students secured merit based admission for elementary/ higher secondary education in Navodaya, Aarohi and Punjab meritorious schools, etc.

Class X CBSE results:

364 students (**205** girls and **159** boys) from all five Satya Bharti Adarsh Senior Secondary Schools, located in rural heartlands of Punjab appeared for the Class X CBSE Board Examinations

- The overall pass percentage: 95.88% (higher than the CBSE national average (91.1%) and Panchkula (93.72%)
- Girls outshined boys with overall pass percentage of 96.6% with more than 15 girls scoring 90% and above

Class XII CBSE results:

199 students (**112** girls and **87** boys) from all five Satya Bharti Adarsh Senior Secondary Schools in Punjab appeared for the Class XII CBSE Board Examinations

- Overall pass percentage: 96.98% (higher than the CBSE national pass percentage of 83.4% and Panchkula region of 87.5%)
- The overall girls pass percentage of 96.43% which is above than CBSE national average of 88.7% and Panchkula region of 92.8%



Pramerica Spirit of Community Awards 2019- Bronze for student of Satya Elementary School, Khanpur

Leading from the front

Jasmeet Kaur,

a role model for girl students in her school

Jasmeet Kaur of class V, Satya Bharti School Pamal, Ludhiana West, Punjab belongs to Baddowal Village, cantonment area of Indian Tibetan Border Police, about 13 Km from Ludhiana. Her father, a truck driver is the only bread earner in the family of seven.

Once a shy girl, Jasmeet soon started enjoying coming to school and became very confident. Seeing her interest in sports, her teacher Sandeep Kaur, a state level Kho-Kho player, motivated her to start participating in school level race and Kho-Kho.

When she represented her school in Cluster level sports, it was a proud moment for her. It happened to be her first victory in life. She was honored by the Sarpanch, Cluster Co-ordinator and Head Teachers of all the Satya Bharti Schools in the Cluster.

Seeing her commitment, Jasmeet was given the

opportunity to play at the State level. Her family initially resisted but, after reassurance from her teacher, agreed to send her to Amritsar. Jasmeet's team secured 3rd position at the State Level.



Jasmeet being honored by the School Leaders and Community

06 States

254 Schools

70% Percentage of female teachers

1,644 Teachers

46,191

50% Percentage of Girls

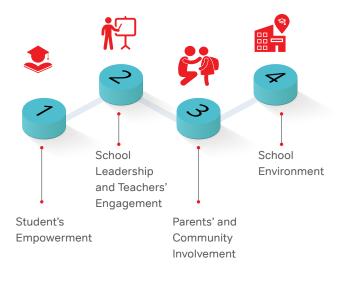
76% Percentage of children from

SC/ST/OBC communities

Data as of 31st March, 2019 From April 2019 onwards partnership schools are being handed over and a few schools are being merged for optimizing resources

Satya Bharti Quality Support Program

Initiated in 2013, Satya Bharti Quality Support Program engages school leaders, teachers, students, parents and communities for enhancing the overall learning experience at government schools. Good practices of Satya Bharti Schools are implemented in each school with the purpose of institutionalizing these within a time frame of three to five years. The Program's framework is structured around the wholeschool approach through co-scholastic activities defined under four program pillars:



Schools** (In 14 states*)

50% Percentage of Girls

58% Percentage of

children from SC/ST/OBC communities **9,828** Teachers

226,373

Data as of 31st March, 2019 ** Data includes indirect support to 30 Army Goodwill schools in J&K and 2 schools in Goa

Each school decides the pace and trajectory depending on the School leader's vision for bringing about a sustainable change. The program is implemented across India in 14 states, namely, Delhi, Goa, Haryana, Jammu & Kashmir, Punjab, Rajasthan, Andhra Pradesh, Telangana, Uttar Pradesh, Jharkhand, Himachal Pradesh, Assam, Meghalaya and Karnataka.

Corporate Social Responsibility Report

"Spell Wizard competition was organized (by Bharti Foundation) for students, from school to district levels. This has given opportunity to students to demonstrate their skills in English language. We appreciate the work of Bharti Foundation."

- Mr Jitender Kumar Sinha, District Superintendent of Education-cum-Additional District Program Officer, Samgra Siksha Abhiyan, Godda, Jharkhand

"The Bharti Foundation has conducted Student Empowerment Training Program, which has received encouraging response from the participants (224 teachers from 185 Secondary Schools). We are hoping for a long and fruitful association with Bharti Foundation and its support in bringing quality interventions in our state schools."

(Anuradha Gupta) KAS, Director School Education - Jammu

Key Achievements, 2018-19

Government schools partnered under this program, its teachers and students won laurels in various district, state, national and international level competitions.

 Two of our partnered government schools featured in 'Top 100' category in the prestigious **'Design for Change'** contest. Army Goodwill School students, in Harka Bahadur, Kargil, was among 'Top Four' with their pioneering initiative 'I CAN



Students of Army Goodwill School Harka Bahadur built a protective boundary wall by reusing waste plastic bottles in Kargil, Ladakh. The project featured among 'Top Four' in Design for Change.

Challenge' campaign. They were felicitated at the President's House, inspiring other schools in the Ladakh region to work towards making a sustainable future.

- 'CENTA' Teaching Professionals Olympiad has given eight awards to six teachers from partnered government schools (1 Regional, 2 Subject and 5 City Level awards). The Olympiad had teachers participating from 2,000+ locations form India and UAE from over 10,000 schools.
- Students of two partnered government schools won a Gold and a Bronze each in the 'Pramerica Spirit of Community Awards 2019' being recognised for their voluntary community service. Five students of UMS Khairbani, a government school in Jharkhand won Gold award for 'Mothers Literacy Campaign'.
- 15 schools were declared winners at **'Inspire Aspire'** Poster Making Competition.
- 5. Girls held 50% of the leadership roles in the government schools during 2018-19.
- Dedicated training programs were conducted to impart leadership skills to the school principals and senior teachers across 372 schools in 10 states, with 438 participants attending the program.

The Program created a meaningful impact on students and teachers of non-partnered government schools as well, through indirect interventions. Some of the highlights were:

- A training program was structured on Student Empowerment, with 227 teachers in 185 non-partnered government schools across seven out of ten districts of Jammu attending the program.
- Spell Wizard (an English language spelling competition to improve vocabulary and spelling competency among students) was organized in 353 partnered schools. 829 nonpartnered government schools also participated at various events at school, block and district level. The initiative benefited 30,656 students across 10 states cumulatively.
- 3. The Teacher Innovation Award initiative, appreciating the hardwork of teachers, was organised at district level in four states with 497 teachers participating in the event.
- Science workshops were conducted to develop scientific knowledge and acumen in 311 schools outreaching 15,528 students across 9 states.
- International Kids Film Festival was organized in 99 schools across 8 states showcasing films on life skills and social issues like Global Citizenship, Compassion, Creativity and Innovation, Critical Thinking and Decision Making etc. for over 10,000 students.

Satya Bharti Abhiyan

Launched in August 2014, the Satya Bharti Abhiyan, improves sanitation conditions in large geographic areas by providing access to toilets for households. Aligning to the government's vision, the program helps these areas to become Open Defecation Free (ODF). Having commenced operations from rural district of Ludhiana, the program spread its footprint to urban areas of Ludhiana (since October 2016) and to rural Amritsar (since September 2017). In Amritsar, Satya Bharti Abhiyan is being implemented in collaboration with Department of Water Supply and Sanitation (DWSS), Govt of Punjab. The Foundation and DWSS are working together to provide financial assistance to the beneficiaries for building toilets.

The Information, Education and Communication (IEC) to foster behavior change, for promotion of usage and maintenance of toilets is implemented through the government agencies and re-enforced through IEC by outsourced partners. Process orientation, transparency and stakeholder empowerment are the pillars of implementation.



Satya Bharti Abhiyan has provided separate girls' toilets in 14 government schools in Ludhiana

Satya Bharti Abhiyan

as of March 31, 2019 (cumulative data since inception)

18,402 Toilets (rural + urban Ludhiana)

14 Girls toilets (Government schools - Rural Ludhiana)

5,040 Toilets (rural Amritsar)

37 Ladies toilets constructed in FY 2018-19 (Ludhiana Police Commissionerate)

175,069

Total beneficiaries (including 56,031 estimated beneficiaries annually for ladies toilets for Ludhiana Police Commissionerate)

- Upon request from Ludhiana Police Commissionerate, Bharti Foundation constructed 37 separate toilets for over 55,000 lady staffers and visitors annually. The toilets constructed in brick and mortar, are customized to provide specific amenities for women, like incinerator for disposal of sanitary napkins, privacy protection walls, facilities like western toilet seat, mirror, wash basin soap tray, and towel holder.
- The Program completed its Urban Ludhiana phase during the year that began in 2014 with over 700 individual household toilets handedover in 11 Urban Local Bodies (ULBs) in Ludhiana district till date.

Making personal hygiene and cleanliness a norm

Baljit,

an elderly resident of village Bagga Khurd (rural Ludhiana), she had to patiently control her bowel movement till her turn came to go out for open defecation. She also had to carry her disabled grandson for open defecation. The Program helped her built a toilet in her house, making her life convenient.

"We hadn't expected that the work will take place so fast. Within a month we were handed over our own toilet. And ever since we have got the toilet, we have been using it. It not only helped me in this old age but also helped my mentally challenged grandson remain clean. Over a period of time, my grandson has also learnt to use the toilet". - Baljit Kaur



Baljit Kaur with her grandsonbeneficiaries of Satya Bharti Abhiyan

Corporate Social Responsibility Report

Higher Education Programs

India needs a vibrant higher education system to address the challenges it faces and to exploit the opportunities offered by its demographic dividend. The higher education partnerships and initiatives undertaken by Bharti Enterprises are designed to fulfil this need and meet the education paradigms of the 21st century.

Partnerships with Indian Higher Education Institutions

Bharti School of Telecommunication Technology and Management, Indian Institute of Technology Delhi *http://bhartischool.iitd.ac.in/*

The Bharti School of Telecommunication, Technology and Management has been set up in partnership with the Indian Institute of Technology, Delhi to develop telecom leaders, through excellence in education and research. A number of steps have been taken by the school to foster research and excellence in learning.

427 Students have graduated from the school since inception

206 Students have received placements since inception

159 Students enrolled in the last 3 years

Cumulative and ongoing impact

102 Students have graduated from the school in last 3 years

93% Placement rate in FY 2018-19

₹1.5 Mn Average annual salary of students receiving placement in 2018

40 Faculty members engaged at the school

Bharti Centre for Communication, Indian Institute of Technology, Mumbai *https://www.ee.iitb.ac.in/bharticentre/*

The Bharti Centre for Communication has been set up in association with the Indian Institute of Technology, Mumbai to nurture knowledge in telecommunication and allied systems. The Centre hosted around 20 research students and six eminent speakers from across the world and has published over 20 papers in international conferences and journals.

International Partnerships

Bharti Institute of Public Policy a partnership between Indian School of Business, Mohali and Bharti Enterprises with the Fletcher School of Law and Diplomacy, Tufts University (USA).

http://www.isb.edu/bharti-institute-ofpublic-policy

The Bharti Institute of Public Policy, an independent think-tank, focusses on education and research in the domain of public policy and engages with policy makers by providing them with critical, evidence-based analyses of public policy rooted in data. The institute works on policy challenges across diverse domains, the main ones being Agriculture and Food, Environment, Education, Financial Policy, Governance and Digital identity. The Institute secured a three year USD 2 million grant in October 2018 from the Bill and Melinda Gates Foundation to build and develop a portal for various spatial and temporal data visualisations to improve the quality of India's data-journalism.

Research

Newcastle University, UK

Bharti Foundation and Newcastle University have signed a MoU to collaborate on knowledge-sharing, academic research and program opportunities. In 2018, four students from Newcastle University completed their research assignment, 'The Understanding and Effectiveness of the Satya Bharti Lesson Plan', under the Satya Bharti School Program in Punjab. Findings of their research will add value to Foundation's programs.

University of Cambridge, UK

This partnership aims to extend knowledge of increasing corn crop productivity to farmers. The three-year research program is a partnership with University of Cambridge, FieldFresh Foods Private Limited, and Punjab Agricultural University (PAU). The University signed an MOU with Bharti Foundation in September, 2016.

Manmohan Singh Bursary Fund (since 2010)

A scholarship program that offers an opportunity to students of exceptional intelligence and caliber to study at the University of Cambridge. Thus far, 15 students have received the scholarship.

Satya Bharti University

The Satya Bharti University is deftly on the path of being established as an institution of global excellence in research and learning.



Leadership team of Bharti Foundation with students and faculty of Bharti School of Telecommunication Technology and Management, IIT Delhi at Bharti Merit Awards Ceremony

Airtel Connect

Airtel Delhi Half Marathon

The Airtel Delhi Half Marathon (ADHM) supports the idea of 'Run for a cause', giving the runners the opportunity to make a meaningful contribution through their marathon run. The platform brings together corporates, individuals, employees and students of schools and colleges giving them the opportunity to have an understanding about Bharti Foundation's School Education Programs.

Airtel employees participated in ADHM 2018

Young Leader Program

The Young Leader Program is a two-week initiative (part of corporate induction to engage new team members of Bharti Airtel as volunteers to support various initiatives of Bharti Foundation.

ACT (A Caring Touch)

An employee payroll-giving initiative, ACT by Bharti Foundation, aims to involve employees of Bharti Group Companies (Bharti Airtel Limited, Bharti Airtel Services Limited and Telesonic Networks Limited) in participating socio-economic activities of the Foundation.

3,437 Number of employees participation

5() Airtel Employees and Airtel Partners Volunteered

₹8,293,166

Total contribution by BAL, BASL and TNL employees and employer contribution in FY19 towards Bharti Foundation

₹3,793,507 ₹4,499,659

Employee contribution

Employer contribution



Bharti Foundation's kiosk at Airtel Delhi Half Merathon 2018 at Jawahar Lal Nehru Stadium, New Delhi

Corporate Social Responsibility Report



We encourage the use of technological support for initiatives related to education and health. We believe that aligning our CSR initiatives with our core business is the best way to drive change. As a corporate citizen working with communities we take a step forward during natural disasters or national emergencies whenever required. Some examples of our initiatives during the year under review were:

Digital Education

ICT day

Airtel Zambia held a 'Girls in ICT Day' by giving away material support as well as holding talks with 100 girls from rural schools on ICT (Information and Communication Technology). Airtel Zambia also donated assorted educational books to the newly built Kaunda Square Secondary School library. Airtel Kenya, in partnership with Computers for Schools Kenya and the County government of Kisumu, launched 'Free Internet for Schools Programme' in Kisumu. The company partnered with Junior Achievement (JA) Kenya to launch a Students Empowerment Program, where they hosted girls from Kariobangi North Secondary School for a day of learning during the 2018 Junior Achievement Job Shadow Program.

Coderbus project

Airtel Madagascar, partnered with the NGO Habaka/STEM4Good to provide free digital education to children through a project dubbed **'Coderdojo Madagascar'**. Coderbus is a connected bus with volunteer mentors who are employees from Airtel and the NGO, who provide free digital lessons to young people all over the country. Airtel provided laptops with connectivity to all the students at Coderbus. Since its inception, more than 3000 young people, with 60% of the total being girls,



Free digital education being provided to children

have been trained. These children are now able to code and create their own digital applications, games and websites.

3,000+

Young people have been trained since inception of the program

Transforming primary education

Airtel Malawi supports the **'Unlocking Talent'** programme by zero rating access to the 'unlocking talent' website for all Airtel subscribers and by providing free data connectivity, currently for 110 tablets, catering for 90,000 standard 1 and 2 learners from 14 schools, with a plan to scale up to 310 tablets for over 225,000 learners from 22 schools by the year 2023. The project focuses on marginalised groups across all districts in Malawi, learn maths and literacy through apps installed on tablets, in solar powered Learning Centres.

225,000+ Learners expected to be benefited by 2023

Health

Awareness campaigns

Spreading awareness

The Wazazi Nipendeni SMS Service initiative, is a Public Private Partnership model, led by the Tanzania Ministry of Health (MoHCDGEC) that sends (free) informative and carefully timed, government approved, health information and reminders to Tanzanians. For example, visits to clinics, maternal health and early childcare messages nationwide were some of the topics that were covered during the year. Airtel supports the technical set up of the service, zero rates the text messaging and USSD communication. The program engages 18 health organizations that continue to implement the service nationwide. To date, Airtel has sent and received 34,756,635 messages to a cumulative 510,123 Airtel subscribers and zero rates the government e-Gov USSD sessions for self-registration by end-users. This has resulted in more than 4,000 registrations by on-the-ground healthcare workers.

34,756,635

Cumulative informative messages sent

Supporting World Autism Walk

Airtel Zambia handed over T-shirts, calendars and caps during the World Autism walk, meant to raise funds for children with autism in Zambia.

Medical treatment

Supporting through medical care

In Nigeria, Airtel partnered with the St.Cyril Cancer Treatment Foundation to offer better care and support to cancer patients. Airtel donated chemotherapy infusion chairs, medical waiting room chairs, chemotherapy infusion pumps with drip stand, flat screen monitors and nursing/medical consumables to the Foundation. Airtel Tanzania supported clinic testing and treatment for mouth and eye for its partners and staff, at the Airtel Headquarters in Dar es Salaam.

Malawi Blood Transfusion Service (MBTS) collected blood from donors during a blood donation exercise conducted by Bwaila Media Club in partnership with Airtel Malawi in Lilongwe. In Seychelles, The Disease Surveillance and Response Unit (DSRU) signed a Memorandum of Understanding (MoU) with Airtel Seychelles to improve the efficiency of surveillance and response in the country where Airtel provided MiFi devices with monthly data of 10 GB each to be used by the unit for monitoring.

Epidemic support

During the Cholera outbreak in Zambia, Airtel stepped forward to support the Ministry of Education in their efforts to keep educational institutes functional so that students could continue to attend their schools without the fear of Cholera.

Around 10 schools were identified by the Ministry of Education and 'classified' as the vulnerable schools required to be cleaned and enhance their hygiene standards, with a potential impact for more than 8,000 pupils (combined) to have their schools reopened. The schools cleaned their environments and pledged to keep them clean to keep away diseases, like cholera, in the future. Following the heavy rains and floods that left many people destitute in some parts of the country, Airtel Malawi made a donation to the Department of Disaster Management Affairs (DODMA) to help the affected people.

8,000+

Potential students across 10 schools impacted

Youth Empowerment

Skill development and learning

VSOMO (A Mobile-learning programme sponsored by Airtel Tanzania) carried out an orientation program with youth from 7 different regions (Arusha, Morogoro, Mwanza, Dodoma, Kilimanjaro, Dar es Salaam and Coast region) in preparation for practical sessions after successfully completing the VETA (Vocational Educational and Training Authority) e-learning programme. Airtel Tanzania also partnered with Dar Teknohama Business Incubator (DTBi) to impart computer basic skills and technology to Dar es Salaam entrepreneurs, so as to expand their businesses through digital platform.

In partnership with Economic Liberation Association (ELA) Airtel Zambia trained over 60 youth in Chawama on issues Related to financial literacy and Mobile Money banking. Airtel Tanzania organized a fun run in which Airtel employees, stakeholders, and the general public bought participation tickets and thereby contributed towards the support of youth aged 18 to 24 years, who will qualify to take vocational education online training through VSOMO App.

Community development

Providing better living standards

The staff of Airtel Rwanda joined residents of Masaka Sector in Kicukiro District to speed up the completion of the Abaraya Model Village, enabling more than 70% households to live in better viable settlements.

"Our initiatives are determined by local priorities and driven by the local teams. Our objective is to lend a hand where we can, to the communities across all the 14 countries that we operate in."

Raghunath Mandava
 CEO (Africa)



Providing better living standards in Rwanda

Moments of **Glory**



Airtel Nigeria named Brand of the Year by Leadership Newspaper, Q4, 2018



Airtel Business wins The Service Innovation Award at the 9th Edition of the Aegis Graham Bell Awards



15th National Awards for Excellence in Cost Management - 2017 (awarded on October 16, 2018)

Airtel India

- Airtel has been rated as the most admired company in telecom, in a recent survey conducted by the Economic Times Salary Survey 2017-18 among employees across the telecom space. The survey showed 21% of the respondents opting for Airtel as the most admired company.
- Airtel was ranked first within the information technology and telecommunication (ICT) category at the 15th Annual National Awards for Excellence in Cost Management. The event organized by the Institute of Cost Accountants of India, a premier statutory cost and management accounting body, aims to recognize and honor organizations which have succeeded through efficient and innovative approaches in Cost Management.
- Airtel Business has been chosen as the winner in two

prestigious categories - **Best** Wholesale Carrier (Global) and Best Wholesale Business Transformation at the Carriers World Awards 2018, a benchmark for excellence in the global wholesale market.

- Airtel's music streaming app Wynk Music has been rated as 'Most Entertaining app of 2018' on Google Play Store. Also, the OTT music streaming app from Airtel introduced 'Your Year in Music 2018', a new way for its 100 Mn users to look back on their musical journey on the app with just a single touch. This initiative was aimed to create a deeply personalized music experience for its users.
- Airtel bagged top honors at CIO CHOICE Awards. Airtel was declared as the winner in the Colocation, Public Cloud, Network Security and Information Security categories at the seventh edition of the CIO CHOICE Awards.

- Sunil Bharti Mittal Honoured by Global Mobile Industry Body.
- Airtel ranked amongst the top 10 companies (out of 100) in the Indian Corporate Governance Scorecard, an independent report jointly developed by Bombay Stock Exchange, International Finance Corporation and Institutional Investor Advisory Services (IIAS) with support from the Government of Japan.
- Airtel's Carrier Digital Platform won the 9th edition of Aegis Graham Bell Award for Wholesale Voice business under 'Service Innovation' category.
- Airtel Centre of Excellence (ACE) has bagged the runner's up award at the Business Partners Challenge for Shared Services held in New Delhi.

Airtel Africa

- Airtel Touching Lives, a corporate philanthropy initiative by Airtel Nigeria has been named the Most Innovative CSR Leadership Initiative by Marketing Edge, a leading publication focused on brands, media, advertising and communications.
- Airtel Niger has been awarded as the **best promoter** of digital services by the President.
- Airtel Uganda has been recognized by Digital Impact Awards, Africa as the Best Technology Brand on Social Media, Best Digital Customer Experience by Technology Brand, Best Saving and Lending Product (Digital driven), Best Professional, Legal and Regulatory brand.
- Airtel Tanzania won an Appreciation Award for the contributions and continued support in improvement of school environment in Tanzania by

Tanga City Council and was also recognized for **Mobile Health Support by Ministry of Health**.

- Airtel Nigeria has been awarded with Smart Recharge Campaign of the Year by Advertiser association of Nigeria.
- Airtel Nigeria was named 'Brand of the Year 2018' by the Board of Editors of "Leadership", one of the foremost newspapers.

Business Responsibility Report

Section A

Corporate Identity Number (CIN) of the Company	L74899DL1995PLC070609					
Name of the Company	Bharti Airtel Limited					
Registered Address	Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110070					
Website	www.airtel.com					
Email ID	compliance.officer@bharti.in					
Financial Year reported	2018-19					
Sector(s) that the Company is engaged in (Industrial activity code-wise)	 Telecommunication Services – mobile telecommunication, fixed line services and telecommunication enterprise solutions. Direct-to-Home Services (through subsidiary company) Payments Bank (through subsidiary company) 					
Key products / services that the Company manufactures / provides (as in balance sheet)	 Mobile Services Broadband Services Enterprise Services Direct to Home (DTH) Services 					
Total number of locations where business activity is undertaken	Number of international locations (major 5)	Operations in 18 countries including India and Sri Lanka.				
	Number of national locations	Headquartered in New Delhi, the Company has business in all 22 licensed telecom service areas				
Markets served by the Company- Local/State/ National/Internationalg	Besides India, operations	in Africa and South Asia				

Section **B**

I. Paid up capital (₹ Millions)	19,987			
2. Total turnover (₹ Millions)	496,080			
3. Total profit / (loss) after taxes (₹ Millions)	(18,290)			
 Total spending on Corporate Social Responsibility (CSR) as percentage of average Net Profit of the Company for last 3 financial years. 	0.82%			
 List of activities in which expenditure in point (4 above) has been incurred 	 Education promotion Higher and technical education Child welfare Disaster relief Community development Environmental initiatives and awareness Employability and entrepreneurship 			

Section C

Other Details

1. Does the Company have any Subsidiary Company/ Companies?

Bharti Airtel Limited (hereinafter referred as Airtel) has 12 direct and 89 indirect subsidiary companies, as on March 31, 2019.

2. Does the Subsidiary Company / Companies participate in the Business Responsibility (BR) initiatives of the parent company?

Nearly all subsidiary companies, either directly themselves or jointly with Airtel, participate in the BR initiatives.

3. Do any other entity/entities (e.g. suppliers and distributors, among others) that the Company does business with participate in the BR initiatives of the Company?

Airtel supports and encourages its partners to undertake sustainability and CSR initiatives. At present, the Airtel's infrastructure and facility management partners support its drive towards environment protection, which represents less than 30% of all its partners.

2.0 Principle-wise (as per NVGs) BR Policy / Policies

Principle 1

Ethics, Transparency and Accountability

Businesses should conduct and govern themselves with ethics, transparency and accountability

Principle 4

Stakeholder Engagement

Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

Principle 7

Responsible Policy Advocacy

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

Principle 2

Products Lifecycle Sustainability

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life

Principle 5

Human Rights

Businesses should respect and promote human rights

Principle 8

Support Inclusive Growth

Businesses should support inclusive growth and equitable development

Section D

Business Responsibility Information

1.0 Details of Director / Directors responsible for BR

(a) Details of Director / Directors responsible for the implementation of BR policy / policies

DIN Number	00042494
Name	Mr. Rakesh Bharti Mittal
Designation	Director

(b) Details of the BR head

DIN Number	N.A.	
Name	Mr. Sameer Chugh	
Designation	Director - Legal & Regulatory	
Telephone Number	+91 124 4243188	
E-mail ID	sustainability@airtel.com	

Principle 3

Employees' Well-being

Businesses should promote the well-being of all employees

Principle 6

Protection of the Environment

Businesses should respect, protect and make efforts to restore the environment

Principle 9

Providing Customer Value

Businesses should engage with and provide value to their customers and consumers in a responsible manner

a) Details of Compliance (Reply in Y/N)

SI. No.	Questions	Ρ1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy / policies for?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders? (A)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words) (A)	Y	Y	Y	Y	Y	Y	Y	Y	Y
1.	Has the policy being approved by the Board? If yes, has it been signed by MD / Owner / CEO / appropriate Board Director? (B)	Y	Ν	Ν	Y	Ν	Y	Ν	Ν	Ν
ō.	Does the Company have a specified committee of the Board/ Director / Official to oversee the implementation of the policy? (B)	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Indicate the link for the policy to be viewed online? (C)	Y	Ν	Ν	Y	Y	Ν	Ν	Ν	Ν
7.	Has the policy been formally communicated to all relevant internal and external stakeholders? (D)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the Company have in-house structure to implement the policy / policies? (E)	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redress mechanism related to the policy / policies to address stakeholders' grievances related to the policy / policies? (F)	Y	-	Y	Y	Y	-	-	-	Y
.0.	Has the Company carried out independent audit / evaluation of the working of this policy by an internal or external agency? (G)	Y	Y	Y	Ν	Ν	Y	Y	Ν	Y

(A) The policies are formulated with detailed consultation with relevant stakeholders and benchmarking across the industry. These are developed and aligned to applicable legal and regulatory requirements, and guidelines, SEBI listing regulation and its internal mandates.

- (B) All policies are administered under the overall supervision of the Airtel Management Board (AMB) of the Company, headed by the Managing Director and Chief Executive Officer. The Audit Committee of the Board along with other Board Committees regularly reviews implementation of policies.
- (C) The following policies can be viewed on its website <u>www.airtel.com</u> and <u>www.bharti.com</u>
 - 1. Code of Conduct Policy
 - 2. Code of Conduct Policy for Partners
 - 3. CSR Policy
 - Ombudsperson Policy and Process
 Stakeholder Engagement Policy

 - 6. Human Rights Policy
 - 7. Environment Health and Safety Policy
- (D) Except policies listed above, all other policies are meant for internal consumption of employees and are available on the Company's intranet. All policies have been periodically communicated to the relevant internal and external stakeholders.
- (E) All policies are owned by the respective AMB member and their senior leadership teams are responsible for the effective implementation of the policies.
- Any clarifications for grievances related to either of the policies are addressed by the respective leadership audit team member and if not addressed to (F) satisfaction can be escalated to the Ombudsperson.
- (G) All policies and their implementation are audited by an independent internal audit team who in turn reports issues, if any, to the Board / Audit Committee.

Governance related to BR

Performance assessment frequency of BR ÷....

The CSR Committee and Board assess and review the BR performance annually and give a strategic direction to Airtel's BR initiatives, as required.

Details of BR and Sustainability Report E.

Airtel publishes an annual Integrated Report in accordance with the International <IR> Framework as developed by IIRC. The report has been uploaded on Airtel's website and can be viewed at www.airtel.in.

Section E

Principle-wise performance

Principle 1

Ethics, Transparency and Accountability

Airtel believes that economic value cannot be sustained unless it is created on a foundation of ethics and responsibility. It has a strong legacy of fair, transparent and ethical governance practices. It is the Company's Code of Business Conduct which reinforces its commitment to operate with the highest degree of integrity. It outlines the Company's expected standards of ethical conduct and behaviour. The Code of Conduct extends to employees at all levels and other individuals working with the Company, its subsidiaries, suppliers, contractors, service providers and channel partners. It lays down principles against discrimination, anti-competitive practices, insider trading and prohibits bribes, kickbacks and improper payments. All employees are required to undergo an annual e-certification on the Code of Conduct to acknowledge that they understand and commit to imbibe the principles defined in it.

As part of its corporate governance structure and the Code of Conduct, the Company has placed necessary safeguards to avoid any conflict of interest. The management is required to confirm that they have not entered into any material transaction that could have potential conflict of interest to its business. Any incident of conflict of interest is brought to the notice of management as per the provisions of Code of Conduct.

To facilitate an effective implementation of its Code of Conduct, the Company has an ombudsman process which allows employee, contractors and vendors, to raise a grievance or complaint without any fear of reprisal. A formal process is undertaken to review and investigate any concern and take suitable action in accordance with the Consequence Management Policy. The instances of such misconduct are periodically reported to the Audit Committee. During 2018-19, 22 allegations of corruption and bribery were received and investigations were completed in 11 cases. The remaining 11 cases are under various stages of investigation. Allegations were substantiated in 2 cases and suitable actions initiated, as per Consequence Management Policy and their services with the organization was terminated.

Principle 2

Product Lifecycle Sustainability

It is out constant endeavour to ensure safety and optimal resource use of all our products across their entire life cycle from design to disposal. Airtel is proactively contributing to sustainable development through measurement and reduction of its ecological footprint across the value chain, including business operations, supply chain and delivery of services.

The Company is leveraging its existing services such as Mobile DTH, Payments Bank, Fixed line and Broadband and Enterprise

solutions to provide basic life services. It is helping enhance financial inclusion, health and education along with raising awareness around agriculture. Airtel relentlessly works to provide value across its value chain to minimise environmental fallout. Airtel took some significant steps like promoting reduced energy consumption, minimising waste and focusing on developing innovative solutions to ensure environmental stability. The Company has formulated and implemented procurement guidelines to confirm safety and resource optimisation. Besides, it adheres to standard practices and procedures for waste disposal in accordance with regulations. Airtel gives primary importance to community health and safety.

The Company acknowledges the growing concern over the exposure to electromagnetic fields (EMF) and maintains complete transparency in its position. It also shares updated and extensive research-based information on this matter with its employees, partners, customers and the community, at large. The Company's existing practices comply with the relevant guidelines issued by the Department of Telecommunication (DoT), Government of India (Gol). According to the DoT guidelines, the Company's operational sites are subject to random selection and audit by the DoT's Telecom Enforcement Resource and Monitoring (TERM) Cells. In FY 2018-19, over 42706 base stations were audited on a sample basis by TRAI and all of them were found to be compliant with emission norms. The Company in partnership with the Cellular Operators Association of India (COAI) conducts various programmes, workshops, seminars and stakeholder. Such initiatives are taken to build awareness about the issue.

Airtel declared 'War on Waste' as one of its business priorities. This initiative intends to improve the Company's operating efficiency by eliminating waste. Airtel is undertaking constant measures to optimize resources and reduce waste generation in its operations. More details on waste management can be found in Natural Capital Section of the Integrated report.

The most substantial waste generated from Airtel is e-waste, owing to its nature of business. The Company has adopted a focused approach on e-waste management. It has made significant efforts to reduce environmental impact of its operations, by minimising waste and ensuring proper disposal and recycling. Airtel has also implemented various awareness strategies to reduce waste by promoting extended use of network and IT based equipment. The Company adheres to the Government of India's (GoI) guidelines to recycle waste at the source. In FY 18-19, around 4,168.25 tons of e-waste generated from IT and network infrastructure was recycled through authorised recycling partners.

Airtel leverages its diverse platforms to deliver services to its wide customer base. Thus, it does not have any impact on sourcing, production or distribution. The Company also ensures that there is no broad-based impact on energy and water due to use of its services. The Company is strongly committed to building a responsive and sustainable value chain.

Principle 3

Employees' Well-being

Airtel strives to demonstrate employee stewardship through fostering a culture that promotes the realisation of highest potential for each employee. Being in the service industry, the Company reckons that employees are its key assets and are critical to driving business growth. Airtel's objective is to create an environment where employees can continually enhance their knowledge, skills and expertise. At the same time, it invests in well-being programs in order to keep the workforce engaged and productive. Creating a safe and empowered workplace with a culture that drives equal opportunity, non-discrimination, meritocracy and freedom of expression is paramount to the Company. This serves to ensure that the Company's strong workforce of 14,818 employees are both efficient and engaged. This also becomes the cornerstone of attracting and retaining the best talent.

The Company strives to build an inclusive organisation where diversity is celebrated. This is also because it strongly believes that employees with diverse backgrounds bring their own unique perspectives, experience, knowledge and skills, which when properly harnessed, can significantly increase the Company's ability to proactively respond to the dynamically changing business environment. During the reporting year there were 1,316 permanent women employees, which represented around 8.88% of the total workforce. Female employees constituted 10.64% of the management positions. A total of 20 people with special abilities were employed at various Company locations.

In addition, the Company had 56,555 sub-contracted employees for calendar year 2018, employed at its various sites. During the period, the Company did not engage any temporary or casual staff in the organisation. Employees at Airtel have the full freedom to become member of a trade union or indulge in collective bargaining. However as on March 31, 2019, none of the employees of Bharti Airtel Limited were covered by an independent trade union or collective bargaining agreements. Nevertheless, it is ensured that employees have full freedom to escalate their grievances to the management without fear or coercion, which are then addressed and resolved to mutual satisfaction.

As a responsible and employee-oriented organization, Airtel has incorporated initiatives that centre on the philosophy of building a learning culture throughout the lifecycle of the employee working with us. Employees are provided with opportunities to enhance their behavioural, functional and technical competencies through various interventions like on the job exposure, projects, coaching, and mentoring and classroom trainings. In FY 2018-19, an average of 16.82 hours of training was provided per employee.

Airtel's commitment to health and safety is driven by stringent workplace health and safety policies that provide a comprehensive framework for ensuring safe and incidence-free workplace, effective investment in health promotion and disease prevention at all levels of the business. To ensure occupational health and safety throughout the operations, a dedicated safety team, led by a Safety officer, was setup up to monitor and maintain a safe, healthy and injury-free working conditions. In FY 2018-19, more than 15,933 employees attended the safety trainings including over 32 specially-abled employees.

The Company has implemented various employee friendly policies which allow the employees to valuably contribute to the company while maintaining work life balance, such as flexible work hours, work from home arrangements, maternity and paternity leave more than as mandated by the law. To promote employee well-being, the Company organises across its units regular medical check-ups, fitness challenges and awareness programmes on on maintaining a healthy lifestyle.

The Company also has policies to safeguard the security and well-being of its employees such as Workplace Safety Policy, Domestic Travel Safety and Security Policy and Policy for Safety of Women. During the reporting year we launched a Women Safety app, which has been designed to empower women in the event of any distress, enabling them to reach their family or friends who can then reach them through real-time tracking of their location. The Company has put procedures in place to ensure the workplace environment remains free from sexual harassment.

The Bharti Code of Conduct ensures to build a workplace culture that fully reflects Bharti's values of trust, mutual respect and inclusive growth for all. The Code encompasses a wide array of issues pertaining to harassment, workplace conduct, labour conditions, and community responsibility. The Ombudsman process facilitates a formal review and investigation of concerns and undertakes appropriate actions required to resolve the reported matters. In FY 2018-19, 23 cases regarding sexual harassment at the workplace were reported and investigated. In 19 of these cases, the allegations were substantiated and the accused personnel were either provided counselling, a written warning or released from their services. Airtel received no complaints regarding child labour, forced labour and discriminatory employment during the year under review.

Principle 4

Stakeholder Engagement

Creating value for each stakeholder is a key business objective for Airtel. The Company continually assesses the impact of its business activities on its stakeholders and takes action to engage with them in order to better understand and respond to their expectations. Airtel realizes that coping with the multiple and competing interests of stakeholders calls for a strategic approach where the right stakeholders are identified and apprised with relevant information through suitable engagement channels. To direct the same, the Compay has a Stakeholder Engagement Policy in place, which is applicable to all operating entities and functions at a corporate and regional level, and guides its activities towards effective stakeholder engagement. Stakeholder engagement is also vital for the Company to map its material issues and undertake initiatives to address them. Regular engagement with the internal and external stakeholders allows the Company to stay relevant. This practice helps the Company to prioritize key sustainability issues in terms of relevance to its business and stakeholders, including society and environment. It rigorously conducts a detailed materiality-assessment, which enables it to map stakeholders' expectations with its business priorities, risks and opportunities.

In FY 2017-18 Airtel revisited the Materiality Analysis process and performed detailed stakeholder surveys to identify materiality issues / sustainability concerns with the highest relevance and impact, an exercise carried out once in two years. In order to streamline the process, identification and categorization of its key stakeholders, (both internal and external) was performed. The key stakeholders identified include: Customers, Employees, Business Partners (Suppliers and Vendors), Community, Investors, Government Bodies, Industry Associations, Non-governmental Organizations (NGOs) and Academic Institutions. Stakeholder engagement activities were carried out among respective categories of stakeholders with the help of questionnaires. Similar exercise was performed with the Airtel Management Board to delineate the business priorities, which when mapped with the stakeholder concerns, fetched the sustainability issues that demanded enhanced strategic and operational attention.

The Company has identified disadvantaged, vulnerable and marginalised stakeholders through Bharti Foundation, the philanthropic arm of Bharti Enterprises. The foundation's beneficiaries include economically-challenged and disadvantaged groups, especially girls. Bharti Foundation touches all aspects of stakeholder empowerment through multiple community initiatives in the realm of education, employment generation, sanitation along with healthcare, and disaster management. Please refer to the CSR section of the annual report for details on the Company's CSR interventions.

There are a number of channels through which the Company connects with its stakeholders and opportunities that allow them to provide feedback or report grievances which includes its call centers - an independently managed hotline open to all stakeholders including customers, community members, partners, government authorities to raise any complaints / issues which are then appropriately addressed.

Principle 5

Human Rights

Respecting human rights of stakeholders across our value chain is one of our core priorities, which begins through responsible action at our own operations. We also ensure that our business activities do not adversely impact any of our external stakeholders such as our suppliers, partners, customers and the wider community. Our commitment to human rights is reinforced through our Code of Conduct (COC), as well as guided by U.N. Universal Declaration of Human Rights and International Labor Organization's declaration on Fundamental Principles & Rights at Work. While these provide the guidelines for responsible business conduct at a global level, our policies are shaped and customized by local regulations. Our Human Rights policy is applicable to all employees across the organization, while the code of conduct for business associates and vendor compliance policy details the requirements for partners and suppliers to uphold and respect human rights. Compliance to the Code, the relevant labour laws and human rights regulations applicable in their geographies of operation is a major part of associating with Airtel.

We have established committees / processes such as the Ombudsman process, Prevention of Sexual Harassment Committee, Audit / Risk committees to review progress and formulate strategies to address material issues pertaining to compliance, safety and a harassment-free workplace. We constantly keep our employees informed about these processes in order to provide them a medium to report any grievances.

No incidences of child labour, forced labour or discrimination were reported in FY 2018-19. 23 cases of sexual harassment were reported out of which allegations were substantiated in 19 cases. These were addressed through counselling, written warning or termination.

Principle 6

Protection of the Environment

Despite being a service industry, Airtel is conscious of the impact of its operations on the environment. Telecom industry's carbon footprint is likely to increase as developing markets continue to grow, network traffic increases, and companies move towards 5G. Airtel is taking preemptive efforts to address this through a wide range of initiatives aimed at increasing the usage of renewable energy sources and optimising energy consumption to be able to move towards cleaner operations and energy efficient networks.

Airtel is committed to operate and provide products and services in an environmentally responsible and sustainable manner. The Health, Safety and Environment (HSE) policy specifies its approach towards protection of the environment; and is applicable for all employees of the Company and its subsidiaries

During the reporting year, Airtel has undertaken various initiatives towards deployment of renewable energy solutions in network towers, installation of rooftop solar panels at Main Switching Centres (MSCs) and captive green energy generation through solar/wind energy. The Company has also entered into Open Access contracts for wheeling green sources of power, which is further helping us reduce our emissions.

Last year it implemented ISO 14001:2015 Environment Management System at all data centres to enhance their environmental performance. Additionally, several initiatives have been taken in collaboration with its network infrastructure partners such as deployment of shared sites, conversion of Indoor base transceiver stations to outdoor and implementation of solar hybrid solutions. Besides this several initiatives have been taken in Airtel's facilities to reduce energy consumption such as use of energy efficient equipment, facility consolidation and optimum space utilisation and excess demand surrender. All of these initiatives have enabled the Company to reduce its diesel and electricity consumption as well as contribute in promoting a low carbon economy.

However, its greatest contribution to reducing and adapting to climate change undoubtedly comes from increased digitalisation, supported by a renewable network and solutions that are already responding to environmental challenges. Its services enable customers to reduce their carbon footprint and increase the resilience of the communities in which it operates. For instance, its IoT and B2B services designed to improve its customers' mobility and energy efficiency; and its cloud and video-conferencing services, prevent greenhouse gas emissions through reduction of fuel usage. Its energy efficient data centers, through hosting IT applications for other parties, are also enabling them to significantly avoid their carbon emissions.

Airtel has declared a war on waste and is taking concrete steps to reduce resource consumption and transition to more sustainable production through measures such as recycling of paper and E-waste, introduction of E-bills, take back & refurbishing of DTH set top boxes and tower sharing to save resources like steel, cement, concrete, zinc and land. The emissions or wastes generated by the Company during the reporting year are within the permissible limits given by Central Pollution Control Board (CPCB) and State Pollution Control Boards (SPCBs). As on March 31, 2019, there were no notices / cases received by the organization from pollution control boards.

Further details of the Company's environmental initiatives are available in the Natural Capital section of this report.

Principle 7

Responsible Policy Advocacy

Being one of the largest Telecommunication operators in India, Airtel assumes significant responsibility to contribute to the development of public policy, which would facilitate the transition to a more sustainable and equitable world. Airtel works closely with all industry associations and trade chambers to ensure its public policy positions complement and advance its objectives of social and environmental stewardship.

As an organization, it strives to shape policy that would drive digital inclusion, advance innovation, enhance competitiveness, promote green telecom, and spur economic growth to increase job opportunities. The policy agenda focuses on promoting last mile connectivity of network, affordable access to customers, digital literacy and transparency and awareness around EMF radiations. Moreover, it deals with creating adaptability of internet, easing and automating subscriber acquisition, enhance the quality of service offerings, tariff regulations and environment protection among others. As these issues continue to be thoroughly scrutinised and deliberated upon by government bodies, they are likely to have a material impact on the lives of millions.

The Company generally conveys its policy positions through its membership with the Cellular Operators Association of India (COAI). Besides, it is also a member of apex industry associations engaged in policy advocacy such as the Confederation of Indian Industry (CII) and Federation of Indian Chambers of Commerce and Industry (FICCI). Internationally, Airtel is a member of the International Telecommunication Union (ITU) and GSM Association (GSMA).

Airtel believes in the need to balance the interests of diverse stakeholders and tries to influence policies that are in the best interests of customers and the community at large. Hence, it operates with the highest values of ethics, integrity, transparency and accountability in all its advocacy endeavours.

Principle 8

Support Inclusive Growth

Airtel believes that its organisational success and welfare of the communities are interdependent. It understands the importance of inclusive growth for developing the economy as a whole so that the Company's services can be accessed by all the customers, including customers at the Bottom of Pyramid (BOP). As India's leading telecommunication service provider, the Company is cognisant of this responsibility and has been taking continued efforts to ensure value creation and sustainable growth of communities.

Airtel has played a role in empowering millions across the country through its exhaustive suite of innovative services and products that help enhance the quality of lives. This has been possible through continued engagement with the communities and relentless efforts to expand the reach of our network. Through special products for rural customers based on health, education, financial inclusion and agriculture, Airtel is leveraging the power of ICT to drive development in rural communities. For instance, through its IFFCO Kisan Sanchar Limited (IKSL) mobile app, Airtel is empowering nearly four million farmers to improve their productivity and income through enhancing their knowledge on commodity prices, weather, agronomy and horticulture and government schemes.

Owing to that fact that internet accessibility can play a vital role in enhancing the socio-economic well-being of a society, Airtel is proactively supporting Indian government's flagship 'Digital India' initiative towards the pursuit of digital inclusion by promoting rural and last mile connectivity. With over 149.1 Mn mobile customers from rural market, Airtel serves India's largest rural mobile customer base. The rural and emerging markets constitute over 46% of its customer base. The Company actively engages in philanthropic activities and encourages employees to volunteer for social causes and community outreach efforts. This reflects its desire to be a trusted partner for holistic development of the communities that it operates in. These initiatives are spearheaded by Bharti Foundation, the philanthropic arm of Bharti Enterprises as well as through its own telecom circles offices at the regional level. Through Bharti Foundation, the Company implements and supports programs in the fields of primary, secondary and higher education as well as sanitation.

Satya Bharti School Program, the flagship program of Bharti Foundation involves the communities towards operation of schools. The program aims to provide a platform for rural children which not only gives them access to quality education but also paves the way to a responsible life that is inspired by the principles of commitment, integrity and a desire to make a difference.

Further details about the initiatives undertaken by Bharti Foundation and by Airtel's regional circle offices are available in the CSR section of the Company's Capitalise Integrated Report.

During FY 2018-19, Airtel made significant contributions towards various philanthropic projects, which include:

₹**94.78** Mn

To Bharti Foundation towards furtherance of its objectives.

₹400.87 Mn Other contributions

Other cont

Principle 9

Providing Customer Value

Customers are the cornerstone of our business and we believe in providing the best-in-class telecommunication products and services to them. One of the key themes and business priorities for the Company is 'Win with Customers'. Through its world-class network, innovative yet affordable services and an exceptional customer experience, the Company aims to win customers for life. The long-term strategic goal of the Company is to innovate and deliver a wide range of cost-effective, secure, timely, and customized services with the best technology. Over the last few years we have striven to improve the quality of network through increasing investment in strengthening our network infrastructure and enhancing spectrum efficiency. As a result, we have been able to significantly reduce service interruptions. In the reporting year, our average network interruption duration was 0.000012.

Innovation runs at the heart of Airtel. Leveraging latest technologies, strong R&D, and effective collaborations, Airtel comes up with innovative products and services each year to create an advanced way of living, for its customers. From enabling our customers through digitization and self-care, facilitating convenience through to providing affordable and value added ICT solutions, we are striving to innovate in every aspect of our

operations. Apart from telecom, we also provide innovative technology solutions that are based on basic life services such as health, education, financial inclusion and agriculture.

At Airtel, the Company believes its customers are also its business partners, helping to greatly improve and evolve the services it offers. Their ongoing feedback and inputs provide the greatest stimulus in improving its products, services and processes. Through an integrated end-to-end experience, improving its overall retail store experience and delivering impeccable voice and internet services, the Company strives to enhance customer experience and increase its customer retention. The Company has a dedicated Customer Experience team that actively seeks and responds to customer feedback and queries so as to be able to continuously improve upon its products, services and processes. Measuring customer satisfaction and loyalty is a key consideration for the Company. To do this, Airtel employs multiple tools such as the Net Promoter Score (NPS), social media mentions, feedback over call/ point of sale, customer grievances, complaint management and exit surveys. Holistic tools such as the NPS enable it to gather feedback and capture the customers' perceptions.

Airtel believes in transparency and empowering users to manage their own Airtel products & services with ease. Airtel has consistently made efforts in this direction whether it is through our Open Network, enriched self-care or ever evolving powerful MyAirtel App. This year, Airtel has successfully implemented various initiatives to increase transparency for our customers and/or reduce the surprises arising due to bill shock during international roaming and lack of awareness about services. Airtel has been communicating mandatory usage information (as specified by the law) regarding enrolment and deactivation, tariff, usage, contact and grievance on its welcome kits, periodic bills, enrolment forms, booklets, websites and point of sales displays.

Airtel works closely with the industry, government, law enforcement and community organizations to help our customers understand and manage the risks associated with the online world. Airtel supports a range of government initiatives to raise awareness, and provide online education and guidance. Some of the measures undertaken in the last few years include:

- 1. Proactively filtering offensive content available online which is not compliant with the state laws
- 2. Upgrading technology constantly to reduce threat exposures
- Associating with Law Enforcement Agencies (LEA) to support investigations by provision of customer information and complying with all requests as per regulatory norms.

In addition to this Airtel also takes prior consent of all customers at the time of acquisition on collection, transfer and disclosure of personal data. <u>https://www.airtel.in/forme/privacy-policy</u>. All subscribers have an option to opt out of usage of customer information for promotional purposes and they can readily opt out at any time through our website/application, at customer acquisition stage or through a single SMS.

Independent Assurance Statement on **Sustainability Disclosures**

To Bharti Airtel Limited Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi- 110070, India

Independent Assurance Statement on sustainability disclosures in the Integrated Annual Report for Financial Year 2018-19

Introduction and objective of engagement

Thinkthrough Consulting Private Limited (TTC) was engaged by Bharti Airtel Limited (the 'Company') to provide independent assurance on its sustainability disclosures in the Integrated Annual Report for Financial Year 2018-19 (the 'Report') that includes the Company's sustainability performance for the period 1st April 2018 to 31st March 2019.

The Company has developed the Report based on the applicable accounting standards and has incorporated the principles of the International Integrated Reporting (<IR>) Framework published by the International Integrated Reporting Council (IIRC). Its sustainability performance reporting criteria has been derived from the GRI Standards, 2016 of the Global Reporting Initiative, and Business Responsibility Reporting Framework based on the principles of National Voluntary Guidelines of India (NVG) as prescribed by the Securities and Exchange Board of India, and AccountAbility's AA1000APS 2008 (Principles of Inclusivity, Materiality and Responsiveness).

Respective responsibilities

The Report content and its presentation are the sole responsibilities of the management of the Company. The Company management is also responsible for the design, implementation and maintenance of internal controls relevant to the preparation of the Report, so that it is free from material misstatement.

TTC's responsibility, as agreed with the management of the Company, is to provide assurance on the Report content as described in the 'Scope of assurance and methodology' section below. We do not accept or assume any responsibility for any other purpose or to any other person or organisation. Any reliance a third party may place on the Report is entirely at its own risk.

Assurance standard

The assurance process was conducted in line with the requirements of the AA1000 Assurance Standard (2008) Type 2 assurance¹. We applied a moderate² level of assurance.

Scope of assurance and methodology

The scope of assurance engagement was limited to review of sustainability data and information in the Report, pertaining to environmental and social performance for the period 1st April 2018 to 31st March 2019. The sustainability disclosures covered as part of the scope of the assurance process included:

- 느 Energy
- 🗕 Waste
- **E** GHG (carbon) emissions and intensity
- Employee training and education

We conducted review and verification of data collection, collation and calculation methodologies, and general review of the logic of inclusion/omission of relevant information/data in the Report. Our review was limited to:

- Evaluating the appropriateness of the quantification methods used to arrive at the sustainability disclosures presented in the Report;
- Review of consistency of data/information within the Report as well as between the Report and source;
- Review of sustainability data collection and management procedures;
- Execution of audit trails of claims and data streams, on selective basis, to determine the level of accuracy in collection, transcription and aggregation.

Our evidence gathering process for this was conducted at the Company's office in Gurgaon. We did not conduct any physical verification of facilities of the Company at other locations as part of assurance. Audit trails and review were conducted through discussion with different internal stakeholders at the office in Gurgaon, and collection of evidences on sample basis provided by the respective stakeholders.

¹ Type 2 Assurance: an engagement in which the assurance provider gives findings and conclusions on the principles of Inclusivity, Materiality and Responsiveness, and verifies the reliability of specified sustainability performance information AA1000AS (2008) Standard.

² A moderate level of assurance as per AA1000AS (2008) Standard is commensurate with "limited" assurance as defined in the International Standard on Assurance Engagements (ISAE) 3000.

Limitations of our engagement

Our assurance scope excludes:

- Data and information outside the defined reporting period (1st April 2018 to 31st March 2019);
- Review of the 'economic performance indicators' included in the Report which, we have been informed by the Company, are derived from the Company's audited financial records;
- The Company's statements that describe expression of opinion, belief, inference, aspiration, expectation, aim or future intention.

Our assurance team and independence

TTC is a professional services firm that specializes in accountability on sustainability issues. The assurance was performed by our multi-disciplinary competent team of experts across domains of sustainability as well as GRI standard and AA1000 Assurance Standard. This team has extensive experience in conducting independent assurance of sustainability data, systems and processes across sectors and geographies. We have implemented measures to ensure that we follow the applicable independence procedures.

Our observations

While the sustainability disclosures of the Company as defined under the scope of assurance are fairly reliable, the Company has a scope to augment the robustness of its data management system, including internal review mechanism, to further enhance the accuracy of reporting.

Our conclusion

Based on the scope of our review, our conclusions are outlined below:

- Inclusivity: We are not aware of any matter that would lead us to conclude that the Company has not applied the principle of inclusivity in engaging with the key stakeholder groups;
- Materiality: Nothing has come to our attention that causes us to believe that any material topic has been excluded from the Report of the Company;
- Responsiveness: Nothing has come to our attention that would lead us to conclude that the Company has not applied the principle of responsiveness for communicating with stakeholders on material topics covering its sustainability performance.

Alboh

Dipankar Ghosh, Partner New Delhi 15 July 2019

Board's **Report**

Dear Members,

Your Directors have pleasure in presenting the 24th Board Report on the Company's business and operations, together with audited financial statements for the financial year ended March 31, 2019.

Company Overview

Bharti Airtel is one of the world's leading providers of telecommunication services with operations in 18 countries across Asia and Africa. The Company's diversified service range includes mobile, voice and data solutions, using 2G, 3G and 4G technologies. We provide telecom services under wireless and fixed line technology, national and international long distance connectivity and Digital TV; and complete integrated telecom solutions to our enterprise customers. All these services are rendered under a unified brand 'Airtel' either directly or through subsidiary companies. Airtel Money (known as 'Airtel Payments Bank' in India) extends our product portfolio to further our financial inclusion agenda and offers convenience of payments and money transfers on mobile phones over secure and stable platforms in India and across all 14 countries in Africa.

The Company also deploys and manages passive infrastructure pertaining to telecom operations through its subsidiary, Bharti Infratel Limited, which also owns 42% of Indus Towers Limited. Together, Bharti Infratel and Indus Towers are the largest passive infrastructure service providers in India.

Financial Results

In compliance with the provisions of the Companies Act, 2013 ('Act'), and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') the Company has prepared its standalone and consolidated financial statement as per Indian Accounting Standards ('Ind AS') for the FY 2018-19. The standalone and consolidated financial highlights of the Company's operations are as follows:

Standalone Financial Highlights

Particulars	FY 20	18-19	FY 2017-18	
	₹ Millions	USD Millions*	₹ Millions	USD Millions*
Gross revenue	496,080	7,101	536,630	8,327
EBITDA before exceptional items	128,321	1,837	181,529	2,817
Cash profit from operations	70,790	1,013	131,674	2,043

Particulars	FY 20	18-19	FY 2017-18	
	₹ Millions	USD Millions*	₹ Millions	USD Millions*
Earnings before taxation	(52,037)	(745)	(6,812)	(106)
Net income / (loss)	(18,290)	(262)	792	12

*1 USD = 69.86 Exchange Rate for the financial year ended March 31, 2019. (1 USD = 64.44 Exchange Rate for the financial year ended March 31, 2018).

Consolidated Financial Highlights

Particulars	FY 20	18-19	FY 2017-18		
	₹ Millions	USD Millions*	₹ Millions	USD Millions*	
Gross revenue	807,802	11,567	826,388	12,823	
EBITDA before exceptional items	262,937	3,768	304,479	4,725	
Cash profit from operations	167,777	2,406	227,169	3,525	
Earnings before taxation	(17,318)	(253)	32,669	507	
Net Income / (loss)	4,095	59	10,990	171	

*1 USD = 69.86 Exchange Rate for the financial year ended March 31, 2019. (1 USD = 64.44 Exchange Rate for the financial year ended March 31, 2018).

The financial results and the results of operations, including major developments have been further discussed in detail in the Management Discussion and Analysis Report.

Secretarial Standards

Pursuant to the provisions of Section 118 of the Companies Act, 2013, the Company has complied with the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

Share Capital

During the year, the Authorized share capital of the Company has increased to ₹147,530 Mn divided into 29,506,000,000 equity shares of face value of ₹ 5/each pursuant to the amalgamation of Telenor (India) Communications Private Limited with the Company. Further, the Company has allotted 5 (Five) equity shares of face value of ₹ 5/- each, fully paid up to Telenor South Asia Investment Pte. Ltd. pursuant to the above said amalgamation. Consequent to the said allotment, the paid-up share capital of the Company has increased to 3,997,400,107 equity shares of face value of ₹ 5/-each aggregating to ₹ 19,987 Mn.

General Reserve

During the year, the Company has transferred ₹ 16 Mn into General Reserve from the Share Based Payment Reserve pertaining to gain / loss on exercise / lapse of vested options.

Dividend

During the year, the Company had paid a final dividend of ₹ 2.50/- per equity share of ₹ 5/- each fully paid up (50% of face value) for FY 2017-18 amounting to ₹ 9,993.50 Mn (excluding tax on dividend).

The Board has also declared and paid an Interim Dividend of ₹ 2.50/- per equity share of ₹ 5/- each fully paid up (50% of face value) for FY 2018-19 amounting to ₹ 9,993.50 Mn (excluding tax on dividend) during the year.

Dividend Distribution Policy

As per Regulation 43A of the Listing Regulations, top 500 listed companies are required to formulate a dividend distribution policy. Accordingly, the Company had adopted the dividend distribution Policy which sets out the parameters and circumstances to be considered by the Board in determining the distribution of dividend to its shareholders and / or retaining profits earned by the Company. The Policy is enclosed as Annexure A to the Board's Report and is also available on the Company's website at https://s3-ap-southeast-1.amazonaws.com/bsy/iportal/images/Airtel-Dividend_Distribution_Policy_35406A496EEC3AB50D0C777F006C6D41.pdf

Transfer of amount to Investor Education and Protection Fund

During the FY 2018-19, the Company has transferred the unpaid / unclaimed dividend pertaining to FY 2010-11 amounting to ₹ 6.4 Mn. to the Investors Education and Protection Fund ('IEPF') Account established by the Central Government. The Company has also uploaded the details of unpaid and unclaimed dividend amounts lying with the Company as on August 8, 2018 (date of last Annual General Meeting) on the Company's website www.airtel.com.

Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the shares on which dividend remains unpaid / unclaimed for seven consecutive years or more shall be transferred to the Investor's Education and Protection Fund ('IEPF') after giving due notices to the concerned shareholders. Accordingly, the Company has transferred 54,607 equity shares to the IEPF during the FY 2018-19. The details of equity shares transferred are also available on the Company's website www.airtel.com. The shareholders whose unpaid dividend / shares are transferred to the IEPF can request the Company / Registrar and Transfer Agent as per the applicable provisions in the prescribed Form No. IEPF-5 for claiming the unpaid dividend / shares out of the IEPF. The process for claiming the unpaid dividend / shares out of the IEPF is also available on the Company's website at http://www.airtel.in/about-bharti/equity/shares.

Deposits

The Company has not accepted any deposits and, as such, no amount of principal or interest was outstanding as on the balance sheet closure date.

Significant Developments

Mergers / amalgamations / demergers under Sections 230 to 232 of the Companies Act, 2013 completed during the year:

 Scheme of amalgamation between Telenor (India) Communications Private Limited ('Telenor') and Bharti Airtel Limited

Pursuant to an order dated March 08, 2018 of the Hon'ble National Company Law Tribunal, New Delhi ('the NCLT Delhi') sanctioning the scheme of amalgamation and subject to receipt of all regulatory and statutory approvals, Telenor was amalgamated into the Company w.e.f. May 14, 2018. Pursuant to the Scheme of amalgamation, the Company allotted 5 (five) Equity Shares of face value of ₹ 5/- each to Telenor South Asia Investment Pte. Limited, Singapore.

Mergers / amalgamations / demergers under Sections 230 to 232 of the Companies Act, 2013 pending sanction of the appropriate authorities:

Scheme of amalgamation between Bharti Digital Networks Private Limited (earlier known as Tikona Digital Networks Private Limited) ('Bharti Digital'), a subsidiary company and Bharti Airtel Limited

Pursuant to an order dated July 4, 2018, the NCLT Delhi sanctioned the scheme of amalgamation between Bharti Digital and our Company whereby Bharti Digital is proposed to be amalgamated into our Company. The amalgamation is pending before the Department of Telecommunications ('DoT') under the Guidelines for the Transfer / Merger of various categories of Telecommunication service licenses /authorisation under Unified License ('UL') on compromises, arrangements and amalgamation of the companies dated February 20, 2014 issued by the DoT ('Transfer-Merger Guidelines').

Composite scheme of arrangement between Tata Teleservices Limited ('TTSL'), Bharti Hexacom Limited ('Bharti Hexacom'), a subsidiary company and Bharti Airtel Limited

Pursuant to an order dated January 30, 2019, the NCLT Delhi sanctioned the composite scheme of arrangement between TTSL, Bharti Hexacom and the Company for demerger of one part of the entire consumer wireless mobile business of TTSL in its telecom circles (other than Rajasthan) and transferring and vesting it on a going concern basis in the Company and demerger of the other part of the entire consumer wireless mobile business of TTSL in the telecom circles in Rajasthan and transferring and vesting it on a going concern basis in Bharti Hexacom. The demerger is pending before the DoT under the Transfer-Merger Guidelines.

Scheme of arrangement between Tata Teleservices (Maharashtra) Limited ('TTML') and Bharti Airtel Limited

Pursuant to Orders dated January 30, 2019 and December 4, 2018, the NCLT Delhi and National Company Law Tribunal, Mumbai, respectively, sanctioned the scheme of arrangement between TTML and the Company for the demerger of the entire consumer wireless mobile business of TTML in its telecom circles in Mumbai and Maharashtra and transferring and vesting it on a going concern basis in the Company. The demerger is pending before the DoT under the Transfer-Merger Guidelines.

Scheme of arrangement between Telesonic Networks Limited ('TNL'), a subsidiary company and Bharti Airtel Limited

Pursuant to the approval dated October 31, 2017 of the Board of Directors of the Company and consents received from the shareholders of the Company, a petition dated March 12, 2018 had been filed before the NCLT Delhi under Sections 230 to 232 of the Companies Act, for the sanction of a proposed scheme of arrangement whereby the optical fibre cable business undertaking of the Company shall be transferred to and vested in TNL on a going concern basis by way of a slump sale. The order is yet to be pronounced by the NCLT Delhi.

Rights Issue

During the year, the Company has approved the issuance of upto 1,133,591,075 Equity Shares of face value of ₹ 5/- each by way of rights issue at a price of ₹ 220 per rights equity share (including a premium of ₹ 215 per rights equity share) aggregating up to ₹ 249,390.04 million on a rights basis to the eligible equity shareholders in the ratio of 19 rights equity shares for every 67 equity shares held by the eligible equity shareholders on the record date, that is, April 24, 2019. The issue opened on May 03, 2019 and is scheduled to be closed on May 17, 2019.

Capital Market Ratings

As on March 31, 2019, the Company was rated by two domestic rating agencies, namely CRISIL and ICRA and three international rating agencies, namely Fitch Ratings, Moody's and S&P.

As on March 31, 2019, CRISIL and ICRA revised their long-term ratings of the Company to [CRISIL] AA / [ICRA] AA, with a stable

outlook. Short-term ratings were maintained at the highest end of the rating scale at [CRISIL] A1+ / [ICRA] A1+. Fitch maintained the rating at BBB- / Stable. S&P and Moody revised its outlook and rating to BBB- / Negative and to Ba1 / Negative respectively during the year.

Employee Stock Option Plan

At present, the Company has two Employee Stock Options ('ESOP') schemes, namely the Employee Stock Option Scheme 2001 and the Employee Stock Option Scheme 2005. Besides attracting talent, the schemes also helped retain talent and experience. The HR and Nomination Committee administers and monitors the Company's ESOP schemes.

Both the ESOP schemes are currently administered through Bharti Airtel Employees Welfare Trust (ESOP Trust), whereby shares held by the ESOP Trust are transferred to the employee, upon exercise of stock options as per the terms of the Scheme.

Pursuant to the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014 (the ESOP Regulations), a disclosure with respect to ESOP Scheme of the Company as on March 31, 2019, has been uploaded on Company's website at https://www.airtel.in/about-bharti/equity/results.

During the previous year, there were no changes in the aforesaid ESOP Schemes of the Company and the ESOP Schemes are in compliance with ESOP regulations. A certificate from Deloitte Haskins & Sells LLP, Chartered Accountants, Statutory Auditors, with respect to the implementation of the Company's ESOP schemes, would be placed before the shareholders at the ensuing AGM. A copy of the same will also be available for inspection at the Company's registered office upto the date of AGM.

Material changes and commitments affecting the financial position between the end of financial year and date of report after the balance sheet date

There were no material changes and commitments affecting the financial position of the Company between the end of financial year and the date of this report.

Debentures

During the financial year, the Company has not issued any debentures. The details of outstanding debentures are as under:

- 15,000 Series I debentures having a face value of ₹ 1 Mn per debenture at a coupon rate of 8.25% per annum.
- 15,000 Series II debentures having a face value of ₹ 1 Mn per debenture at a coupon rate of 8.35% per annum.

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

Directors and Key Managerial Personnel

Inductions, Re-appointments, Retirements & Resignations

In line with the Company's policy on Independent Directors, Mr. Ben Verwaayen, upon completion of his tenure retired from the Board w.e.f. December 26, 2018. The Directors place on record their appreciation for the help, guidance and contribution made by him during his tenure on the Board.

Pursuant to the provisions of Sections 149, 161 and other applicable provisions of the Companies Act, 2013 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and as recommended by the HR and Nomination Committee and subject to the approval of the shareholders, the Board, on March 30, 2019, had appointed Ms. Kimsuka Narasimhan as an Additional Independent Director w.e.f. March 30, 2019 to hold office for a term of five consecutive years i.e. upto March 29, 2024. The Company has received requisite notice from a member under Section 160 of the Companies Act, 2013 proposing the appointment of Ms. Kimsuka Narasinham as an Independent Director.

Mr. V. K. Viswanathan and Mr. D. K. Mittal had completed their present term as Independent Directors of the Company on January 13, 2019 and March 12, 2019 respectively. On the recommendation of the HR and Nomination Committee, the Board, subject to the approval of the shareholders, has reappointed them as Independent Directors for a further term of five consecutive years i.e. upto January 13, 2024 and March 12, 2024 respectively.

In the opinion of the Board, Mr. V. K. Viswanathan, Mr. D. K. Mittal and Ms. Kimsuka Narasimhan fulfil the conditions specified in the Companies Act, 2013 and the rules made thereunder and under Listing Regulations and are independent to the management and accordingly, the Board recommends their appointment / re-appointment.

Pursuant to the provisions of the Companies Act, 2013, Ms. Chua Sock Koong, Director of the Company will retire by rotation at the ensuing AGM and being eligible, has offered herself for re-appointment. The Board recommends her re-appointment.

Brief resume, nature of expertise, details of directorships held in other companies of Ms. Chua Sock Koong proposed to be re-appointed, along with her shareholding in the Company, as stipulated under Secretarial Standard 2 and Regulation 36 of the Listing Regulations, is appended as an Annexure to the Notice of the ensuing AGM.

Mr. Nilanjan Roy, Global Chief Financial Officer has resigned w.e.f. February 28, 2019. The Directors placed on record their appreciation for the contribution made by him during his tenure. The Board on the recommendation of Audit Committee and HR & Nomination Committee, had appointed Mr. Badal Bagri as Chief Financial Officer (India and South Asia) and Key Managerial Personnel of the Company w.e.f. March 01, 2019.

Declaration by Independent Directors

The Company has received declarations from all Independent Directors of the Company confirming that they continue to meet the criteria of independence, as prescribed under Section 149 of the Companies Act, 2013 and Regulations 16 & 25 of the Listing Regulations. The Independent Directors have also confirmed that they have complied with the Company's code of conduct.

Board Diversity and Policy on Director's Appointment and Remuneration

The Company believes that building a diverse and inclusive culture is integral to its success. A diverse Board will be able to leverage different skills, qualifications, professional experiences, perspectives and backgrounds, which is necessary for achieving sustainable and balanced development. The Board has adopted a policy on 'Nomination, Remuneration and Board Diversity', which sets out the criteria for determining qualifications, positive attributes and independence of a Director. The detailed policy is available on the Company's website at https://s3-ap-southeast-1.amazonaws.com/bsy/iportal/images/Policy-on-Nomination-Remuneration-and-Board-Diversity_38F11FC9AA4 BC8FAD0B12B51CA0F39BC_1554095379321.pdf and is also annexed as Annexure B to this report.

Annual Board Evaluation and Familiarisation Programme for Board Members

The HR and Nomination Committee has put in place a robust framework for evaluation of the Board, Board Committees and Individual Directors. Customised questionnaires were circulated, responses were analyzed and the results were subsequently discussed by the Board. Recommendations arising from the evaluation process was considered by the Board to optimize its effectiveness. A detailed update on the Board Evaluation is provided in the report on Corporate Governance which forms part of this report.

A note on the familiarisation programme adopted by the Company for orientation and training of the Directors, and the Board evaluation process undertaken in compliance with the provisions of the Companies Act, 2013 and the Listing Regulations is provided in the Report on Corporate Governance, which forms part of this Report.

Committees of Board, Number of Meetings of the Board and Board Committees

The Board of Directors met six (6) times during the previous financial year. As on March 31, 2019, the Board has ten committees, namely, the Audit Committee, the Risk management Committee, the HR and Nomination Committee, the Corporate Social Responsibility ('CSR') Committee, the Stakeholders' Relationship Committee, the Committee of Directors, the Airtel Corporate Council, the Special Committee of Directors (for Monetization of stake in Bharti Infratel Limited), the Special Committee of Directors (for Restructure) and Special Committee of Directors (for fund raising).

All the recommendations made by committees of the Board including the Audit Committee were accepted by the Board. A

detailed update on the Board, its composition, detailed charter including terms and reference of various Board Committees, number of Board and Committee meetings held during FY 2018-19 and attendance of the Directors at each meeting is provided in the Report on Corporate Governance, which forms part of this Report.

Subsidiary, Associate and Joint Venture Companies

As on March 31, 2019, your Company has 101 subsidiaries, 7 associates and 8 joint ventures, as set out in note 34 of the standalone financial statements (for Abridged Annual Report please refer note 17).

During FY 2018-19, Bharti Airtel Holding (Mauritius) Limited, Airtel Africa Mauritius Limited, Bharti Airtel Overseas (Mauritius) Limited, Airtel Africa Limited, Airtel Mobile Commerce Nigeria B.V., Airtel Mobile Commerce Congo B.V., Airtel Mobile Commerce (Seychelles) B.V., Airtel Mobile Commerce Madagascar B.V., Airtel Mobile Commerce Kenya B.V., Airtel Mobile Commerce Rwanda B.V., Airtel Mobile Commerce Malawi B.V., Airtel Mobile Commerce Uganda B.V., Airtel Mobile Commerce Tchad B.V., Airtel Mobile Commerce Zambia B.V. became Subsidiaries of the Company.

During FY 2018-19, Bharti Airtel Burkina Faso Holdings B.V., Africa Towers Services Limited, Tigo Rwanda Limited ceased to be subsidiaries of the Company.

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

The audited financial statements of each of its subsidiary, associate and joint venture companies are available for inspection at the Company's registered office and also at registered offices of the respective companies and pursuant to the provisions of Section 136 of the Companies Act, 2013, the financial statements of each of its subsidiary companies are also available on the Company's website <u>www.airtel.com</u>.

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

Abridged Annual Report

In terms of the provision of Section 136(1) of the Companies Act, 2013, Rule 10 of Companies (Accounts) Rules, 2014 and Regulation 36 of the Listing Regulations, the Board of Directors has decided to circulate the Abridged Annual Report containing salient features of the balance sheet and statement of profit and loss and other documents to the shareholders for FY 2018-19, who have not registered their e-mail id. The Abridged

Annual Report is being circulated to the members excluding Annexures to the Board's Report viz. the 'Dividend Distribution Policy', 'Nomination, Remuneration and Board Diversity Policy', 'Secretarial Audit Report', 'Annual Report on Corporate Social Responsibility ('CSR') Activities', 'Extract of Annual Return', 'Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earning and Outgo', 'Disclosure relating to remuneration u/s 197(12) of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014', 'Report on Corporate Governance and Auditors' Certificate on compliance of conditions of Corporate Governance' and 'Business Responsibility Report'.

Members who desire to obtain the full version of the report may write to the Corporate Secretarial Department at the registered office address of the Company or Karvy Fintech Private Limited (formerly known as Karvy Computershare Private Limited), Registrar and Share Transfer Agent of the Company and will be provided with a copy of the same. Full version of the Annual Report will also be available on the Company's website www.airtel.com.

Auditors and Auditors' Report

Statutory Auditors

In terms of the provisions of Section 139 of the Companies Act, 2013, Deloitte Haskins & Sells LLP were appointed as the Company's Statutory Auditors by the shareholders in the AGM held on July 24, 2017, for a period of five years i.e. till the conclusion of 27^{th} AGM.

The Board has duly examined the Statutory Auditors' Report to the financial statements, which is self-explanatory. Clarifications, wherever necessary, have been included in the Notes to financial statements section of the Annual Report

As regards the comments under para i(a) of the Annexure B to the Independent Auditors' Report regarding updation of quantitative and situation details relating to certain fixed assets, the Company is in the process of executing a comprehensive project with the involvement of technical experts, for deploying automated tools and processes which will enable near real-time tracking of fixed assets and reconciliation thereto. This project is expected to be completed by next year.

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

Internal Auditors and Internal Assurance Partners

The Board had appointed Head Internal Assurance as the Internal Auditor of the Company and Ernst & Young LLP and ANB & Co., Chartered Accountants, Mumbai as the Internal Assurance Partners to conduct the internal audit basis a detailed internal audit plan which is reviewed each year in consultation with the Internal Audit Group and the Audit Committee.

The Board, on the recommendation of the Audit Committee, has re-appointed Ernst & Young LLP and ANB & Co. Chartered Accountants, Mumbai as the internal assurance partners for the FY 2019-20.

Cost Auditors

During the year under review, R. J. Goel & Co., Cost Accountants, resigned as Cost Auditors of the Company.

The Board, on the recommendation of the Audit Committee, has approved the appointment of Sanjay Gupta & Associates, Cost Accountants, as Cost Auditors, for the financial year ending March 31, 2019 in casual vacancy and also for the financial year ending March 31, 2020. The Cost Auditors will submit their report for FY 2018-19 on or before the due date.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, since the remuneration payable to the Cost Auditors is required to be ratified by the shareholders, the Board recommends the same for approval by shareholders at the ensuing AGM.

Secretarial Auditors

The Company had appointed Chandrasekaran Associates, Company Secretaries, to conduct its Secretarial Audit for the financial year ended March 31, 2019. The Secretarial Auditors have submitted their report, confirming compliance by the Company of all the provisions of applicable corporate laws. The Report does not contain any qualification, reservation, disclaimer or adverse remark. The Secretarial Audit Report is annexed as Annexure C to this report.

The Board has re-appointed Chandrasekaran Associates, Company Secretaries, New Delhi, as Secretarial Auditors of the Company for FY 2019-20.

Sustainability Journey

We, at Bharti Airtel, strongly believe that power of communication can bring in multi-dimensional transformations, ensuring smooth functioning of life and businesses, and helping society to become sustainable and inclusive. We recognize our role in this sustainable approach in the way we conduct our business by integrating sustainability in our strategies and operations.

Our Vision defines what we aim to do, whereas our Core Values - Alive, Inclusive and Respectful - expound how we aim to embrace the responsible business practices. As the stakeholders have played a crucial role in Airtel's sustained success over the years, Airtel's sustainability approach has been carefully developed through systematic engagement with its stakeholders worldwide. We continuously strive to provide long-term sustainable value to all our stakeholders including investors, customers, employees, business partners and suppliers, government and regulators and communities. This is performed through systematic stakeholder dialogue to gauge their expectations, share information and sustainability priorities, practices and performance and explore avenues of partnerships to achieve the goals. Our sustainability initiatives towards topics that are material to our stakeholders and to the company, have been reported in our Integrated Report, as well as on our website http://www.airtel.in/sustainability.

Corporate Social Responsibility ('CSR')

Building upon and scaling up on various interventions initiated in areas as prescribed in our CSR policy, the Company has increased its CSR spending during the previous financial year i.e. ₹ 245.37 Mn in FY 2017-18 to ₹ 458.40 in FY 2018-19. Additionally, the Company has also contributed ₹ 37.25 Mn towards various other charitable causes. The consolidated contribution of the Company towards various CSR activities during the financial year 2018-19 is ₹ 495.65 Mn.

The Company is building its CSR capabilities on a sustainable basis and is committed to gradually increase its CSR spend in the coming years. The CSR spending is guided by the vision of creating long-term benefit to the society. With the strong foundations that we laid towards this end of the year, and the proposed scaling up of a number of our CSR Projects, we believe that we have made meaningful progress towards reaching the target in the coming financial year.

A detailed update on the CSR initiatives of the Company is provided in the Corporate Social Responsibility Report, which forms part of the Annual Report.

The Annual Report on Corporate Social Responsibility u/s 135 of the Companies Act, 2013 is annexed as Annexure D to this Report.

Integrated Reporting

The Securities and Exchange Board of India ('SEBI') vide circular no: SEBI/HO/CFD/CMD/CIR/P/2017/10 dated February 06, 2017 has recommended voluntary adoption of 'Integrated Reporting' (IR) from 2017 - 2018 by the top 500 listed companies in India. We continue with our integrated reporting journey in the current fiscal aligning with our philosophy of being a highly transparent and responsible company. This is our second Integrated Report wherein we are guided by the principles of International Integrated Reporting Framework developed by the International Integrated Reporting Council ('IRC'). The Board acknowledges its responsibility for the integrity of report and information contained therein.

Business Responsibility Report

As stipulated under the Listing Regulations, the Business Responsibility Report, describing the initiatives taken by the Company from environmental, social and governance perspective forms a part of the Annual Report.

Management Discussion and Analysis Report

Pursuant to Regulation 34 of the Listing Regulations, the Management Discussion and Analysis Report for the year under review, is presented in a separate section, forming part of the Annual Report.

Corporate Governance

A detailed report on Corporate Governance, pursuant to the requirements of Regulation 34 of the Listing Regulations, forms part of the Annual Report.

A certificate from Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of the Company, confirming compliance of conditions of Corporate Governance, as stipulated under the Listing Regulations, is annexed as Annexure H to this report.

A statement containing additional information as required under Clause IV of Section II of Part II of Schedule V of the Companies Act, 2013 is provided in the Report on Corporate Governance, which forms part of this Annual Report.

Risk Management

Risk management is embedded in Bharti Airtel's operating framework. The Company believes that risk resilience is key to achieving higher growth. To this effect, there is a process in place to identify key risks across the Group and prioritise relevant action plans to mitigate these risks.

To have more robust process, the Company had constituted a separate Risk Management Committee to focus on the risk management including determination of company's risk appetite, risk tolerance and regular risk assessments (risk identification, risk quantification and risk evaluation) etc.

Risk Management framework is reviewed periodically by the Board and Risk Management Committee, which includes discussing the management submissions on risks, prioritising key risks and approving action plans to mitigate such risks.

The Company has duly approved a Risk Management Policy. The objective of this Policy is to have a well-defined approach to risk. The policy lays down broad guidelines for timely identification, assessment, and prioritisation of risks affecting the Company in the short and foreseeable future. The Policy suggests framing an appropriate response action for the key risks identified, so as to make sure that risks are adequately addressed or mitigated.

The Internal Audit function is responsible to assist the Audit Committee (erstwhile Audit & Risk Management Committee) / Risk Management Committee on an independent basis with a complete review of the risk assessments and associated management action plans.

Operationally, risk is being managed at the top level by Management Boards in India and South Asia and in Africa (AMB and Africa Exco) and at operating level by Executive Committees of Circles in India and Operating Companies in the international operations.

Detailed discussion on Risk Management forms part of Management Discussion & Analysis under the section 'Risks and Concerns', which forms part of this Annual Report. At present, in the opinion of the Board of Directors, there are no risks which may threaten the existence of the Company.

Internal Financial Control and their adequacy

The Company has established a robust framework for internal financial controls. The Company has in place adequate controls, procedures and policies, ensuring orderly and efficient conduct

of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information. During the year, such controls were assessed and no reportable material weaknesses in the design or operation were observed. Accordingly, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2018-19.

Other Statutory Disclosures

Vigil Mechanism

The Code of Conduct and vigil mechanism applicable to Directors and Senior Management of the Company is available on the Company's website at <u>https://s3-ap-southeast-1</u>, <u>amazonaws.com/bsy/iportal/images/Code-of-Conductapplicable-to-Directors-and-Senior-Management-of-the-com_</u> <u>B30F70736F8A8DEE6203908A7988580D.pdf</u>

A brief note on the highlights of the Whistle Blower Policy and compliance with Code of Conduct is also provided in the Report on Corporate Governance, which forms part of this Annual Report.

Extract of Annual Return

In terms of provisions of Section 92, 134(3)(a) of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014, the extract of Annual Return of the Company in form MGT-9 is annexed herewith as Annexure E to this report.

Sexual Harassment of Women at Workplace

The Company has an Internal Complaints Committee for providing a redressal mechanism pertaining to sexual harassment of women employees at work place. Details of the same including the details of the complaints received is provided in the Report on Corporate Governance, which forms part of this Integrated Report.

Significant and material orders

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future other than the orders passed by tribunal w.r.t. various scheme of arrangements mentioned earler in this report.

Particulars of loans, guarantees and investments

Particulars of loans, guarantees and investments form part of Note no. 10, 23 & 8 respectively to the financial statements provided in the full version of the Annual Report.

Disclosure under Section 197(14) of Act

Neither the Managing Director & CEO nor the Chairman of the Company receive any remuneration or commission from its holding or subsidiary company.

Related Party Transactions

A detailed note on the procedure adopted by the Company in dealing with contracts and arrangements with Related Parties is provided in the Report on Corporate Governance, which forms part of this Annual Report.

All arrangements / transactions entered into by the Company with its related parties during the year were in the ordinary course of business and on an arm's length basis. During the year, the Company has not entered into any arrangement / transaction with related parties which could be considered material in accordance with the Company's Policy on Related Party Transactions read with the Listing Regulations and accordingly, the disclosure of Related Party Transactions in Form AOC - 2 is not applicable. However, names of Related Parties and details of transactions with them have been included in Note no. 34 to the financial statements provided in the full version of the Annual Report and Note no. 17 of the financial statements provided in abridged version of the Annual Report under Indian Accounting Standards 24.

The Policy on the Related Party Transactions is available on the Company's website at <u>https://s3-ap-southeast-1.amazonaws.com/bsy/iportal/images/BAL-Policy-on-Related-Party-Transactions_CAF52027123589504F21514722AAF1A5.pdf</u>

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The details of energy conservation, technology absorption and foreign exchange earnings and outgo as required under Section 134(3) of the Companies Act, 2013, read with the Rule 8 of Companies (Accounts of Companies) Rules, 2014 is annexed as Annexure F to this report.

Particulars of Employees

Disclosures relating to remuneration of Directors u/s 197(12) of the Companies Act, 2013 ('the Act') read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure G to this report.

Particulars of employee remuneration as required under Section 197(12) of the Act read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report. In terms of the provisions of the first proviso to Section 136(1) of the Act, the Annual Report is being sent to the shareholders excluding the aforementioned information. The information will be available on the Company's website at <u>https://www.airtel.in/about-bharti/equity/results</u> and is also available for inspection at the registered office of the Company on all working days (Monday to Friday) between 11.00 a.m. and 1.00 p.m. upto the date of AGM and will also be available for inspection at the venue of the AGM. Any member interested in obtaining such information may write to the Company Secretary at the Registered Office of the Company.

Directors' Responsibility Statement

Pursuant to Section 134 of the Companies Act, 2013, the Directors, to the best of their knowledge and belief, confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed, along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a going concern basis;
- e) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgements

The Board wishes to place on record their appreciation to the Department of Telecommunications ('DoT'), the Central Government, the State Governments in India, Government of Bangladesh, Government of Sri Lanka and Governments in the 14 countries in Africa, Company's bankers and business associates, for the assistance, co-operation and encouragement extended to the Company.

The Directors also extend their appreciation to the employees for their continuing support and unstinting efforts in ensuring an excellent all-round operational performance. The Directors would like to thank various partners, viz., Bharti Telecom Limited, Singapore Telecommunications Ltd. and other shareholders for their support and contribution. We look forward to their continued support in future.

For and on behalf of the Board

Place: New Delhi Date: May 6, 2019 Sunil Bharti Mittal Chairman

Annexure A Dividend Distribution Policy

1. Preamble, Objective and Scope

In terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the company is required to formulate a Dividend distribution policy which shall be disclosed in its Annual Report and on its website.

To comply with the above requirement and with an endeavor to maintain a consistent approach to dividend pay-out plans, the Board of Directors ('Board') of Bharti Airtel Limited ('the Company') adopts this Dividend Distribution Policy ('Policy').

The objective of this Policy is to:

- specify the parameters (including internal and external factors) that shall be considered while declaring the dividend;
- (ii) lay down the circumstances under which the shareholders of the Company may or may not expect dividend; and
- (iii) provide for the manner of utilization of retained earnings.

2. Dividend Philosophy

The Dividend philosophy of the Company is enshrined in the principle that along with maintaining a reasonably conservative policy in respect of liquidity and leverage, 'surplus' cash in the Company shall be returned to its shareholders when it is concluded by the Board that:

- The Company doesn't / wouldn't have avenues to generate significantly higher returns on such 'surplus' than what a common shareholder can generate himself; or
- By returning such 'surplus', the Company would be able to improve its return on equity, while simultaneously maintaining prudent & reasonably conservative leverage in every respect viz. interest coverage, DSCR (Debt Service Coverage Ratio) Net Debt: EBITDA and Net debt : Equity etc.

The Company aims to distribute to its shareholders, the entire dividend income (net of taxes) it receives from its subsidiary / associate companies.

3. Parameters / Factors considered by the Company while declaring dividend

In line with the philosophy stated in clause 2 above, the Board of Directors of the Company shall consider the following parameters before declaring or recommending dividend to shareholders:

A) Financial Parameters / Internal Factors:

- (a) Financial performance including profits earned (standalone), available distributable reserves etc;
- (b) Impact of dividend payout on Company's return on equity, while simultaneously maintaining prudent and reasonably conservative leveraging in every respect viz. interest coverage, DSCR (Debt Service Coverage Ratio) Net Debt: EBITDA and Net debt: Equity, including maintaining a targeted rating – domestically and internationally;
- (c) Alternate usage of cash viz. acquisition / Investment opportunities or capital expenditures and resources to fund such opportunities / expenditures, in order to generate significantly higher returns for shareholders;
- (d) Debt repayment schedules;
- (e) Fund requirement for contingencies and unforeseen events with financial implications;
- (f) Past Dividend trend including Interim dividend paid, if any; and
- (g) Any other factor as deemed fit by the Board.

B) External Factors:

- (a) Macroeconomic conditions: In the event of uncertain or recessionary economic and business conditions, the Board may consider retaining a larger part of the profits to have sufficient reserves to absorb unforeseen circumstances;
- (b) **Statutory requirements:** Statutory requirements, regulatory conditions or restrictions as applicable including tax laws, The Companies Act, 2013 and SEBI regulations etc;
- (c) **Agreements with Lending Institutions:** The Board may consider protective covenants in a bond indenture or loan agreement that may include leverage limits & restrictions on payment of cash dividends in order to preserve the Company's ability to service its debt; and

(d) Capital Markets: In favorable market scenarios, the Board may consider for liberal pay – out. However, it may resort to a conservative dividend pay-out in case of unfavorable market conditions.

4. Circumstances under which the shareholders of the Company may or may not expect dividend

In line with Dividend Philosophy of the Company, there may be certain circumstances under which the shareholders of the Company may not expect dividend, including the circumstances where:

- (a) The Company has sufficient avenues to generate significantly higher returns on such 'surplus' than what a common shareholder can generate himself;
- (b) The Company is in higher need of funds for acquisition / diversification / expansion / investment opportunities / deleveraging or capital expenditures;
- (c) The Company proposes to utilize surplus cash in entirety for alternative forms of distribution such as buy-back of securities; or
- (d) The Company has incurred losses or in the stage of inadequacy of profits.

5. Utilization of retained earnings

The profits retained by the Company (i.e. retained earnings) shall either be used for business purposes / objects mentioned in its Memorandum & Articles of Association or shall be distributed to the shareholders.

6. Parameters with regard to various classes of shares

Presently, the issued and paid-up share capital of the Company comprises of equity shares only. In case, the Company issues other kind of shares, the Board may suitably amend this Policy.

7. General

This Policy shall be reviewed at least once every 3 years. The Chief Investor Relations Officer and the Company Secretary are jointly authorized to amend the Policy to give effect to any changes / amendments notified by Ministry of Corporate Affairs, Securities and Exchange Board of India or any appropriate authority from time to time. Such amended policy shall be periodically placed before the Board for noting and ratification. Any questions and clarifications relating to this Policy should be addressed to the Company Secretary at compliance.officer@bharti.in.

Annexure B Nomination, Remuneration and Board Diversity Policy

Preamble

The Board of Directors (the 'Board') on the recommendation of the HR & Remuneration Committee (the 'Committee') has approved and adopted this Nomination, Remuneration and Board Diversity Policy (the 'Policy') in compliance with the provisions of Section 178 of the Companies Act, 2013 and rules made thereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Objectives

The main objectives of this Policy are:

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

A. Attributes, qualifications and diversity

Directors and Key Managerial Personnel

The Committee shall be responsible for identifying a suitable candidate for appointment as Director or as KMP of the Company.

The Board shall consist of such number of Directors as is necessary to effectively manage the Company of the size and nature as of Bharti Airtel, subject to a minimum of 3 and maximum of 15, including woman Directors. The Board shall have an appropriate combination of Executive, Non-Executive and Independent Directors. The Board shall appoint a Chairman and a Managing Director or CEO and the roles of Chairman and Managing Director or CEO shall not be exercised by the same individual. While evaluating a person for appointment / re-appointment as Director or as KMP, the Committee shall consider and evaluate number of factors including but not limited to background, knowledge, skills, abilities (ability to exercise sound judgement), professional experience & functional expertise, educational and professional background, personal accomplishment, age, experience, understanding of the telecommunication sector / industry, marketing, technology, finance and other disciplines relevant to the business etc. and such other factors that the Committee might consider relevant and applicable from time to time towards achieving a diverse Board.

The Committee shall ensure that the proposed Director satisfies the following additional criteria:

- Eligible for appointment as a Director on the Board of the Company and is not disqualified in terms of Section 164 and other applicable provisions of the Companies Act, 2013, and the Listing Regulations.
- Has attained minimum age of 25 years and is not older than 70 years.
- Does not hold directorship in more than 20 companies (including private and public limited companies) or 10 public limited companies incorporated in India and seven Indian listed companies.
- Will be able to devote sufficient time and efforts in discharge of duties and responsibilities effectively.

While evaluating a person for appointment / re-appointment as an Independent Director, the Committee shall ensure that the proposed appointee satisfies the following additional criteria:

- Meet the baseline definition and criteria of "independence" as set out in Section 149 of the Companies Act, 2013 and the Listing Regulations and other applicable laws.
- Should not hold the position of Independent Director in more than six Indian listed companies and if serving as Whole-time Director in any Indian listed company then in not more than three Indian listed companies.
- Should not hold any Board / employment position with a competitor in the geographies where the Company is operating. However, the Board may in special circumstances waive this requirement.

The re-appointment / extension of term of any Board members shall be on the basis of their performance evaluation report.

Senior Management

While evaluating a person for appointment / re-appointment in a senior management position, the management shall considers various factors including individual's background, competency, skills, abilities (viz. leadership, ability to exercise sound judgement), educational and professional background, personal accomplishment, age, relevant experience and understanding of related field viz. marketing technology, finance or such other discipline relevant to present and prospective operations of the Company.

"Senior Management", for the purpose of this Policy, means personnel of the Company who are members of its core management team excluding Board of Directors, comprising all members of the Management one level below the chief executive officer / managing director / whole time director / manager and shall specifically include company secretary and chief financial officer.

B. Remuneration Policy

Board Members

The overall limits of remuneration of the Board members including Executive Board members (i.e. Managing Director, Whole-time Director, Executive Directors etc.) are governed by the provisions of Section 197 of the Companies Act, 2013, rules made thereunder and shall be approved by the shareholders of the Company and shall be subject to availability of profits of the Company.

Within the overall limit approved by the shareholders, on the recommendation of the Committee, the Board shall determine the remuneration. The Board can determine different remuneration for different Directors on the basis of their role, responsibilities, duties, time involvement etc.

Non-Executive Directors including Independent Directors

Pursuant to the provisions of Section 197 of the Companies Act, 2013, rules made thereunder and the shareholders' approval, the Board has approved the following remuneration for Non-Executive Directors (including Independent Directors):

i. Commission on Net Profit (Calculated as per Section 198 of the Companies Act, 2013)

Amount of Commission per annum:

Subject to availability of sufficient profits and within an overall ceiling of 1% of the net profits for all non-executive directors in the aggregate, the amount of commission payable to:

A. Non-Independent Non-executive directors:

- 😑 USD 60,000 for directors not residing in India
- E ₹ 3,000,000 for directors residing in India

B. Independent non-executive directors:

- USD 100,000 for directors not residing in India
- £ ₹ 5,000,000 for those residing in India

The Independent Directors shall also be entitled to following additional commission:

i. Audit Committee:

Chairmanship:

- ► Not residing in India: USD 50,000/- per annum
- Residing in India: ₹ 3,000,000/- per annum

Membership:

- Not residing in India: USD 10,000/- per annum
- E Residing in India: ₹ 500,000/- per annum

ii. HR and Nomination Committee:

Chairmanship:

- ► Not residing in India: USD 50,000/- per annum
- E Residing in India: ₹ 3,000,000/- per annum

Membership:

- Not residing in India: USD 10,000/- per annum
- E Residing in India: ₹ 500,000/- per annum

iii. Risk Management Committee:

Chairmanship:

₹ 2,000,000/- per annum

Independent Directors will also be entitled to Travel fee of USD 10,000 per meeting if not residing in India.

Frequency of Payment:

The commission is payable annually after the approval of the financial results.

ii. Sitting Fees

In addition to the profit linked commission, the Independent Directors will also be entitled to sitting fee of ₹ 100,000/- for all Board meetings and all Committee meetings held in a single day. For avoidance of doubt, in case an Independent Director attends more than one Board and / or Committee meeting in a day, he will be paid consolidated sitting fee of ₹ 100,000/- for all such meetings. If the Board appoint any person as an alternate Director to an Independent Director, such person will be entitled to sitting fee for the relevant meeting.

Executive Board Members (Managing Director, Whole-Time Director, Executive Directors etc.)

The remuneration (including revision in the remuneration) of Executive Board members shall be approved by the Board on the basis of the recommendation of the HR and Nomination Committee.

The remuneration payable to Executive Board members shall consist of (a) Fixed Pay, which is payable monthly, and shall include basic pay, contributions to retirement benefits, house rent allowance or company-leased accommodation and other allowances as per the Company's policy (b) Variable Pay (paid at the end of Financial Year) directly linked to the performance of the individual employee (i.e. achievement against predetermined KRAs), his / her respective Business Unit and the overall Company's performance (c) Long term incentive / ESOPs as may be decided by the HR & Nomination Committee from time to time.

Remuneration to Key Managerial Personnel (other than Managing Director and Whole-Time Director), Senior Management and other employees

The remuneration of Key Managerial Personnel (other than managing director and whole time director), shall be as per the compensation and appraisal policy of the Company.

Remuneration to Key Managerial Personnel (other than Managing Director and Whole-time Director), Senior Management and other employees

The remuneration of Key Managerial Personnel (other than Managing Director and Whole-time Director), shall be as per the compensation and appraisal policy of the Company.

The remuneration payable to key managerial personnel (other than Managing Director and Whole-time Director), senior management and other employees shall consist of (a) Fixed Pay, which is payable monthly and include basic pay, contributions to retirement benefits, house rent allowance or company-leased accommodation and other allowances as per the Company's policy (b) Variable Pay (paid at the end of Financial Year) directly linked to the performance of the individual employee (i.e. achievement against pre-determined KRAs), his / her respective business unit and the overall Company performance (c) Long term incentive / ESOPs as may be decided by the Committee from time to time.

The HR and Nomination Committee shall recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

Disclosures by the Company

This Policy shall be disclosed in the Company's annual report.

General

The Company Secretary is authorized to amend the Policy to give effect to any changes / amendments notified by Ministry of Corporate Affairs or Securities and Exchange Board of India w.r.t. Directors' any matter covered by this policy. The amended policy shall be placed before the Board for noting and ratification. Any questions and clarifications relating to this Policy should be addressed to the Company Secretary at compliance.officer@ bharti.in.

Annexure C Secretarial Audit Report

For the financial year ended March 31, 2019

The Members, Bharti Airtel Limited

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and Not Applicable
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. Not Applicable
- (vi) The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their Sectors / Businesses are:
 - a) The Indian Telegraph Act, 1885
 - b) The Telecom Regulatory Authority of India Act, 1997 and Rules and Regulations made thereunder
 - c) The Indian Wireless Telegraphy Act, 1933

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

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

a. The remuneration paid / accrued by the Company to its Chairman and Managing Director & CEO (India and South Asia) for the year ended March 31, 2019 is in excess of the limits specified in section 197 of Companies Act, 2013 read with Schedule V thereto as the Company does not have profits in terms of section 198 of the Act. The Company has represented to us that it is in the process of complying with the prescribed statutory requirements to regularize such excess payments, including seeking approval of shareholders, as necessary.

We further report that:

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

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

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

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

We further report that during the audit period following major events have happened which are deemed to have major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

- Approval of Transfer of submarine cables to Network i2i Ltd by way of slump sale for total minimum consideration of ₹ 554 Crores.
- Approval of Sale, transfer and assignment of passive infra asset of the core network locations by way of slump sale to Nxtra Data Limited for a consideration not less than ₹ 375.40 Crores.

- 3. Approval of Transfer of upto 591,874,639 equity shares (representing 32% shareholding) of Bharti Infratel Limited to Nettle Infrastructure Investments Limited, a wholly owned subsidiary of the Company.
- Approval of issuance of up to 1,133,591,075 fully paidup equity shares of face value of ₹ 5 each ('rights equity shares') of our company for cash at a price of ₹ 220 per rights equity share (including a premium of ₹ 215 per rights equity share) aggregating up to ₹ 249,390.04 Million.
- Approval of issuance of perpetual bond aggregating upto USD 1 Billion (₹ 7000 Cr/ equivalent amount in Indian Currency) denominated in foreign currency.
- 6. Scheme of amalgamation of Bharti Digital Networks Private Limited (formerly Tikona Digital Networks Private Limited) with the Company was approved by Hon'ble National Company Law Tribunal.
- 7. Scheme of arrangement between Telesonic Networks Limited and the Company is under process of approval from Hon'ble National Company Law Tribunal.
- 8. Scheme of arrangement amongst Tata Teleservices (Maharashtra) Limited ('TTML') and the Company for the demerger of the consumer wireless mobile business of TTML into the Company, was approved by Hon'ble National Company Law Tribunal.
- 9. Composite Scheme of arrangement amongst Tata Teleservices Limited ('TTSL'), the Company and Bharti Hexacom Limited for the demerger of the consumer wireless mobile business of TTSL into the Company was approved by Hon'ble National Company Law Tribunal.

Chandrasekaran Associates Company Secretaries

Dr. S. Chandrasekaran

Place: Delhi Date: May 06, 2019 Senior Partner Membership No. FCS No.: 1644 Certificate of Practice No.: 715

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

Annexure-A to the Secretarial Audit Report

The Members **Bharti Airtel Limited** Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase-II, New Delhi – 110070

- 1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- 3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

- 5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on the random test basis.
- 6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Chandrasekaran Associates Company Secretaries

Dr. S. Chandrasekaran

Senior Partner Membership No. FCS No.: 1644 Certificate of Practice No.: 715

Place: Delhi Date: May 06, 2019

Annexure D **The Annual Report on Corporate Social Responsibility** (CSR) Activities

1. Brief Outline of Company's CSR Policy

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

The CSR policy of the Company, which is available on its website, was adopted by the Board of Directors on April 29, 2014. The Company's CSR activities focus on promoting education for the underprivileged with special emphasis on girl child, livelihood enhancement education programs, eradicating hunger, promoting preventive health care and sanitation. Bharti Airtel's CSR activities are committed to create and support programs that bring about sustainable changes through education.

The detailed CSR Policy of the Company is available on Company's website at: https://s3-ap-southeast-1.amazonaws.com/bsy/ iportal/images/CSR Policy 10ACFEC1415DDCD4D533867DE5B8642D.pdf

The overview of various CSR projects and programs undertaken by the Company has been provided in the Corporate Social Responsibility Report section of this Annual Report.

2. Composition of CSR Committee

	Name	Category
	Mr. Rakesh Bharti Mittal, Chairman	Non-Executive Director
	Mr. D. K. Mittal	Independent Director
	Mr. Gopal Vittal	Managing Director & CEO (India & South Asia)
		(₹ Millions)
3.	Average net profit before tax of the Compar	ny for last three financial years 55,883.06
4.	Prescribed CSR Expenditure (2% of the amo	ount as above) 1,117.66
5.	Details of CSR spent during the year	
	a) Total amount required to be spent for the financial y	year 1,117.66
	i) Amount spent towards CSR activities	458.40
	ii) Amount spent towards other charitable activit	ties 37.25
	b) Amount Unspent	659.26*
	c) Manner in which the amount spend during the fina	ancial year is detailed below:

* The Company has contributed 458.40 Mn. as CSR contribution under Section 135 of Companies Act, 2013. In addition to the above, the Company has also contributed 37.25 Mn. to various other charitable activities. The consolidated contribution of the Company towards various CSR programs during the financial year 2018-19 was 495.65 Mn.

(₹ Millions)

S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or others (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub- heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
Eligib	le CSR Programs / Proj	ects					
1	Education programs run by Bharti Foundation	Promotion of education	Specified below*	36.00	25.62	1,416.52	Bharti Foundation
2	Satya Bharti Abhiyan	Sanitation	Ludhiana & Amritsar, Punjab	150.00	9.37	128.88	Bharti Foundation

D !!	
Board	s Report

							(₹ Millions)
S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or others (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub- heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
3	Educate a Child	Promotion of education	Specified below**	228.00	50.46	293.06	Bharti Foundation
4	Crop science research and development program	Livelihood enhancement Program	Punjab	14.00	9.33	34.30	Bharti Foundation
5	Magic Bus Foundation	Promotion of education	Delhi and Mumbai	2.50		4.30	Direct
6	Anubandh - Old Age Home	Setting up and supporting old age homes	Jodhpur, Rajasthan	3.00	3.00	11.00	Direct
7	Satya Bharti Foundation	Setting up of Satya Bharti University for Higher Education	NCR	300.00	300.00	300.00	Direct
8	Sense International	Services for people with Deafblindness and Multi-Sensory Impairment (MSI)	Delhi-NCR	1.00	1.00	1.00	Direct
9	Ramadham Old Age home	Setting up and supporting old age homes	Raigad District, Maharashtra	2.50	2.50	5.00	Direct
10	Vocational training program for hearing impaired young adults	Employment enhancing vocation skills to differently abled	Delhi	23.20	16.70	39.90	Centum Foundation
11	Skill development program for youth and vocational skills for women	Employment enhancing vocation skills	Chhindwara, Madhya Pradesh	23.95	14.43	44.43	Centum Foundation
12	The Energy and Resources Institute (TERI)	Information and Communications Technologies (ICT) based solutions for education, healthcare, nutrition, financial inclusion and governance, etc.	Telangana, Maharashtra, Uttar Pradesh	26.00	25.99	25.99	Direct
	Total (A)	<u> </u>		810.15	458.40	2,304.38	
Othe	r Contributions						
1	Miscellaneous	Miscellaneous	Miscellaneous	37.25	37.25	37.25	Direct
	Total (B)			37.25	37.25	37.25	
	Grand Total (A+B)			847.40	495.65	2,341.63	

* Satya Bharti School Program – Jodhpur, Amer and Neemrana in Rajasthan, Amritsar, Ludhiana and Sangrur in Punjab, Kaithal, Kurukshetra, Rewari, Mahendergarh and Jhajjar in Haryana, Farrukhabad, Shahjahanpur, Sitapur and Bulandhahar in Uttar Pradesh, Murshidabad in West Bengal, Sivaganga in Tamil Nadu.

Satya Bharti Learning Centre Program: 23 centres in district Udaipur, Rajasthan

Satya Bharti Quality Support Program: 46 Districts / 14 States - Jammu and Kashmir, Himachal Pradesh, Punjab, Haryana, Delhi, Uttar Pradesh, Rajasthan, Assam, Meghalaya, Jharkhand, Telangana, Goa, Andhra Pradesh and Karnataka.

** Haryana, Delhi and NCR Region, Bihar, Gujarat, Uttar Pradesh, Rajasthan and Madhya Pradesh.

6. Reason for not spending the prescribed 2% amount

Despite the unprecedented challenges and pressure on the telecom industry, the Company had scaled-up various CSR interventions during the FY 2018-19 which resulted into increased CSR spending vis-à-vis previous financial year i.e. from INR 245.37 Mn in FY 2017-18 to INR 458.40 Mn in FY 2018-19. Additionally, the Company has also contributed INR 37.25 Mn towards various other charitable causes (disclosed as 'other contributions' in the above mentioned table) which are not covered within the ambit of the provisions of Section 135 of the Companies Act, 2013. The aggregate CSR spending of the Company for FY 2018-19 (including other contributions) is INR 495.65 Mn.

The Indian telecom industry is passing through a very challenging phase and the Company continued to be under stress during the FY 2018-19. Despite all the adversities & challenges, the Company is committed to build its CSR capabilities on a sustainable basis and is also committed to gradually increase its CSR contribution in the coming years. The CSR spending is guided by the vision of creating long-term benefit to the society. The Company through its Board and CSR Committee is determined to beef up its efforts to meet the targeted CSR expenditure. With the strong foundation which has been established during the year alongwith the proposed scaling up of a number of its CSR Projects, the Company believes that it has made meaningful progress towards reaching the target in the coming financial years.

Further, the Bharti Family has also pledged a significant amount towards philanthropy, which will step-up scope and reach of Bharti Foundation's initiatives to create opportunities for the underprivileged and contribute to nation building. Plan is to set up a world-class University namely Satya Bharti University, to offer free education to deserving youth from economically weaker sections of society.

Responsibility statement of the CSR Committee

The Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

Gopal Vittal

Managing Director & CEO (India & South Asia)

Rakesh Bharti Mittal Chairman, CSR Committee

Annexure E Extract of Annual Return

Form No. MGT-9 as on the financial year ended on March 31, 2019

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and Other Details:

CIN	L74899DL1995PLC070609
Registration Date	July 07, 1995
Name of the Company	Bharti Airtel Limited
Category of the Company	Limited by shares
Sub-Category of the Company	Indian Non- Government Company
Address of the Registered office and contact details	Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi – 110 070. Phone : +91 11 4666 6100
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent	Karvy Fintech Private Limited Karvy Selenium Tower B, Plot number 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032, India. Phone : +91 40 6716 2222

II. Principal Business Activities of the Company

Businesses contributing 10% or more of the total turnover of the company are given below:

SI. No.	Name and Description of main products / services	NIC Code of the product / service*	% to total turnover of the company
1	Wireless telecommunications activities	612	84.50%

Note: * As per National Industrial Classification – Ministry of Statistics and Programme Implementation.

III. Particulars of Holding, Subsidiary and Associate Companies

SI. No.	Name of the Company	Address	CIN / Registration No.	Effective % of shares held
Hold	ing Company u/s 2(46) of the Companie	es Act, 2013		
1.	Bharti Telecom Limited	Airtel Centre, Plot No. 16, Udyog Vihar, Phase - IV, Gurugram, Haryana - 122001	U32039HR1985PLC032091	50.10
Subs	idiary Companies u/s 2(87)(ii) of the Co	ompanies Act, 2013		
1.	Bharti Airtel Services Limited	Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase - II, New Delhi - 110 070	U64201DL1997PLC091001	100
2.	Bharti Hexacom Limited	Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase - II, New Delhi - 110 070	U74899DL1995PLC067527	70
3.	Bharti Infratel Limited	901, Park Centra, Sector 30, NH-8, Gurugram, Haryana - 122001	L64201HR2006PLC073821	53.51
4.	SmarTx Services Limited	Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase - II, New Delhi - 110070	U64202DL2015PLC285515	53.51

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SI. No.	Name of the Company	Address	CIN / Registration No.	Effective % of shares held
5.	Indo Teleports Limited (Formerly known as Bharti Teleports Limited)	Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase - II, New Delhi - 110 070	U32204DL2008PLC183976	99.99
6.	Bharti Telemedia Limited	Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase - II, New Delhi- 110 070	U92200DL2006PLC156075	80
7.	Airtel Payments Bank Limited	Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase - II, New Delhi- 110 070	U64200DL2010PLC201058	80.10
8.	Telesonic Networks Limited	Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase - II, New Delhi- 110 070	U64200DL2009PLC325406	100
9.	Nxtra Data Limited	Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase - II, New Delhi- 110 070	U72200DL2013PLC254747	100
10.	Wynk Limited	Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase - II, New Delhi- 110 070	U74140DL2015PLC275325	100
11.	Nettle Infrastructure Investments Limited (formerly known as Nettle Developers Limited w.e.f. March 14, 2017)	3rd Floor, Worldmark 2 Asset 8, Aerocity, NH- 8 New Delhi	U93000DL2010PLC301236	100
12.	Bharti Digital Networks Private Limited (Formerly known as Tikona Digital Networks Private Limited)	Bharti Crescent 1 Nelson Mandela Road, Vasant Kunj New Delhi - 110070	U72900DL2008PTC325106	100
13.	Bharti Airtel (France) SAS	88, ter Avenue du Général Leclerc, 92100 Boulogne Billancourt, France	RCS Nanterre 523 035 426	100
14.	Bharti Airtel (Hong Kong) Limited	4th Floor, Cheung Hing Industrial Building, 12P Smithfield Road, Kennedy Town, Hong Kong	1080074	100
15.	Bharti Airtel (Japan) Private Limited	Shinjuku Park Tower 30 th Floor, 7-1, Nishi Shinjuku 3-chome, Shinjuku-ku, Tokyo	0111-01-055989	100
16.	Bharti Airtel (UK) Limited	10 Queen Street Place, London, United Kingdom, EC4R 1AG	05917314	100
17.	Bharti Airtel (USA) Limited	335 Madison Avenue 12 th floor, New York, NY 10017	F-060912000-217	100
18.	Bharti Airtel International (Mauritius) Limited	SGG Corporate Services (Mauritius) Ltd., 33, Edith Cavell Street, Port Louis, 11324, Mauritius	094380 C1/GBL	100
19.	Bharti Airtel International (Netherlands) B.V.	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	34387410	68.31
20.	Bharti Airtel Lanka (Private) Limited	Level 11, West Tower, World Trade Center, Echelon Square, Colombo 1, Sri Lanka	PV 10652	100
21.	Bharti International (Singapore) Pte. Ltd.	150, Orchard Road, #08-01, Orchard Plaza, Singapore	2010-05788-R	100
22.	Bharti Airtel International (Mauritius) Investments Limited	SGG Corporate Services (Mauritius) Ltd., 33, Edith Cavell Street, Port Louis, 11324, Mauritius	154803 C1/GBL	100
23.	Network i2i Limited	SGG Corporate Services (Mauritius) Ltd., 33, Edith Cavell Street, Port Louis, 11324, Mauritius	25951/6339	100
24.	Africa Towers N.V.	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	50979965	68.31
25.	Airtel (Seychelles) Limited	Emerald House, Providence, Mahe, East Coast, Victoria, P.O. Box 1358, Seychelles	841930-1	68.31

SI. No.	Name of the Company	Address	CIN / Registration No.	Effective % of shares held
26.	Airtel Congo S.A.	2ème étage, Immeuble SCI MONTE CRISTO, Rond-point de la Gare, Croisement du Boulevard Denis SASSOU NGUESSO et de l'avenue Orsy, B.P: 1038, Brazzaville - République du Congo	CG/BZV/07 B299	61.48
27.	Airtel Gabon S.A.	Immeuble Libreville Business Square, Rue Pecqueur, B.P. 9259, Libreville, Gabon	RG LBV 2001/B01000	66.91
28.	Airtel Madagascar S.A.	Immeuble Kube B, Zone Galaxy, Andraharo, Antananarivo 101, Madagascar	1997B00392	68.31
29.	Airtel Malawi Limited	Airtel Complex, City Centre, Off Convention Drive, P.O. Box 57, Lilongwe, Malawi	5114	68.31
30.	Airtel Mobile Commerce B.V.	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	34375413	68.31
31.	Airtel Mobile Commerce Holdings B.V.	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	34381129	68.31
32.	Airtel Mobile Commerce (Kenya) Limited	Parkside Towers, Mombasa Road, P.O. Box 73146-00200, Nairobi, Kenya	C 169576	68.31
33.	Airtel Mobile Commerce Limited	Airtel Complex, City Centre, Off Convention Drive, P.O. Box 57, Lilongwe, Malawi	9831	68.31
34.	Airtel Mobile Commerce Madagascar S.A.	Immeuble Kube B, Zone Galaxy, Andraharo, Antananarivo 101, Madagascar	2011B00235	68.31
35.	Airtel Mobile Commerce Rwanda Limited	Gasabo District, Remera, Umiyivi wa Kigali, Rwanda	102933620	68.31
36.	Airtel Mobile Commerce (Seychelles) Limited	Emerald House, Providence, East Coast Victoria, P.O. Box 1358, Mahe, Seychelles	8412656-1	68.31
37.	Airtel Mobile Commerce (Tanzania) Limited	Airtel House, Block 41 Corner of Ali Hassan Mwinyi Road/Kawawa Road, Kinondoni District P.O. Box 9623, Dar es Salaam, Tanzania	79802	68.31
38.	Airtel Mobile Commerce Tchad S.a.r.l.	Avenue Charles De Gaulle, BP: 5665, N'Djamena, Tchad	TC/NDJ/10B 183	68.31
39.	Airtel Mobile Commerce Uganda Limited	Airtel House, Plot 16A, Clement Hill Road, Nakasero, P. O. Box 6771, Kampala, Uganda	123833	68.31
40.	Airtel Mobile Commerce Zambia Limited	Airtel House, Plot 2375, Corner Addis Ababa Drive and Great East Road, Lusaka, Zambia	120090080052	68.31
41.	Airtel Money (RDC) S.A.	127, Avenue de Plateau, Gombe, Kinshasa, République Démocratique du Congo	CD/KIN/RCCM/14-B-6552	67.34
42.	Airtel Money Niger S.A.	Route de l'aéroport, B.P. 11 922 Niamey, Niger	RCCM-NI-NIA-2009-B-1848	61.48
43.	Airtel Money S.A.	Boulevard du Bord de Mer, Immeuble Concorde, Libreville, Gabon	RG LBV 2001 B 09955	68.31
44.	Airtel Networks Kenya Limited	Parkside Towers, Mombasa Road, P. O. Box 73146-00200, Nairobi, Kenya	C. 140223	68.31
45.	Airtel Networks Limited	Plot L2, 401 Close, Banana Island, Ikoyi Lagos, Nigeria	RC398557	62.69
46.	Airtel Networks Zambia Plc	Airtel House, Stand 2375, Addis Ababa Drive, Lusaka, Zambia	38136	65.82
47.	Airtel Rwanda Limited	Airtel Building Gasabo District, Remera, Nyabisindu, P.O. Box 4164, Kigali, Rwanda	102437818	68.31
48.	Airtel Tanzania Public Limited Company(formerly known as Airtel Tanzania Limited)	Airtel House, Block 41, Corner of Ali Hassan Mwinyi Road/Kawawa Road, Kinondoni District P.O. Box 9623, Dar es Salaam, Tanzania	41291	40.99
49.	Airtel Tchad S.A.	Rue du Commandant Galyant Negal, B.P. 5665, N'Djamena, Tchad	TC-NDJ 063/B/99	68.31

SI. No.	Name of the Company	Address	CIN / Registration No.	Effective % of shares held
50.	Airtel Uganda Limited	Airtel Towers, Plot 16A Clement Hill Road, Nakasero P.O. Box 6771, Kampala - Uganda	V-232-36	68.31
51.	Bharti Airtel Africa B.V.	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	08076497	68.31
52.	Bharti Airtel Chad Holdings B.V.	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	34125184	68.31
53.	Bharti Airtel Congo Holdings B.V.	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	08077621	68.31
54.	Bharti Airtel Developers Forum Limited	Stand No. 2375 Corner of Great East/ Addis Ababa Road, Lusaka, Zambia	82795	65.82
55.	Bharti Airtel Gabon Holdings B.V.	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	08078528	68.31
56.	Bharti Airtel Kenya B.V.	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	38023926	68.31
57.	Bharti Airtel Kenya Holdings B.V.	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	34164357	68.31
58.	Bharti Airtel Madagascar Holdings B.V.	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	34204848	68.31
59.	Bharti Airtel Malawi Holdings B.V.	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	08077659	68.31
60.	Bharti Airtel Mali Holdings B.V.	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	34164359	68.31
61.	Bharti Airtel Niger Holdings B.V.	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	34143743	68.31
62.	Bharti Airtel Nigeria B.V.	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	34164360	68.31
63.	Bharti Airtel Nigeria Holdings II B.V.	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	08077623	68.31
64.	Bharti Airtel RDC Holdings B.V.	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	34125193	68.31
65.	Bharti Airtel Services B.V.	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	08077657	68.31
66.	Bharti Airtel Tanzania B.V.	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	08078747	68.31
67.	Bharti Airtel Uganda Holdings B.V.	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	08078530	68.31
68.	Bharti Airtel Zambia Holdings B.V.	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	08076501	68.31
69.	Celtel (Mauritius) Holdings Limited	c/o Ocorian Corporate Services (Mauritius) Ltd, 6th floor, Tower A, 1 Cybercity, Ebene, Mauritius	C18259/3238 C1/GBL	68.31
70.	Airtel Congo (RDC) S.A.	278, avenue de l'Equateur, Gombe, Kinshasa, République Démocratique du Congo	CD/KNG/RCCM/13-B-01054	67.29
71.	Celtel Niger S.A.	2054 Route de aéroport, BP 11 922, Niamey, Niger	RCCM-NI-NIM-2004-B 768	61.48
72.	Channel Sea Management Company (Mauritius) Limited	c/o Ocorian Corporate Services (Mauritius) Ltd, 6th floor, Tower A, 1 Cybercity, Ebene, Mauritius	C18258/3237 C1/GBL	68.31
73.	Congo RDC Towers S.A.	Corner Avenues du Tchad & Bas - Congo, Kinshasa, Gombe, République Démocratique du Congo	CD/KIN-RCCM/14-B-4040	68.31
74.	Gabon Towers S.A.	124 Avenue Boué, BP 9259, Libreville, Gabon	RG LBV 2011B11106	66.91

SI. No.	Name of the Company	Address	CIN / Registration No.	Effective % of shares held
75.	Indian Ocean Telecom Limited	28 Esplanade, St. Helier, Jersey JE1 8SB, Channel Islands	70138	68.31
76.	Madagascar Towers S.A.	Immeuble Kube B, Zone Galaxy Andraharo, Antananarivo 101, Madagascar	2011 B 00184	68.31
77.	Malawi Towers Limited	Airtel Complex, City Centre, Off Convention Drive, P.O Box 57, Lilongwe, Malawi	10995	68.31
78.	Mobile Commerce Congo S.A.	2ème étages, Immeuble SCI Monte Cristo, Rond Point de la Gare, Croisement du Boulevard Denis Sassou Nguesso & de l'avenue Orsy, Centre Ville, BP 1038, Brazzaville - République du Congo	CG/BZV/09 B 1796	68.31
79.	Montana International	c/o Ocorian Corporate Services (Mauritius) Ltd, 6th floor, Tower A, 1 Cybercity, Ebene, Mauritius	6/97/2593 C2/GBL	68.31
80.	Partnership Investments S.a.r.I	Corner avenues Tchad & Bas-Congo, Kinshasa, Gombe, République Démocratique du Congo	CD/KIN/RCCM/14-B-4497	68.31
81.	Societe Malgache de Telephone Cellulaire S.A.	c/o Ocorian Corporate Services (Mauritius) Ltd, 6th floor, Tower A, 1 Cybercity, Ebene, Mauritius	C19022/3479/C1/GBL	68.31
82.	Tanzania Towers Limited	Airtel House, Block 41, Corner of Ali Hassan Mwinyi Road/Kawawa Road, Kinondoni District P.O.Box 9623, Dar es Salaam, Tanzania	82086	40.99
83.	Bharti Airtel Rwanda Holdings Limited	c/o Ocorian Corporate Services (Mauritius) Ltd, 6th floor, Tower A, 1 Cybercity, Ebene, Mauritius	C083311 C1/GBL	68.31
84.	Airtel Money Transfer Limited	Parkside Towers, Mombasa Road, P.O. Box 73146-00200, Nairobi, Kenya	CPR/2015/199517	68.31
85.	Airtel Money Tanzania Limited	Airtel House, Block 41, Corner of Ali Hassan Mwinyi Road/Kawawa Road, Kinondoni District P.O.Box 9623, Dar es Salaam, Tanzania	127040	40.99
86.	Airtel Mobile Commerce Nigeria Limited	Plot L2, Banana Island, Foreshore Estate / Ikoyi Lagos, Nigeria	1435923	62.29
87.	Airtel International LLP (w.e.f. March 27, 2019)	Plot No. 5, Sector 34, Gurgaon, Haryana, - 122001, India	AAO-6642	68.31
88.	Airtel Africa Mauritius Limited (w.e.f. June 28, 2018)	SGG Corporate Services (Mauritius) Ltd., 33, Edith Cavell Street, Port Louis, 11324, Mauritius	157279 C1/GBL	100
89.	Bharti Airtel Overseas (Mauritius) Limited (w.e.f. June 28, 2018)	SGG Corporate Services (Mauritius) Ltd., 33, Edith Cavell Street, Port Louis, 11324, Mauritius	157278 C1/GBL	100
90.	Bharti Airtel Holding (Mauritius) Limited (w.e.f. June 27,2018)	SGG Corporate Services (Mauritius) Ltd., 33, Edith Cavell Street, Port Louis, 11324, Mauritius	157239 C1/GBL	100
91.	Airtel Africa Limited (w.e.f. July 12, 2018)	53/54 Grosvenor Street London W1K 3HU	11462215	68.31
92.	Airtel Mobile Commerce Nigeria B.V. (w.e.f. December 5, 2018)	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	73275166	68.31
93.	Airtel Mobile Commerce Congo B.V. (w.e.f. January 29, 2019)	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	73837342	68.31
94.	Airtel Mobile Commerce (Seychelles) B.V. (w.e.f. January 29, 2019)	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	73837652	68.31
95.	Airtel Mobile Commerce Madagascar B.V. (w.e.f. January 29, 2019)	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	73837938	68.31
96.	Airtel Mobile Commerce Kenya B.V. (w.e.f. January 29, 2019)	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	73837768	68.31

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SI. No.	Name of the Company	Address	CIN / Registration No.	Effective % of shares held
97.	Airtel Mobile Commerce Rwanda B.V. (w.e.f. January 29, 2019)	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	73837326	68.31
98.	Airtel Mobile Commerce Malawi B.V. (w.e.f. January 29, 2019)	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	73837814	68.31
99.	Airtel Mobile Commerce Uganda B.V. (w.e.f. January 29, 2019)	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	73838128	68.31
100.	Airtel Mobile Commerce Tchad B.V. (w.e.f. January 29, 2019)	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	73837555	68.31
101.	Airtel Mobile Commerce Zambia B.V. (w.e.f. January 29, 2019)	Overschiestraat 65, 1062 XD Amsterdam, the Netherlands	73838004	68.31
Assoc	ciates u/s 2(6) of the Companies Act, 20	13		
1.	Seychelles Cable Systems Company Limited	Caravelle House, 3rd floor, Victoria, Mahe, Seychelles	846498-1	17.76
2.	Robi Axiata Limited	53 Gulshan South Avenue, Gulshan-1, Dhaka 1212, Bangladesh	C29552	25
3.	Seynse Technologies Private Limited	Villa No. 4, House No. 22/296 Naroo Heights, Opp. Manipal Hospital Dona Paula, North Goa	U74999GA2015PTC007655	22.54
4.	Aban Green Power Private Limited	Anpriya Crest 113, Pantheon Road Egmore, Chennai, Tamil Nadu	U40103TN2013PTC090446	24.88
5.	Juggernaut Books Private Limited	118, Shahpur Jat 4th Floor, K.S. House New delhi South Delhi DL 110049 IN	U22219DL2015PTC280186	20.34
6.	Greenergy Wind Corporation Private Limited	No.3, 2nd Floor Queens Road Cross Near Congress Committee Office Bangalore KA 560052	U40104KA2012PTC062414	20.33
7.	Editorji Technologies Private Limited (w.e.f. August 29, 2018)	Sanjovik, Khasra No. 382/2, Mandi Road Next to Tata Sky PO Chattarpur Delhi South West Delhi - 110074	U74999DL2018PTC328540	20
Joint	Venture Companies u/s 2(6) of the Com	panies Act, 2013		
1.	Indus Towers Limited	Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase - II, New Delhi- 110 070	U92100DL2007PLC170574	25.89
2.	Bridge Mobile Pte Limited	750 Chai Chee Road, Technopark@ ChaiChee, The Oasis, #03-02/0, Singapore 469000	200413856E	10
3.	Firefly Networks Limited	A-19, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi- 110044	U74999DL2014PLC264417	50
4.	Bharti Airtel Ghana Holdings B.V.	Overschiestraat 65, 1062 XD Amsterdam, The Netherlands	34204633	50
5.	Airtel Ghana Limited	Millicom Place, Barnes Road, PMB-TUC, CS653052015 Accra, Ghana		49.95
6.	Airtel Mobile Commerce (Ghana) Limited	Millicom Place, Barnes Road, PMB-TUC, CS050612017 Accra, Ghana		49.95
7.	Millicom Ghana Company Limited	Millicom Place, Barnes Road, PMB-TUC, Accra, Ghana	CS417992014	49.95
8.	Mobile Financial Services Limited	Millicom Place, Barnes Road, PMB-TUC, Accra, Ghana	CA-72,549	50

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category- Wise Share Holding

SI. No.	Category of shareholders		shares held a e year i.e. Apı	at the beginning ril 01, 2018	of		r of shares h year i.e. Mai	eld at the end of ch 31, 2019		% change
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	during the year
(I)	(II)	(111)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
(A)	Promoter and Promoter Group									
(1)	INDIAN									
(a)	Individual / HUF	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Central Government / State	0	0	0	0.00	0	0	0	0.00	0.00
	Government(s)									
(c)	Bodies Corporate	2,002,818,452	0	2,002,818,452	50.10	2,002,818,452	0	2,002,818,452	50.10	0.00
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total A(1) :	2,002,818,452	0	2,002,818,452	50.10	2,002,818,452	0	2,002,818,452	50.10	0.00
(2)	FOREIGN									
(a)	Individuals (NRIs / Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	680,963,103	0	680,963,103	17.04	680,963,103	0	680,963,103	17.04	0.00
(c)	Institutions	0	0	0	0.00	0	5 0	5	0.00	0.00
(d) (e)	Qualified Foreign Investor Others	0	0	0	0.00 0.00	0	0	0	0.00 0.00	0.00
(e)	Sub-Total A(2):	680,963,103	0	680,963,103	17.04	680,963,103	5	680,963,108	17.04	0.00
	Total A=A(1)+A(2)	2,683,781,555	0	2,683,781,555	67.14	2,683,781,555	5	2,683,781,560	67.14	0.00
(B)	Public Shareholding	_,,		_,,		_,,.		_,,.		
(1)	INSTITUTIONS									
(a)	Mutual Funds / UTI	264,178,731	0	264,178,731	6.60	332,166,717	0	332,166,717	8.31	1.71
(b)	Financial Institutions / Banks	3,108,671	0	3,108,671	0.08	3,386,527	0	3,386,527	0.08	0.00
(c)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	227,466,498	0	227,466,498	5.69	193,815,581	0	193,815,581	4.85	-0.84
(f)	Foreign Institutional Investors	737,453,635	0	737,453,635	18.45	703,956,986	0	703,956,986	17.61	-0.84
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Alternate Investment Fund	1,561,266	0	1,561,266	0.04	345,239	0	345,239	0.01	-0.03
	Sub-Total B(1) :	1,233,768,801	0	1,233,768,801	30.86	1,233,671,050	0	1,233,671,050	30.86	0.00
(2)	Non-Institution									
(a) (b)	Bodies Corporate Individuals	18,657,340	5444250	24,101,590	0.61	18,463,268	5,444,250	23,907,518	0.60	-0.01
	(i) Individuals holding nominal share capital upto ₹ 1 lakh	24,534,573	6904	24,541,477	0.62	22,488,756	4071	22,492,827	0.56	-0.06
	(ii) Individuals holding nominal share capital in excess of ₹ 1 lakh	13,324,375	0	13,324,375	0.33	11,424,085	0	11,424,085	0.29	-0.04
(c)	Others									
	Clearing Members	2,536,099	0	2,536,099	0.06	7,671,705	0	7,671,705	0.19	0.13
	Foreign Bodies	2,532,710	0	2,532,710	0.06	2,182,710	0	2,182,710	0.05	-0.01
	Investor Education and Protection Fund	49,273	0	49,273	0.00	49,273	0	49,273	0.00	0.00
	NBFC	12,358	0	12,358	0.00	900	0	900	0.00	0.00
	Non Resident Indians	1,568,737	0	1,568,737	0.04	1,114,291	0	1,114,291	0.03	-0.01
	NRI Non-Repatriation	747,080	0	747,080	0.02	608,025	0	608,025	0.02	0.00
	Employees ESOP Trust	1,719,041	0	1,719,041	0.04	140,000	0	140,000	0.00	-0.04
	Trusts	8,717,006	0	8,717,006	0.22	10,356,136	0	10,356,136	0.26	0.04
(d)	Qualified Foreign Investor	0	0	0	0.00	27	0	27	0.00	0.00
	Sub-Total B(2) :	74,398,592	5451154	79,849,746	2.00	74,499,176	5,448,321	79,947,497	2.00	0.00
	Total Public Shareholding B=B(1)+B(2):	1,308,167,393	5451154	1,313,618,547	32.86	1,308,170,226	5,448,321		32.86	0.00
	Total (A+B) :	3,991,948,948	5451154	3,997,400,102	100.00	3,991,951,781	5,448,326	3,997,400,107	100.00	0.00
(C)	Shares held by custodians for GDR's and ADR's									
(1) (2)	Promoter and Promoter Group Public	0	0	0	0.00	0	0	0	0.00	0.00
(2)										

(ii) Shareholding of Promoters / Promoter Group

SI.	Name of the Share	Shareholding a	t the beginn	ing of the Year	Shareholdin	g at the end	l of the Year	% change in
No.	Holder	No. of Shares	% of total shares of the	% of shares pledged / encumbered	No. of Shares	% of total shares of the	% of shares pledged / encumbered	shareholding during the year
			Company	to total shares		Company	to total shares	
1	Bharti Telecom Limited	2,00,28,18,452	50.10	-	2,00,28,18,452	50.10	-	0.00
2	Pastel Limited	59,13,19,300	14.79	-	59,13,19,300	14.79	-	0.00
3	Indian Continent	8,11,50,803	2.03	-	8,11,50,803	2.03	-	0.00
	Investment Limited							
4	Viridian Limited	84,93,000	0.21	-	84,93,000	0.21	-	0.00
	Total	2,68,37,81,555	67.13	-	2,68,37,81,555	67.13	-	0.00

Notes:

1. Bharti Telecom Limited is promoter of Bharti Airtel limited as prescribed in its IPO Prospectus dated February 07, 2002.

2. Pastel Limited qualifies as "deemed promoter" u/r 2(1)(t) of the SEBI (Substantial Acquisition and takeover) Regulations, 2011 but is not having control over the listed company nor is "person acting in concern" with promoter (Bharti Telecom Limited) as specified u/r 2(1) (q) of the Regulations.

3. Indian Continent Investment Limited is person acting in concern with promoter (Bharti Telecom Limited).

4. Viridian Limited is person acting in concern with Pastel Limited. As mentioned above, Pastel Limited qualifies as "Deemed Promoter" u/r 2(1)(t) of SEBI (Substantial Acquisition and Takeover) Regulations, 2011 but is not having control over the listed company nor is "person acting in concern" with promoter (Bharti Telecom Limited) as specified u/r 2(1) (q) of the Regulations.

(iii) Change in Promoter Shareholding

There was no change in shareholding of promoters during the year.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Promoter Group and Holders of GDRs and ADRs):

SI. No.	me of the Shareholder Shareholding		Cumulative Shareholding during the Year		
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	LIC New Endwonment Plus				
	At the beginning of the year	150,182,863	3.76	150,182,863	3.76
	Bought during the year	-	-	-	-
	Sold during the year	1,648,814	0.04	148,534,049	3.72
	At the end of the year	148,534,049	3.72	148,534,049	3.72
2	ICICI Prudential Value Fund				
	At the beginning of the year	63,216,705	1.58	63,216,705	1.58
	Bought during the year	98,116,114	2.46	161,332,819	4.04
	Sold during the year	23,511,924	0.59	137,820,895	3.45
	At the end of the year	137,820,895	3.45	137,820,895	3.45
3	SBI Blue Chip Fund				
	At the beginning of the year	53,049,422	1.33	53,049,422	1.33
	Bought during the year	20,074,675	0.50	73,124,097	1.83
	Sold during the year	12,262,016	0.31	60,862,081	1.52
	At the end of the year	60,862,081	1.52	60,862,081	1.52
4	Franklin India Debt Hybrid Fund				
	At the beginning of the year	38,845,297	0.97	38,845,297	0.97
	Bought during the year	10,188,118	0.26	49,033,415	1.23
	Sold during the year	2,011,485	0.05	47,021,930	1.18
	At the end of the year	47,021,930	1.18	47,021,930	1.18
5	Franklin Templeton Investment Funds				
	At the beginning of the year	14,936,930	0.37	14,936,930	0.37
	Bought during the year	27,582,077	0.69	42,519,007	1.06
	Sold during the year	-	-	-	-
	At the end of the year	42,519,007	1.06	42,519,007	1.06
6	Fort Canning Investments Pte. Ltd.				
	At the beginning of the year	22,060,117	0.55	22,060,117	0.55
	Bought during the year	18,600,082	0.47	40,660,199	1.02
	Sold during the year	-	-	-	0
	At the end of the year	40,660,199	1.02	40,660,199	1.02
7	ICICI Prudential Life Insurance Company Limited				
	At the beginning of the year	51,186,541	1.28	51,186,541	1.28
	Bought during the year	4,766,861	0.12	55,953,402	1.40
	Sold during the year	25,672,757	0.64	30,280,645	0.76
	At the end of the year				
8	Templeton Growth Fund, Inc.				
	At the beginning of the year	-	-	-	0.00
	Bought during the year	29,169,885	0.73	29,169,885	0.73
	Sold during the year	-	-	-	-
	At the end of the year	29,169,885	0.73	29,169,885	0.73
9	Reliance Capital Trustee Co. Limited				
	At the beginning of the year	23,860,775	0.60	23,860,775	0.60
	Bought during the year	25,504,178	0.63	49,364,953	1.23
	Sold during the year	25,614,015	0.64	23,750,938	0.59
	At the end of the year	23,750,938	0.59	23,750,938	0.59

SI. No.	Name of the Shareholder	Shareh	olding		Cumulative Shareholding during the Year		
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company		
10	Platinum International Fund						
	At the beginning of the year	16,008,098	0.40	16,008,098	0.40		
	Bought during the year	7,273,374	0.18	23,281,472	0.58		
	Sold during the year	-	-	-	-		
	At the end of the year	23,281,472	0.58	23,281,472	0.58		
11	SRS Partners Master Fund						
	At the beginning of the year	18,476,933	0.46	18,476,933	0.46		
	Bought during the year	12,947,981	0.32	31,424,914	0.78		
	Sold during the year	8,864,103	0.22	22,560,811	0.56		
	At the end of the year	22,560,811	0.56	22,560,811	0.56		
12	Vanguard Emerging Markets Stock Index Fund						
	At the beginning of the year	21,384,309	0.53	21,384,309	0.53		
	Bought during the year	798,492	0.02	22,182,801	0.55		
	Sold during the year	1,993,799	0.05	20,189,002	0.50		
	At the end of the year	20,189,002	0.50	20,189,002	0.50		
13	Vanguard Total Interenational Stock Index Fund						
	At the beginning of the year	17,197,309	0.43	17,197,309	0.43		
	Bought during the year	2,581,328	0.06	19,778,637	0.49		
	Sold during the year	-	-	-	-		
	At the end of the year	19,778,637	-	19,778,637	0.49		
14	UTI Multi Cap Fund						
	At the beginning of the year	13,105,058	0.33	13,105,058	0.33		
	Bought during the year	6,113,570	0.15	19,218,628	0.48		
	Sold during the year	286,855	0.01	18,931,773	0.47		
	At the end of the year	18,931,773	0.47	18,931,773	0.47		
15	Dimensional Emerging Markets Value Fund						
	At the beginning of the year	12,788,096	0.32	12,788,096	0.32		
	Bought during the year	4,297,976	0.11	17,086,072	0.43		
	Sold during the year	-	-	-	-		
	At the end of the year	17,086,072	0.43	17,086,072	0.43		

Note: The details of shareholding are maintained by respective Depositories and it is not feasible to provide daily change in the shareholding of top ten shareholders. Therefore, consolidated changes during the year 2018-19 has been provided.

(v) Shareholding of Directors and Key Managerial Personnel

SI. No.	Name of the Director or KMP		lding at the g of the Year	Date	Increase / Decrease in share	Reasons	Cumulative S during the year at the end o	/ Shareholding
		No. of Shares	% of total shares of the Company		holding		No. of Shares	% of total shares of the Company
Key	Managerial Person	nel						
1.	Mr. Gopal Vittal Managing Director & CEO (India & South Asia)	298,885	0.01	31-May-18 05-Jun-18 30-Aug-18 11-Sep-18 17-Sep-18 15-Oct-18 04-Dec-18 17-Dec-18 04-Jan-19 18-Jan-19 25-Feb-19	23,779 20,000 10,000 20,000 20,000 20,000 20,000 20,000 30,000	Share alloted under ESOP	3,22,664 3,42,664 3,52,664 3,82,664 4,12,664 4,32,664 4,52,664 4,72,664 4,92,664 5,22,664	0.01 0.01 0.01 0.01 0.01 0.01 0.01 0.01
2.	Mr. Badal Bagri, CFO*	Nil		19-Mar-2019 28-Mar-2019	6,690 3,841	Share alloted under ESOP	6,690 10,531	0.00 0.00
3.	Mr. Nilanjan Roy, Global CFO*	13,003		11-Feb-19 19-Feb-19	7,729 8,582	Share alloted under ESOP	20,732 29,314	0.00 0.00

Note: No other Director and Key Managerial Personnel hold shares as on March 31, 2019.

*Mr. Badal Bagri was appointed as a CFO of the Company w.e.f. March 1, 2019 in place of Mr. Nilanjan Roy who resigned as a Global CFO of the Company w.e.f. February 28, 2019.

V. Indebtedness

Indebtedness of the Company including interest outstanding / accrued but not due for payment

				(R IVIIIIOns)
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebteness
Indebtedness at the beginning of the	financial year			
i) Principal Amount	29	654,129	-	654,158
ii) Interest due but not paid	-	-	-	-
iii) Interest accured but not due	-	23,681	-	23,681
Total (i+ii+iii)	29	677,810	-	677,840
Change in indebtedness during the f	inancial year			
Addition	5	441,769	-	441,774
Reduction	24	258,009	-	258,033
Net Change	(19)	183,760	-	183,741
Indebtedness at the end of the finance	cial year			
i) Principal Amount	10	837,889	-	837,899
ii) Interest due but not paid	-	-	-	-
iii) Interest accured but not due	-	29,221	-	29,221
Total (i+ii+iii)	10	867,110	-	867,120

(₹ Millions)

(₹ Millions)

VI. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

				(₹ Millions)	
SI. No.	Particulars of Remuneration		Name of Managing Director / Whole-time Director / Manager		
		Mr. Sunil Bharti Mittal, Chairman	Mr. Gopal Vittal, Managing Director & CEO (India & South Asia)		
(1)	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	269.78	128.85	398.63	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	18.70	0.03*	18.74	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	
(2)	Stock Option**	-	73.48	73.48	
(3)	Sweat Equity	-	-	-	
(4)	Commission	-	-	-	
	- as % of profit	-	-	-	
	- others, specify	-	-	-	
(5)	Others – PF Contribution	21.57	6.69	28.26	
	Total (A)	310.05	209.05	519.11	
	Ceiling as per the Act***	98.16	120.29		

Note:

During the year, Mr. Gopal Vittal was granted 168,720 stock options on August 8, 2018 under ESOP Scheme 2005 at an exercise price of ₹ 5 per option, with a vesting period spread over 3 years.

Value of Performance Linked Incentive ('PLI') considered above represents incentive which will accrue at 100% performance level for FY 2018-19 and will get paid basis actual performance parameters in the next year.

*Value of perquisites u/s 17 (2) Income Tax Act, 1961 does not include perquisite value of ₹ 73.48 Mn towards stock options exercised by Mr. Gopal Vittal during FY 2018-19. The same has been shown separately in point no. (2).

** In accordance with the definition of perquisite under the Income Tax Act, 1961, the value of stock options only on those shares that have been exercised during the period is provided. Accordingly, the value of stock options granted during the financial year is not included.

*** The ceiling limits are based on effective capital as per Schedule V of the Companies Act, 2013.

(₹ Millions)

B. Remuneration to Non-Executive Directors including Independent Directors:

	3		(₹ Millions)
Independent Directors	Fee for attending board / committee meetings	Commission	Tota
Mr. Ben Verwaayen	0.30	-	0.30
Mr. Craig Ehrlich	0.30	-	0.30
Mr. D.K. Mittal	1.00	-	1.00
Mr. Manish Kejriwal	0.20	-	0.20
Mr. Shishir Priyadarshi	0.60	-	0.60
Mr. V.K. Viswanathan	0.90	-	0.90
Ms. Kimsuka Narasimhan	-	-	-
Total B1	3.30		3.30
Other Non-Executive Directors			
Mr. Rakesh Bharti Mittal	-	-	-
Ms. Chua Sock Koong	-	-	-
Ms. Tan Yong Choo	-	-	-
Total B2	-	-	-
TOTAL B = (B1+B2)	3.30	-	3.30
Ceiling as per the Act	N.A.		
Total Managerial Remuneration (A+B)	₹ 522.41 Mn		
Total ceiling as per the act (11%)	In view of inadequate profits as com	puted under Section 198 of the	e Companies act,
	2013, ('the Act') no Commission is p	Davable to Non-Executive (inclu	ding Independent
	Directors) for the financial year 2018		

mentioned in (A) above are based on effective capital as per Schedule V of the Act.

C. Remuneration to Key Managerial Personnel other than Managing Director / Whole-time Director / Manager:

					((101110113)
SI.	Particulars of Remuneration	Key Ma	Total		
No.		Mr. Nilanjan Roy Global CFO**	Mr. Pankaj Tewari Sr. VP & Company Secretary	Mr. Badal Bagri CFO [#]	Amount
(1)	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of	42.62^	9.69	26.48	78.79
	the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961*	0.04	-	0.05	0.09
	(c) Profits in lieu of salary u/s 17(3) Income-tax Act, 1961	-	-	-	-
(2)	Stock Options [®]	4.89	-	-	4.89
(3)	Sweat Equity	-	-	-	-
(4)	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
(5)	others - PF Contribution	1.32	0.50	1.25	3.07
	TOTAL	48.87	10.19	27.78	86.84

Notes:

Value of Performance Linked Incentive (PLI) considered above represents incentive which will accrue at 100% performance level for FY 2018-19 and will get paid basis actual performance parameters in the next financial year.

*Value of perquisites u/s 17(2) Income Tax Act, 1961 does not include perquisite value of ₹ 4.89 Mn towards stock options exercised by Mr. Nilanjan Roy during FY 2018-19. The same has been shown separately in point no. (2).

**Mr. Nilanjay Roy ceased to be Global CFO of the Company w.e.f. February 28, 2019.

^Salary u/s 17(1) includes value of cash payout of ₹ 9.07 Mn under performance based long term incentive plan.

#Mr. Badal Bagri was appointed as CFO w.e.f. March 01, 2019. However, the remuneration provided above is for the financial year 2018-19.

[®]In accordance with the definition of perquisities under the Income Tax Act, 1961, the value of stock options only on those shares that have been exercised during the period is provided. Accordingly, the value of stock options granted to KMPs viz. 30,286 stock options to Mr. Nilanjan Roy, 25,983 stock options to Mr. Badal Bagri and 13,498 stock options to Mr. Pankaj Tewari, Company Secretary, is not included.

VII. Penalties / Punishment / Compounding of Offences

There were no penalties / punishment / compounding of offences for breach of any section of Companies Act against the Company or its Directors or other officers in default, if any during the year.

Annexure F

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

(A) Conservation of energy

(i) The Company undertook various initiatives to reduce and conserve energy:

a. On Network side:

- In FY 2018-19, 3279 BTS sites have been converted into outdoor sites (with no air conditioner and reduced diesel consumption). The installation of outdoor BTS sites has led to reduction in energy consumption by around 25%.
- In FY 2018-19, 830 sites were installed with advance VRLA batteries and lithium-ion battery based batteries to reduce the consumption of DG set at telecom towers.
- Installed advanced batteries and Li-on batteries on 39,319 sites and 885 sites respectively. (Cumulative till Mar'19). This has enabled us to reduce our diesel consumption by around 600 liters per month.
- Our constant endeavour is to promote infrastructure sharing, along with our partners. Our efforts with partners to consolidate passive infrastructure and green initiatives have considerably reduced carbon emission in the entire industry. This initiative not only reduces operational cost for service providers by eliminating operational waste, but also promotes optimal use of resources. In FY 2018-19, over 57% of the total sites were deployed as shared sites.
- ► Auto-TRX shutdown feature, which reduces the energy requirement at non-peak hours is installed on all 2G sites.

b. Energy efficiency across Data Centres:

The Company puts emphasis on optimising the data center facilities, operations for energy conservation, improved space utilisation and enhanced performance. Some of the initiatives undertaken:

- Installed energy efficient equipment and improvised some processes that have resulted in effective power savings, cost optimisation and lower emission of greenhouse gases.
- During FY 2018-19, we installed LED lights in our data centres leading to saving of energy by 374,696 kWh.
- Installed HVAC cooling systems resulting in energy savings of 1,431,713 kWh.
- Around 3,261,305 kWh energy saved through UPS optimization.

c. Energy efficiency in Airtel facilities:

- Adoption of various energy conservation measures including energy efficient air-conditioning and LED lights, leading to 1,567.34 MWh energy saved.
- Around 95402 kWh energy saved through UPS optimization.

ii) Utilisation of green energy:

- Installation of Rooftop solar: The Company has installed around 20 solar power plants at MSC locations by the end of FY 2018-19, with a total capacity of around 1,168 Kwp.
- Green Power Wheeling for MSC: During the year under review, the Company signed Open Access contract for wheeling 55 Million units annually from green sources at multiple sites, contributing approximately 80%- 90% of the overall requirement.
- Hybrid and renewable energy solutions: Installed solar-DG hybrid model in 55 Sites resulting in diesel saving, on an average, of >550 litres per month for each site.
- ► More than 59,770 sites tagged as green sites requiring less than 100 liters of diesel in a quarter.

iii) The capital investment on energy conservation equipment is shown below:

Sr. No	Location	Capex (₹ Mn)	Remarks	
1	Own sites (Hexacom & Core)	11.9	(Amount derived from issued PO's, Including ED & CST)	
2	TOCO (Indus & Infratel) & SP (Ericsson	235.13 (Indus + Infratel only)	1) From ToCo cost of solution to be paid in 60 Installments, which will be built in monthly site rental.	
	/ NSN)		2) BTS and MW IP 55 cabinet is procured against P.O.'s to SP's	
3	Solar Roof to sites	10.13	170 KWp P.O. are issued in FY 17-18. Installation and commissioning will be completed in FY 18-19.	
	TOTAL	257.19		

B. Technology absorption

1. The efforts made towards technology absorption

With over 560 million internet users, India is the second largest online market, ranked only behind China. 90% of the users are using internet service on mobile network. There are 1.16 billion wireless subscribers as opposed to a mere 22 million wire line subscribers.

With an objective to provide best in class mobile broadband experience to our customers and improvement in spectrum efficiency, Airtel envisaged deployment of 90,000 4G sites last year. This was a challenging task as this had to be deployed across India in partnership with multiple vendors. Every tower installation required proper wireless planning, MW planning, transport planning, availability of material, permission, alignment of material with ASP team, MW team, provisioning team. All the deployment was happening on live sites, which made this deployment exercise even more critical. Data consumption increased by staggering 200%, to meet Increase in Data demand we have planned measures like 1800 & 2100 MHz spectrum refarming to 4G for improved indoor coverage for mobile broadband network, spectrum addition i.e. 20+10 in 4G along with 3CC carrier aggregation, spectrum integration of acquired operators for increasing capacity of 4G networks and increasing efficiency of the scarce spectrum resources.

Airtel network has now become truly heterogeneous. We have now moved to 4 technology & 6 layers, this has made the network very complex. As customers now have to traverse across technologies and layers, maintaining and improving the network experience becomes a challenge. To tackle this, Airtel has been digitalizing its journey from preventive approach towards proactive approach. As part of this journey, it has deployed one of the largest Open Stack platform to support the massive scale of Airtel's network. This platform houses Unified Fault management, Inventory Modules, Performance suite and Security Management. Airtel has partnered with multiple global vendors to achieve the vision. Mapping of all assets is carried out using auto discovery solution catering to physical inventory for radio, microwave and core elements. Further, on top of this, logical connectivity and service details are built. Network element wise near real time monitoring across all domains is tracked using Performance module. For Unified fault management, Airtel has partnered with reputable global vendor. All network OSS are north bound integrated with this module to carry out alarm analysis in intra and inter domain correlation to help in faster resolution of faults. Towards its efforts for enhancing enterprise customer's experience, configuration and service provisioning journey has been automated. Airtel has also deployed TWAMP technology which will help transition from alarm handling to optimizing performance proactively for end to end backhaul.

Airtel also is undergoing In-house analytics journey towards automation of process towards customer complaint reduction, network experience improvement, crowd-sourced data based planning / optimization initiatives and network audits.

These platforms have enabled automatic optimization of multi-layered networks, thereby reducing drop calls, network blocking, and increasing data throughputs for setting new benchmarks in end user experience.

2. The benefits derived like product improvement, cost reduction, product development or import substitution.

Through meticulous and effective planning and project management, we managed to deploy more than 90,000 4G towers in our network and additional 39,000 Km of fibre across India. We now connect more than 7,816 towns and 682,000 villages through high speed broadband. We are now 4G provider in all circles and covers 89% of India's population on 4G.

Last year, Airtel became first company in India to launch 3CC carrier aggregation, LTE TD (20+10 MHz) and FD, on a commercial device reaching a speed of 145 Mbps. This year Airtel launched sub-band LTE on L900 in 10 circles & also refarm the 3G spectrum in 2100 band to L2100 in 10 circles. This has further provided improved coverage and capacity to customer. Dynamic sharing of spectrum and 2G spectrum reframing are now being implemented across many circle like Karnataka, Punjab, Rajasthan etc. VOLTE launch is completed now across all 22 circles for better Voice experience. Massive MIMO implementation on larger scale is being done now and already 400 Massive MIMO has been deployed across circle.

The Mobile core network have been Decentralization to Edge and PACO Locations have been increased from 23 locations to 28 locations. This de-centralization helped in reducing latency thereby improving user experience and download speeds. In parallel to this, inception of virtualized cloud infrastructure happened in PACO Network with deployment of Cloud based MME and PGW in network. This virtualization will become stepping stone for enabling Automation of Network in coming years.

This technology adaption and innovation helped us to manage the spectrum efficiently and provide a great broadband experience to our customers.

3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

a. the details of technology imported;

Only telecom equipment is imported, no technology is imported.

b. the year of import;

N.A.

- c. whether the technology been fully absorbed; N.A.
- d. if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and N.A.
- 4. The expenditure incurred on Research and Development.

Nil

The efforts made towards creating a digital Airtel

Our endeavour to create the future of digital experiences, we continue to set new benchmarks in innovation, service, customer relationships and excellence. During the year, we introduced an innovative customer experience with #airtelThanks - an industry first rewards program, bringing a host of benefits for our consumers. To convey our gratitude to our customers for their trust in us, #airtelThanks was accepted by millions of our customers.

We further set our foundation of innovation strong with introduction of Airtel X labs, Chatbot and Voicebots, My Circle App and use of technologies like Artifical Intelligence, IoT and more. These tools and platforms have helped us strengthen our ability to expand our customer base, enrich customer experience and build a stronger operational excellence framework. The detailed report on various digital initiatives of the Company are given in section "Intellectual Capital" of this report.

C. Foreign Exchange Earnings and Outgo

Activities relating to initiatives taken to increase exports; development of new export markets for products and services, and export plans.

Total foreign exchange used and earned for the year:

- (a) Total Foreign Exchange Earnings ₹ 45,929 Mn
- (b) Total Foreign Exchange Outgo ₹ 226,775 Mn

Annexure G

Statement of Disclosure of Remuneration under Section 197(12) of Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary during FY 2018-19 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY 2018-19 are as under:

S. No.	Name of the Director	Remuneration of Director / KMP for FY 2018-19	Percentage increase in remuneration	Ratio of remuneration of each Director to median remuneration of the
		(in ₹)	in FY 2018-19 ⁵	employees of the Company ¹⁻⁴
	Executive directors			
1.	Mr. Sunil Bharti Mittal, Chairman	310,054,665	2.68	458.17
	Mr. Gopal Vittal, Managing Director & CEO			
	(India & South Asia)	135,575,038*	7.22	200.34
	Non-executive directors			
З.	Mr. Rakesh Bharti Mittal	Nil	N.A.	N.A.
4.	Ms. Chua Sock Koong	Nil	N.A.	N.A.
5.	Ms. Tan Yong Choo	Nil	N.A.	N.A.
	Independent Directors			
6.	Mr. Ben Verwaayen ⁶	300,000	N.A.	0.44
7.	Mr. Craig Ehrlich	300,000	N.A.	0.44
8.	Mr. D.K. Mittal	1,000,000	N.A.	1.48
9.	Mr. Manish Kejriwal	200,000	N.A.	0.30
10.	Mr. Shishir Priyadarshi	600,000	N.A.	0.89
11.	Mr. V.K. Viswanathan	900,000	N.A.	1.33
12.	Ms. Kimsuka Narasimhan ⁷	N.A.	N.A.	N.A.
	Key Managerial Personnel other than Execu	tive Directors		
13.	Mr. Nilanjan Roy,			
	Global Chief Financial Officer	27,908,606#	Nil	-
14.	Mr. Badal Bagri^,			
	CFO, India & South Asia	27,781,065	N.A.	-
15.	Mr. Pankaj Tewari,		8.23	-
	Company Secretary	10,187,294		

Notes:

1. The value of performance linked incentive (PLI) in remuneration of Key Managerial Personnel (KMPs) represents incentive @ 100% performance level. For effective comparison, the PLI component of their remuneration for FY 2017-18 has also been considered @ 100% performance level.

- 2. There has been no change in the remuneration of Sunil Bharti Mittal, Chairman since FY 2016-17; the insignificant change since last year reflecting above is due to change in the perquisite value. Further, the change / revision in the in the ratio of his remuneration to median remuneration of the employees of the Company is due to transfer of approx. 2,700 employees of Bharti Airtel Services Limited, a wholly owned subsidiary company to the rolls of the Company. Similarly, due to aforesaid reason there is significant change in the change in the ratio of remuneration of Gopal Vittal, Managing Director & CEO (India and South Asia) vis-à-vis the median remuneration of the employees of the Company for the FY 2018-19.
- 3. Remuneration of Employees and KMPs does not include perquisite value of stock options exercised during the FY 2018-19.
- 4. In view of inadequate profits as computed under Section 198 of the Companies act, 2013, ('the Act') for the financial year 2018-19, no commission is paid / payable to Non-Executive (including Independent) Directors for the financial year 2018-19. Accordingly, the percentage increase in the remuneration for financial year 2018-19 w.r.t. Non-Executive (including Independent) Directors is not given in the table above.
- 5. Percentage increase in remuneration, if any is based on the Annualised Remuneration.
- 6. Mr. Ben Verwaayen retired from the Board w.e.f. December 26, 2018.
- 7. Ms. Kimsuka Narasimhan was appointed as a Non-executive Independent Director w.e.f. March 30, 2019.
- * The remuneration of Mr. Gopal Vittal excludes perquisite value of ₹ 73,475,697 on exercise of stock options during FY 2018-19.
- # The remuneration of Mr. Nilanjan Roy excludes perquisite value of ₹ 48,96,716 on exercise of stock options and cash payout of ₹ 9,070,078 under performance-based long-term incentive plan during FY 2018-19. Mr. Nilanjan Roy ceased to be the Global CFO of the Company w.e.f. February 28, 2019 and accordingly, the leave encashment and gratuity etc. amounting to ₹ 9,324,587 is excluded from the remuneration disclosed above.
- Mr. Badal Bagri was appointed as a CFO (and KMP) of the Company w.e.f. March 1, 2019. Therefore, the percentage increase in his remuneration in FY 2018-19 is not disclosed above.

- **ii.** The percentage increase in the median remuneration of the employees in the financial year: During the previous year i.e. 2018-19, approx. 2,700 employees of Bharti Airtel Services Limited, a wholly owned subsidiary company were transferred to the rolls of Bharti Airtel Limited. Due to increase in the overall number of employees, there has been a decrease of approx. 21.02% in the median remuneration of employees in FY 2018-19 as compared to FY 2017-18.
- iii. The number of permanent employees on the roll of the Company: There were 10,205 employees on the rolls of the Company as on March 31, 2019.
- iv. Average percentage increase already made in the salaries of employees other than the managerial personnel in FY 2018-19 and its comparison with the percentage increase in the managerial remuneration and justification thereof: The average increase in the remuneration of employees excluding KMPs during FY 2018-19 was 7% and the average increase in the remuneration of KMPs was 4.53%. The compensation structure and revision in the remuneration of the employees and the KMPs is guided by our reward philosophy, external competitiveness and benchmarking and is as per the compensation and appraisal policy of the Company. While there has been no change in the remuneration of Chairman since FY 2016-17, the revision in the remuneration of Managing Director & CEO is approved by the Board in the recommendation of HR and Nomination Committee and is within the limits approved by the shareholders of the Company. The increase in the remuneration of KMPs also reflect the market practice.
- v. Affirmation that the remuneration is as per the remuneration policy of the Company: The remuneration of Directors was as per the policy on nomination, remuneration and Board diversity of the Company.

Annexure H

Independent Auditor's Certificate on Corporate Governance

То

The Members of Bharti Airtel Limited

- 1. This certificate is issued in accordance with the terms of our engagement letter reference no. NHL/18-19/09 dated 10 August 2018.
- 2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of Bharti Airtel Limited ('the Company'), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2019, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('SEBI Listing Regulations').

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditor's Responsibility

- 4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- 5. We have examined the books of accounts and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
- 6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note

on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the 'ICAI'), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control ('SQC') 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

- 8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2019.
- 9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Deloitte Haskins & Sells LLP

Chartered Accountants (Firm's Registration No. 117366W / W-100018)

Nilesh H Lahoti

Place: New Delhi Date: May 06, 2019 (Partner) Membership No: 130054

Management Discussion and Analysis

Overview

India is currently the second largest telecommunication market and has the second highest number of internet users in the world. India's internet user base has grown rapidly in recent years, propelled by the decreasing cost and increasing availability of smartphones and high-speed connectivity at affordable prices. It continues to witness a huge expansion in data and voice usage even as it consolidates towards the largely 3+1 player market. With only three private operators serving 1.3 Billion people and significant 4G penetration upside, the industry is poised for sustained long term growth.

In order to remain a meaningful, relevant player in this era of digitization, Airtel is making a dynamic shift in its strategy from simply being a pipe providing connectivity to being an ecosystem of digital services with an aim to win quality customers across verticals and offer them brilliant experience across all touch points.

This strategy will be based on the key pillars, the primary pillar being providing services at scale. The Company will continue to scale up its digital services offerings, such as Airtel TV, Wynk, Books, Payments, etc., which are offered as part of the flagship Airtel Thanks program. This will be enabled through expanded strategic partnerships and creating of partner ecosystem with ability to quickly and seamlessly integrate offerings on the airtel platform.

Strong customer understanding and deep micro marketing will be at the core across online and offline channels of the Company. To be able to impeccably offer these services to customers and to quickly adapt to the changing industry contours, airtel will simplify its processes to be an agile customer-centric organization. In addition to this, everything will be looked through the lens of War on Waste program to ensure cost savings and delivering incremental profits to its shareholders.

The Company's Africa business is creating a strong foundation for a solid and sustainable business. Airtel targets to increase the mobile revenue and market share through widest smartphone network leadership, data penetration, introduction of new products and addition of quality customers. Airtel Money provides a unique opportunity to build a scalable business at a minimal incremental capex while fully leveraging the existing platform to provide a solution to the low banking penetration seen across the continent.

Economic Review

The global economy continues to expand at a healthy pace. The global GDP grew by 3.6% in 2018 compared to 3.8% in 2017, despite the backdrop of weakening global growth, looming trade policy uncertainty, and concerns about US and China's outlook.

Economic activity in advanced economies grew by 2.2% in 2018 as compared to 2.4% in 2017. The fall was primarily due to slowdown in the euro area caused by several factors including the prolonged uncertainty around the Brexit outcome, weakening consumer and business sentiment, fiscal policy uncertainty even as the sovereign spreads continued to remain elevated softening investments across the region. Amid a tight labor market and strong consumption growth in the United States, the growth momentum in US remained robust with the economy enhancing its growth rate to 2.9% in 2018 vs. 2.2% last year.

Emerging Market and Developing Economies (EMDE) grew by 4.5% during 2018, led by India & China. China's growth declined against last year following a combination of regulatory tightening and an increase in trade tensions with the United States. Most of the EMDE were impacted by the volatile crude oil prices and depreciation bias on the currency. Although oil prices have now stabilized, inflationary pressures continue to remain due to the domestic currency depreciation and thus impacting growth outlook.

Looking into next year, global economic growth is projected to be 3.3% in 2019, before returning to 3.6% in 2020. The pickup is expected in the second half of 2019 on account of ongoing buildup of policy stimulus in China, recent improvements in global financial market sentiment, the waning of some temporary drags on growth in the euro area, and a gradual stabilization of conditions in stressed emerging market economies. Beyond 2020, global growth is set to plateau at about 3.6% over the medium term, sustained by the increase in the relative size of economies, such as those of India and China, which are projected to have robust growth rates.

3.3%

Projected global GDP growth rate in 2019

	Actual		Projec	tions
Global Growth Trend (%)	2017	2018	2019	2020
World Output	3.8	3.6	3.3	3.6
Advanced Economies	2.4	2.2	1.8	1.7
Emerging Market and Developing Economies	4.8	4.5	4.4	4.8
China	6.8	6.6	6.3	6.1
India	7.2	7.1	7.3	7.5
Sub-Saharan Africa	2.9	3.0	3.5	3.7

Source: IMF World Economic Outlook 2019

Indian Economy

As per IMF, Indian economy grew by 7.1% in 2018 which is the fastest in the world. The economy achieved the growth with overcoming the several challenges it faced during the year. The country got hit by the NBFC crisis and the liquidity crunch in the bond / debt market. The NBFC liquidity crunch came with the major public sector banks already under RBI's Prompt Corrective Action framework. With continuous government efforts towards achieving bank recapitalization and strategic mergers, the economy was able to survive through it.

The country has been an upswing in the private consumption expenditure in the past few years. Further, it is projected to remain robust and the investment growth is also expected to continue as the benefits of recent policy reforms begin to materialise and credit markets rebound. Even the fall in crude oil prices and the appreciation of the rupee in the second half of 2018 has reduced pressures on inflation and the current account deficit.

As per IMF, India is a bright spot in the global ecosystem and India's growth is looking very attractive in the coming years. India's growth is projected to pick up to 7.3% in 2019 and 7.5% in 2020, supported by the continued recovery of investment and robust consumption amid a more expansionary stance of monetary policy and some expected impetus from fiscal policy. Going past 2020, IMF expects growth in India to stabilize at just under 7¾% over the medium term, based on continued implementation of structural reforms and easing of infrastructure bottlenecks.

7.3%

Projected GDP growth rate in India in 2019

Africa Economy

The Sub-Saharan Africa economy grew by 3.0% in 2018, a marginal improvement from the growth rate of 2.9% witnessed last year. The slowdown was due to the strengthening dollar, fluctuating commodity prices and trade uncertainty. Nigeria, a major economy in the region, gave a positive push to the overall region growth by increasing its growth rate to 1.9% this year from 0.8% last year. The other bright spots were majorly the non-commodity driven markets such as Burkina Faso, Cote d'Ivoire, Ethiopia, Ghana, Niger, Rwanda, Senegal, Tanzania, and Uganda.

While the prospects vary across Sub-Saharan Africa, reflecting the heterogeneity of the economies, associated with disparities in the level of development, exposure to weather shocks, and commodity dependence, for the region as a whole the growth is expected to pick up to 3.5% in 2019 and 3.7% in 2020 even after considering the impact of the recent softening of oil prices.

3.5%

Projected GDP growth rate in Africa in 2019

Growing labor force, increased urbanization and advanced technology adoption are some of the positives working in favour of Africa. With a potential to emerge as one of the world's most productive and dynamic economies, Africa provides substantial opportunities for the telecom sector in the areas of data and mobile commerce.

Sources:

World Bank Global Economic Prospects 2019: <u>https://www.worldbank.org/en/</u> publication/global-economic-prospects

IMF World Economic Outlook 2019: <u>https://www.imf.org/en/Publications/WEO</u> OECD Economic Outlook 2019: <u>https://www.oecd.org/economy/economic-outlook/</u>

Megatrends that Drive Our Business

- By 2020, India is set to become the world's youngest country with 64% of its population in the working age group. This demographic potential will offer India an unprecedented edge with increase in mobile data penetration.
- The age of digitization is ushering in the fourth industrial revolution, which will be fuelled by telecom networks. This is also encouraging telecom businesses to reinvent themselves by embarking on digital transformation to fully serve the needs of the new digitally savvy and digitally native customers.
- As per IDC, Indian smartphone market witnessed a 14.5% annual growth with a total shipment of 142.3 Mn units in 2018. The penetration of high-speed mobile broadband in India continues to outpace industry expectations, driven by rapid adoption of low cost smartphones and lower data pricing.
- The increasing usage of digital service will push the consumption through Over the top (OTT) platform in near future. Content tie-ups are playing a major role in customer acquisition and retention. Customers are looking for content services like music and video streaming, device protection and other benefits over and above the basic mobile recharges. The industry is moving towards producing or collaborating with manufacturers of content.
- While implementation and rollout of 5G looks to be some time away, the standards and ecosystem on 5G has already gathered pace with more and more use cases coming into picture. In the coming years, Indian telecom industry will work to prepare the networks for 5G and extreme broadband applications such as virtual reality, augmented reality.
- Deployment of Internet of Things (IoT) in various consumer and enterprises solutions such as asset tracking, smart appliances, smart metering, security and surveillance is grabbing attention of developers and telcos. Increased penetration of affordable devices, combined with cloud computing, analytics and rising consumer expectations is driving the rapid growth of the IOT market. The IOT market in India is poised to reach USD 15 Bn by 2020, accounting for nearly 5% of total global market. Telecom will play a

critical role in providing connectivity and solutions in this market. Number of M2M connections in Africa is expected to reach 26 Mn by 2020.

- With government push towards cashless economy and increasing acceptability of digital transactions, payments via smartphones are driving financial inclusion. Telecom industry, with an established distribution network is best placed to capture this opportunity.
- Convergence of fixed and wireless technologies is becoming more tangible with improvements in handsets, increased data speed, and development of backhaul.
- With Mission Digitization, DTH operators are likely to benefit from a rising subscriber base and higher market penetration. Innovations in paid TV services, migration from SD to HD boxes have increased consumption of – smart TV's and HD services, offering more opportunities to service operators.

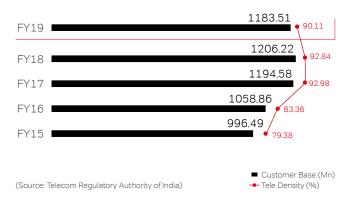
Industry Overview

Indian Telecom Sector

India's total customer base stood at 1,183.51 Mn as on March 31, 2019. The completion of the consolidation within the Indian Telecom Market into three large private players accelerated the SIM consolidation leading to drop in customer base by 1.9% from 1,206.22 Mn last year. Consequently, the tele-density also contracted to 90.11% from 92.84% last year. The urban tele-density stood at 159.96%, whereas the rural tele-density stood at 57.47%, as on March 31, 2019.

Among the service areas excluding metros, Himachal Pradesh has the highest tele-density (146.39%) followed by Kerala (126.15%), Punjab (125.35%), Tamil Nadu (117.05%), Gujarat (107.21%), Haryana (97.66%), Andhra Pradesh (97.55%), Jammu & Kashmir (89.43%). Among the metros, Delhi tops with 238.58% tele-density. On the other hand, the service areas, such as Bihar (59.95%), Uttar Pradesh (68.63%), Assam (68.81%) and Madhya Pradesh (70.11%) have comparatively low tele-density.

Tele Density: India (%)



With the tele-density at its current levels, there remains a significant headroom for expansion, especially in rural areas. Differentiated services and personalized digital offers will be the key drivers for the market in urban areas.

The broader industry, having consolidated to three large players, started seeing some return of stability and green shoots of growth. Prices however have remained subdued and need to move up in the long term to ensure industry viability. With imminent digitization, the sector also needs to make a dynamic shift from simply being a pipe providing connectivity to being an ecosystem of digital services. The sector needs to identify new growth areas which combine the potential of digitization and existing core competencies of telecom in addition to making the core business more cost efficient and agile to be able to drive the fourth industrial revolution.

The sector continues to witness data boom and rising consumption of content and related services. There is a strong growth in internet users fuelled by increased availability of bandwidth, affordable data plans and increased use cases; as also awareness driven by the digital India initiatives of the government. Providing a seamless, high speed network experience and building requisite capacities to cater the consumption boom will be critical for supporting the sector expansion.

The wire-line customer base stood at 21.70 Mn at the end of March 31, 2019 vis-à-vis 22.81 Mn at the end of March 31, 2018.

African Telecom Sector

Africa has been the fastest-growing mobile market in the world during the past few years fuelled by favourable macroeconomic factors manifesting in higher consumption, licensing opportunities and relatively stable regulatory and economic environment. Continued investments by operators across the continent has led to drastic improvement in the telecommunication infrastructures.

Revenue growth for Airtel in Africa has been strong, driven by mobile money and data. Airtel is the leading operator in 12 of the 14 countries in Africa in which it operates.

With the overall growth story remaining strong with a full year witnessing a double-digit revenue growth, the Company has embarked on a journey of cost consolidation and service diversification in-order to further improve profitability and enhance competitive edge. Diversification and digitization of offerings along with continued investment towards enhancing customer experience through high speed LTE network has led to a strong growth in Mobile Data and Money in addition to Voice.

Airtel Africa is undertaking an IPO on the London Stock Exchange along with a secondary listing on Nigeria Stock Exchange, subject to market conditions.

Development in Regulations

The year saw several regulatory changes and developments. The significant regulatory changes were:

India

- The Telecommunication Interconnection (Amendment) Regulations, 2018: Telecom Regulatory Authority of India (TRAI) on July 5, 2018 issued "The Telecommunication Interconnection (Amendment) Regulations, 2018". The key highlights are:
 - Service providers may request for additional ports at a Point of Interconnect (POI), if the projected utilization of such POI at the end of sixty days from the date of placing the request is likely to be more than 85%. The request shall be such that the projected utilization drops to less than 75%.
 - The projected utilization shall be calculated on the basis of daily traffic for the preceding sixty days at the POIs during busy hour.
 - The time frame for provisioning of ports for initial interconnection and augmentation of ports was revised to 42 working days.
 - The port charges and infrastructure charges, for all ports provided before February 1, 2018 shall continue to be payable as per the terms and conditions which were applicable to them before February 1, 2018.

Ruling on the validity of Aadhaar Card by Hon'ble Supreme Court for use by private institutions

- Section 57 of the Aadhaar Act has been revoked by the Hon'ble Supreme Court in its judgement dated September 26, 2018. The said section specified the use of Aadhaar card for identification purposes by private companies.
- Vide this judgement Aadhaar based eKYC for mobile SIM verification of existing connections has been disallowed. Subsequent to this judgement, a new appbased customer enrolment method was approved by Department of Telecom (DoT) as an alternative to Aadhaar based verification.
- Amendments to the License Agreement of Basic Service, Cellular Mobile Telephone Service (CMTS), Unified Access Service License (UASL), Unified License (UL), UL (Virtual Network Opeartor), National Long Distance (NLD) and International Long Distance (ILD) Licenses (other than UL) for change in interest rate on delayed payment: Department of Telecommunications (DoT) has issued amendments in the various License Agreements including Basic Service, CMTS, UASL, UL, UL (VNO), NLD & ILD Licenses (other than UL) by which the interest levied in case of delayed payments of License Fee and Spectrum Usage Charges (as applicable) has been revised to MCLR + 4% w.e.f. April 2016.
- Amendment to Telecommunication Mobile Number Portability (MNP) Regulations: TRAI issued "Telecommunication Mobile Number Portability (Seventh)

Amendment) Regulations, 2018" on December 13, 2018. These regulations shall come into force from September 30, 2019. The salient points of regulations are as below:

- The porting timeline of 2 working days has been kept for Intra-Licensed Service Area (Intra-LSA) numbers & 4 working days for Inter-LSA numbers and corporate category. The validity of Unique Porting Code (UPC) has been kept 4 days in place of 15 days.
- Telecom Service Provider will be liable to pay an amount, by way of financial disincentive not exceeding ten thousand rupees for each wrongful rejection of the request for porting, as the Authority may, by order direct.
- Every Access Provider shall set up a mechanism for the purpose of receiving SMS from its subscribers requesting for a UPC and forwarding the same to the MNP zone to which the mobile number belongs.
- Introduction of query response mechanism for the generation & delivery of Unique Porting Code (UPC) for all the cases except corporate category. The Mobile Number Portability Service Provider (MNPSP) will query the database of the Donor Operator on real time basis and ensure the delivery of UPC.
- Amendment in Merger and Acquisition Guidelines: DoT issued amendments in its Merger and Acquisition guidelines, 2014 on September 24, 2018. Salient features of the same are:
 - After the sanction of any scheme or proposal for compromise, arrangement and amalgamation filed before a Tribunal / Company Judge by a Company, the Licensor will provide its written approval within 30 days of receipt of request for such approval of the said transfer / merger of licenses / authorizations under Unified License.
 - The resultant entity can now, in addition to surrendering the excess spectrum beyond prescribed limit, also trade the excess spectrum held by it within one year post the merger / amalgamation.
- Amendment to Unified License for Net Neutrality: DoT issued an amendment to the unified license conditions for regulatory framework on Net-Neutrality on September 26, 2018. As per the amendment:
 - The Licensee will be prohibited from entering into any arrangement, agreement or contract that has the effect of discriminatory treatment of content.
 - These provisions will not be applicable on:
 - Specialized services, provided that these services are not usable or offered as a replacement of Internet Access Service.
 - 🚊 Reasonable traffic management practices.

- Provision of emergency services or any services provided during time of grave public emergency, as per the process laid down by the licensor / regulator.
- Implementation of any order of a court or direction issued by the Government, in accordance with law.
- Measures taken in pursuance of preserving the integrity and security of the network and equipment.
- Measures taken in pursuance of an international treaty, as maybe specified by the Government.
- National Digital Communications Policy 2018: DoT released the National Digital Communications Policy 2018 on September 26, 2018. The key features include:
 - Review of levies and fees including License fee (LF), Spectrum Usage Charges (SUC), Universal Service Obligation Fund and the definition of Adjusted Gross Revenue (AGR).
 - Review of the concept of pass through charges to align the same with the principles of input line credit thereby avoiding double incidence of levies.
 - Identify and make available new spectrum bands for access and backhaul segments for timely deployment and growth of 5G networks.
 - Encourage the deployment of fiber by taking steps such as creation of National Fibre Authority, establishing common service ducts, facilitating Fibre-to-the-tower program to enable fiberization of at least 60% of telecom towers thereby accelerating migration to 4G / 5G etc.
 - Establish a unified policy framework and spectrum management regime for broadcast and broadband technologies.
- Amendments to license on Internet Telephony: DoT issued amendments to the Cellular Mobile Telecom Service (CMTS) / Unified Access Service (UAS) license on internet telephony on June 19, 2018. The key highlights are:
 - Internet telephony can be provided to customers by access service providers using internet services of other providers.
 - Internet telephony calls originated by international out roamers from international locations shall be handed over at the international gateway of licensed International Long Distance Operators (ILDOs) and international termination charges shall be paid to the terminating access service provider.
 - Telecom Service Providers (TSP) are allowed to allocate same number to the subscriber both for cellular mobile service and internet telephony service.

- The licensee providing internet telephony is required to comply with all the interception and monitoring related requirements.
- The public IP address used for originating / terminating internet telephony calls should be made a mandatory part of (Call Data Records) CDRs in case of internet telephony.
- Issuance of In Flight and Maritime Connectivity Rules (IFMC), 2018: DoT issued a notification on December 14, 2018 for permitting in-flight voice and data services (IFMC). Highlights of the notification are:
 - Following are eligible to apply for authorization to provide IFMC Services:
 - An Internet Service provider (ISP) (CAT-A) licensee or an Access Service licensee. These licensees should also hold an NLD license or a commercial VSAT CUG service license and a satellite gateway earth station within the service area of its license, in case connectivity through satellite is used.
 - Any Indian Company or any airline or any shipping Company (Indian or foreign permitted to enter Indian space). These companies are required to enter into a commercial agreement with either ISP licensee or an Access Service licensee (partnering licensee) to provide IFMC services.
 - Revenue earned shall be included in the Gross Revenue of the licensee, for the purpose of license fee and spectrum usage charges (SUC).
- Regulations on Broadcasting and Cable Services: The new Tariff framework, Interconnection & Quality of Service (QoS) regime of DTH as per "The Telecommunication (Broadcasting and Cable) Services (Eighth) (Addressable Systems) Tariff Order, 2017 dated March 3, 2017" has been implemented on March 31, 2019 and the subscribers have been migrated to the new regime. The salient features of the same are as follows:
 - Freedom and flexibility to the consumers to select the channels of their choice which they want to view and pay only for the choice made by them.
 - Consumers can select either ala-carte channels or a bouquet of a broadcaster / Distributor or any combination thereof.
 - Declaration and publication of a Reference Interconnect offer (RIO), each by a Distributor and Broadcaster to ensure transparency & level-playing field for all entities.
 - Transparent declaration of information relating to channel choices, prices, terms of subscription, provisioning of Set Top Box under the Quality of Service (QoS) Regulation.

Issue of Consultation Paper to review Port per Transaction Cost (PPTC) and other related charges for Mobile Number Portability (MNP): TRAI, on April 1, 2019, issued a consultation paper to review the PPTC and other related charges for MNP. The paper comes after the Hon'ble High Court of Delhi vide it's Judgment dated March 8, 2019 had squashed the TRAI's "Mobile Number Portability Per Port Transaction Charge and Dipping Charge (Amendment) Regulation, 2018" dated January 31, 2018 to reduce the price of per successful port transaction charge from ₹ 19 to ₹ 4.

SCOT Analysis:

Strengths

- Strong Presence: One of the leading telecom players in India and #3 worldwide. Market leadership (Rank 1 & 2) in 12 of 14 African countries
- Scale of Operation: Presence in 18 countries serving over 403 Mn customers
- Large Distribution Platform: Robust platform enabling company to offer services like Mobile Money, OTT applications - Wynk Music, Airtel TV and Airtel Books

Challenges

Integration of Operations: Geographically varied presence, integrating operations across India, South Asia and Africa leveraging common platform

QuadPlay: Only operator to leverage quad play: Mobile,

Fixed Voice, Broadband and DTH

The Ugandan regulator in March, 2018 imposed conditions

on the sale of SIM cards as well as SIM swaps on all operators.

The regulator had also issued a directive, that with effect

from July 2018, the operators are not allowed to sell scratch

card in non-electronic form.

Africa

Uganda

Strong Network: Future proof network across access, transport and core layers. Pan India 4G / 3G spectrum

Fast Changing Customer Needs: Understanding evolving customer perceptions in fast-changing multicultural and multi-lingual environment

Opportunities

- Rising Data Demand: Data usage growth with a spurt in smartphone shipments and Government of India's digital drive. In Africa, mobile data traffic expected to see a more than 10-fold increase by 2023
- Strong Partner Ecosystem: Possibilities to have a host of strategic partnerships leading to differentiated customers experience in order to win customers
- Digital payments: India's digital payment space is expected to grow the segment by about five-fold to USD 1 trillion by 2023. Underpenetrated banking opportunity in Africa as well
- Content: Spurt in digital content consumption over internet. Video consumption contributes to >70% of data

consumption & India's video streaming industry is all set to grow at a CAGR of ${\sim}22\%$

- Infra Sharing: Active infra sharing can lead to reduced expenditures and efficient use of capex
- Other non-mobile businesses: Less than 10% fixed broadband penetration in overall 250+ Mn households in India. Digitization to uplift DTH homes which are currently just 40% of overall. Also, even less than 10% of 1.5 Mn SMB/ Enterprises have internet connectivity
- Benefits from Consolidation: Improved industry dynamics due to the consolidation in the industry with recent mergers & exits of various telcos

Threats

- Increased Competition: Pressures on Average Revenue Per User (ARPU) due to increased competition
- **Regulatory Changes:** Uncertainties around political and economic environment across regions
- **Currency Exposures:** Volatility in currencies due to global macro-economic uncertainties and global trade tensions

Financial review

Consolidated Figures

Particular	FY 2018-19		FY 2017-18	
	₹ Millions	USD Millions*	₹ Millions	USD Millions*
Gross revenue	807,802	11,567	826,388	12,823
EBITDA before exceptional items	262,937	3,768	304,479	4,725
Interest, Depreciation & Others before exceptional items	309,545	4,430	263,878	4,095
Profit before exceptional items and Tax	(46,606)	(662)	40,602	630
Profit before tax	(17,318)	(253)	32,670	507
Tax expense	(34,193)	(495)	10,835	168
Profit for the year	4,095	59	10,990	171
Earnings per share (In ₹ / USD)	1.02	0.01	2.75	0.04

*1USD = ₹ 69.86 Exchange Rate for financial year ended March 31, 2019 (1 USD = ₹ 64.44 for financial year ended March 31, 2018)

Standalone Figures

Particular	FY 2018-19		FY 20	17-18
	₹ Millions	USD Millions*	₹ Millions	USD Millions*
Gross revenue	496,080	7,101	536,630	8,327
EBITDA before exceptional items	128,321	1,837	181,529	2,817
Interest, Depreciation & Others before exceptional items	208,407	2,983	182,300	2,829
Profit before exceptional items and Tax	(80,086)	(1,146)	(771)	(12)
Profit before tax	(52,037)	(745)	(6,812)	(106)
Tax expense	(33,747)	(483)	(7,604)	(118)
Profit for the year	(18,290)	(262)	792	12
Earnings per share (In ₹ / USD)	(4.58)	(0.07)	0.20	0.00

*1 USD = ₹ 69.86 Exchange Rate for financial year ended March 31, 2019 (1 USD = ₹ 64.44 for financial year ended March 31, 2018)

The Company's consolidated revenues stood at ₹ 807,802 Mn for the year ended March 31, 2019, as compared to ₹ 826,388 Mn in the previous year, decrease of 2.2% (an increase of 1.6% after normalising for impact of IUC rate cut in India and divested operating units of Africa). The revenues for India and South Asia (₹ 602,647 Mn for the year ended March 31, 2019) represented a de-growth of 6.5% compared to that of previous year (degrowth of 4.7% after normalising for impact of IUC rate cut). The revenues across 14 countries of Africa, in constant currency terms, grew by 11.7%.

The Company incurred operating expenditure (excluding access charges, cost of goods sold, license fees and CSR costs) of ₹ 373,976 Mn representing an increase of 7.3% over the previous year. Consolidated EBITDA at ₹ 262,937 Mn decreased by 13.6% (decrease of 10% after normalising for impact of IUC rate cut in India and divested operating units of Africa) over the previous year. The Company's EBITDA margin for the year decreased to 32.5% as compared to 36.8% in the previous year. Depreciation and amortization costs for the year were higher by 10.9% to ₹ 213,474 Mn. Consequently, EBIT for the year at ₹ 47,629 Mn decreased by 57% (decrease of 51.8% after normalising for impact of IUC in India and divested operating units of Africa) resulting in margin of 5.9% vis-à-vis 13.4% in the previous year. The cash profits from operations (before derivative and exchange fluctuations) for year ended March 31, 2019 was ₹ 167,777 Mn vis-à-vis ₹ 227,169 Mn in the previous year.

Net finance costs at ₹ 95,893 Mn were higher by ₹ 15,181 Mn compared to previous year mainly due to higher interest on borrowings by ₹ 22,731 Mn (FY'19 – ₹ 87,252 Mn, FY'18 – ₹ 64,521 Mn) partially off-set by lower finance charges (lower by ₹ 4,003 Mn) and higher investment income (higher by ₹ 3,533 Mn) in current year as compared to the previous year.

Consequently, the consolidated loss before taxes and exceptional items at ₹ 46,606 Mn compared to profit of ₹ 40,601 Mn for the previous year.

The consolidated income tax expense (after the impact on exceptional items) for the full year ending March 31, 2019 was (negative) ₹ 34,192 Mn, compared to ₹ 10,834 Mn for the previous year. The decline is primarily led by drop in profits in India and impact of creation of deferred tax asset in DTH and Nigeria. The underlying effective tax rate in India for the period was at 34.45% vs 24.45% for the full year ended March 31, 2018. The tax charge in Africa for the full year (excluding divested units) was at (negative) USD 59 Mn vs USD 130 Mn in the previous year on account of change in profit mix of the countries and impact of creation of deferred tax asset in Nigeria.

Exceptional items during the year accounted for impact of ₹ 29,288 Mn (gross). These included impact of gain / losses pertaining to re-assessment of levies, based on a recent pronouncement related to the manner of determination of such levies, creation of deferred tax asset in DTH and Nigeria, gain on account of deconsolidation of Airtel Payments Bank, operating costs on network re-farming and up-gradation program and assessment of tax provision during the year.

After accounting for exceptional items, the resultant consolidated net income for the year ended March 31, 2019 came in at ₹ 4,095 Mn as compared to ₹ 10,990 Mn in the previous year.

The capital expenditure for the full year was ₹ 287,427 Mn (USD 4.1 Bn) as compared to ₹ 268,176 Mn in the previous year (an increase of 7%). Consolidated operating free cash burn for the year was at ₹ 24,490 Mn as compared to cash flow of ₹ 36,303 Mn in previous year.

Return on Capital Employed (ROCE) has improved to 5.1% from 4.6% in the previous year.

The following table shows a summary of sector specific key ratios:

Key Ratios	Units	FY 2019	FY 2018	YoY%
Capex Productivity	%	40.6%	49.3%	-17%
Opex Productivity	%	46.3%	42.2%	10%
Interest Coverage Ratio ¹	Times	2.84	4.37	-35%
Net Debt to Shareholders' Equity	Times	1.52	1.37	11%
EBITDA Margin	%	32.5%	36.8%	-12%
Net Profit Margin ²	%	0.5%	1.3%	-62%
Return on Shareholders' Equity ³	%	0.6%	1.6%	-64%

1. Drop in Interest coverage ratio is driven by higher borrowing costs during the year

2. Drop in Net Profit Margin is attributable to lower Net Profits during the year

3. Drop in Return on Net worth is attributable to lower Net Profits during the year

Liquidity & Funding

As on March 31, 2019, the Company had cash and cash equivalents of ₹ 62,121 Mn and short-term investments of ₹ 46,232 Mn. During the year ended March 31, 2019, the Company generated operating free cash flow of (negative) ₹24,490 Mn. The Company's consolidated net debt as on March 31, 2019 increased by USD 1040 Mn to USD 15,651 Mn as compared to USD 14,611 Mn last year. The Net Debt - EBITDA ratio (USD terms LTM) as on March 31, 2019 stood at 4.32 times as compared to 3.19 times in the previous year, mainly on account of increased borrowings and reduced EBITDA. The Net Debt-Equity ratio stood at 1.52 times as on March 31, 2019, compared to 1.37 times in the previous year.

During the year, the Company undertook several initiatives to meet its liquidity and funding requirements. On 3rd May 2019, the Company launched a rights issue of 1.13 Bn fully paid up equity shares (face value ₹ 5 each) at a price of ₹ 220/- per share aggregating to ₹ 249.4 Bn with rights entitlement of 19 equity shares for every 67 equity shares held. The right issue will be closed on May 17th, 2019. The proceeds from the issue will be utilized towards its stated objective of deleveraging.

The Company also received investments of USD 1.25 billion from six leading global investors comprising Warburg Pincus,

Temasek, Singtel, SoftBank Group International and others through a primary equity issuance in Q3'2019 and \$200 Mn equity investment from Qatar Investment Authority' (QIA) in Q4'2019 in Airtel Africa Limited, a subsidiary of the Company and holding entity of Africa operations of the Group. Total pre-IPO private placement now stands at \$ 1.45 Bn.

The Company has announced an intended IPO at London Stock Exchange along with a parallel listing on the Nigeria Stock Exchange during the year 2019-20 and activities relating to the IPO have been initiated.

The Company continues to have access to both domestic and international debt capital markets.

Awards and Recognition

- Airtel, in 2018 and 2017, emerged as the fastest network for download speeds according to independent industry leaders in speed and performance testing. These agencies published various reports and data related to Telecom industry, which showed some emerging trends informing the consumers about the quality and coverage of various telecom operators across India along with some industry-specific insights; according to these reports Airtel has bagged the top spots across many categories like PAN India download Speeds and LTE availability etc.
- Airtel's music streaming app Wynk Music has been rated as 'Most Entertaining app of 2018' on Google Play Store. Also, the OTT music streaming app from Airtel introduced 'Your Year in Music 2018', a new way for its 100 Mn users to look back on their musical journey on the app with just a single touch. This initiative was aimed to create a deeply personalized music experience for its users.
- Airtel's Carrier Digital Platform won the 9th edition of Aegis Graham Bell Award for Wholesale Voice business under 'Service Innovation' category. The Aegis Graham Bell Award recognizes innovation in the field of Telecom, Internet, Media & Edutainment (TIME), felicitating outstanding contributions in these fields in India. Airtel's carrier digital platform is a first-of-its-kind platform that enables global carriers to do wholesale voice business with Airtel at the click of a button.
- Airtel ranked amongst the top 10 companies (out of 100) in the Indian Corporate Governance Scorecard, an independent report jointly developed by Bombay Stock Exchange, International Finance Corporation an Institutional Investor Advisory Services (IIAS) with support from the Government of Japan. Bharti Airtel is the only telecom Company to make it to the top 10.
- Airtel Business has been chosen as the winner in two prestigious categories - Best Wholesale Carrier (Global) and Best Wholesale Business Transformation at the Carriers World Awards 2018, a benchmark for excellence in the global wholesale market. The winners were determined by votes of the industry, making these a unique 'Users Choice' award for the wholesale and networking industry.

The Company launched a rights issue of 1.13 Bn fully paid up equity shares

- Airtel bagged top honors at CIO CHOICE awards. Airtel was declared as the winner in the Co-location, Public Cloud, Network Security and Information Security categories at the seventh edition of the CIO CHOICE awards. CIO recognition is conducted via an independent advisory panel of eminent CIOs and the winners in each category are selected by over 4000 CIOs from across the country.
- Airtel has been rated as the most admired Company in telecom, in a survey conducted by the Economic Times salary Survey 2017-18 among employees across the telecom space. The survey showed 21% of the respondents opting for Airtel as the most admired Company.
- Airtel was ranked first within the information technology and telecommunication (ICT) category at the 15th Annual national awards for excellence in Cost Management. The event organized by the Institute of Cost Accountants of India, a premier statutory cost and management accounting body, aims to recognize and honor organizations which have succeeded through efficient and innovative approaches in Cost Management.
- Airtel team engineering stood at 2nd place among 14 contending teams, at Nullcon 2019, a globally recognized security event.
- Airtel Centre of Excellence (ACE) has bagged the runner's up award at the Business Partners Challenge for Shared Services held in New Delhi. The event was organized by the Chartered Institute of Management Accountants, (CIMA) UK.

Segment-wise Performance

B2C services

Mobile Services: India

Overview

The year witnessed culmination of **consolidation within the Indian Telecom market** into three large private players.

The Company completed the acquisition of Telenor (India) Communications Private Limited thus adding 43.4 MHz spectrum to its portfolio. In addition, DoT accorded an inprinciple approval for the merger of consumer mobile business of Tata Teleservices (Maharashtra) Limited (TTML) and Tata Teleservices Limited (TTSL) with Bharti Airtel Limited and Bharti Hexacom Limited subject to fulfillment of certain conditions. In addition to strengthening the spectrum portfolio, the synergies from the above acquisitions will help the Company to increase the operational efficiencies, fortify revenues and reinforce its market share. As on March 31, 2019, the Company had 282.6 Mn customers in India. During the year, the Company modified the prepaid customer base definition in order to represent only the customers who transact and generate revenue. This is a more stringent definition and better indicates the operating performance of the Company. The churn decreased to 3.3% for the current year, compared to 3.5% during the previous year. The proliferation of bundles with unlimited outgoing calls has led to the minutes on network increase by 44.4% to 2,811 Bn. The Company had 115.1 Mn data customers at the end of March 31, 2019, of which 86.8 Mn were mobile 4G customers. The proliferation of bundles with high inbuilt data has also led to the total MBs on the network grow by 201% to 11,733 Bn MBs.

The Company continues to expand its reach within the digital space. **Wynk Music** is today the #1 music app in the industry with the highest engagement metrics. It crossed 130 Mn installs in March, 2019 and won the Editor's Choice Award on Google Playstore. **Airtel TV**, the video and LIVE TV streaming app from Airtel, crossed 100 Mn installs in March, 2019, underlining its growing popularity amongst smartphone users as the go to destination for digital content. It features over 350 Live TV channels, and a rich assortment of VoD content across 15 languages. The Company in partnership with Juggernaut launched **Airtel Books** in January, 2019, a digital book service where the users can read thousands of books anytime, anywhere and offers a content library featuring a robust collection of books from leading publishing houses.

During the year, revenues decreased by 10.2% (a decrease of 7.8% after normalising for impact of IUC rate cut) to ₹ 415,541 Mn as compared to ₹ 462,639 Mn in the previous year. The segment witnessed decline in the EBITDA margin to 22.7% during the year, compared to 32.6% in the last year. EBIT margin for the year declined to (negative) 13.8%, compared to 4.5% in the previous year.

In the face of rapidly changing customer needs and consumption, the Company remained focused on digital innovations to remain the network of choice. The Company also launched a number of innovative offerings to maintain differentiation in a highly competitive market throughout the year. Some of the initiatives launched during the year are as follows:

- The Company was first to introduce minimum commitment plans which aimed to rapidly simplify its pricing portfolio and help focus on providing differential services to high value consumers.
- #Airtelthanks was launched as one of the biggest digital transformation programs aimed to delight valued customers with exclusive benefits like premium content, device upgrades, network experience and red carpet customer care.

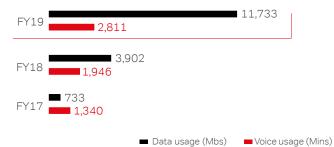
In order to remain ahead of the data demand curve, the Company continued to expand its "Project Leap" initiative with sustained investment targeted toward building data capacities and a superior 4G network across the country. The Company saw it's highest ever single year capex deployment during the year. The Company took a number of initiatives to enhance its data capacities and network experience:

- Let became the first operator to launch 4G services in the **Andaman and Nicobar Islands** in January, 2019.
- ► The Company deployed LTE 900 technology in 10 circles which offers significantly better indoor 4G coverage.
- The Company announced plans to deploy Ciena's software platforms to build one of the world's largest photonic control plane networks in India to enable super-fast broadband experiences over 4G / 5G / FTTH architectures.
- Along with Ericsson, the Company conducted India's first Licensed Assisted Access (LAA) trial over a live LTE network, which enables use of unlicensed spectrum in 5GHz band to enhance mobile broadband speed and experience.
- The Company deployed state-of-the-art Massive MIMO technology at the Kumbh mela this year and offered virtual reality based immersive experience to the visitors.

These investments and innovations helped reinforce the Company's position as the fastest network for download speeds for the Q1-Q2 and Q3-Q4 of 2018-19, according to many independent industry leaders in speed and performance testing. The Company had 181,079 network towers, compared to 165,748 network towers in the last year. Mobile broadband (MBB) base stations were at 417,613 the end of the year, compared to 298,014 at the end of last year.

Particulars	FY 2018-19	FY 2017-18	Y-O-Y Growth
	₹ Millions	₹ Millions	%
Gross Revenues	415,541	462,639	-10%
EBIT	(57,511)	20,829	-376%

Data and Voice Usage (Bn)



Key Highlights

Strategic Alliances & Partnerships:

Airtel continues to forge business partnerships with an aim to provide seamless customer experience with greater value proposition to end users:

Further strengthening its 'Mera Pehla Smartphone' initiative, Airtel entered into a strategic partnership with **Amazon India**, providing a cashback up to ₹ 2600 on over 65 Amazon.in exclusive 4G smartphones, including popular brands like Samsung, OnePlus and Xiaomi.

- Airtel and Netflix announced an expansion of their partnership in India through which subscribers of select Airtel Postpaid and V-Fiber Home Broadband plans would receive a three month gift of a Netflix subscription. Post these three months, these subscribers would be able to pay for their Netflix subscription seamlessly, using their Airtel postpaid or home broadband bill. The expanded partnership strengthens Airtel's already vastly differentiated & digital content portfolio while giving Netflix access to a large pool of premium Airtel customers.
- As part of its 23rd anniversary celebrations during the year, Airtel rolled out exciting gifts for its smartphone customers in partnership with Amazon Pay. All prepaid customers on a bundled pack of ₹ 100 or higher, and postpaid customers on any infinity plan became eligible for a ₹ 51 gift card, which got loaded as Amazon Pay balance and could be used for bill payments, recharges and / or online shopping.
- Airtel has been building a strong partner ecosystem for devices to enable customers to easily upgrade to a device of their choice and do more on the smartphone. As part of this, Airtel brought the all new Samsung Galaxy S10+ and S10, to its Online Store at affordable down payments and convenient EMIs with built-in postpaid plans offering a host of benefits. Airtel also announced special offers with large data bundles and other exclusive benefits for users upgrading to any device from the new Xiaomi Redmi Note 7 series.
- Airtel and ZEE Entertainment Enterprises Ltd. ('ZEEL') announced a strategic alliance aimed at driving the growth of digital / OTT video content ecosystem in India. The alliance will leverage ZEE's popular content / LIVE TV portfolio and the reach of Airtel's digital platforms. As a lead content partner, ZEE will be making its curated digital originals available to Airtel customers over the next 3 years.
- Airtel announced a content partnership with Hoichoi, world's biggest Bengali entertainment app to offer exciting Bengali digital content to Airtel TV users. Hoichoi's exclusive Bangla content, including original shows and chartbuster movies is now available on the Airtel TV app, which now has one of the largest and most exciting digital content portfolios in India.

Mergers & Acquisitions:

Airtel concluded a host of M&A transactions as a part of its growth and diversification strategy and to harness economies of scale resulting from consolidations:

Airtel 3.0

Initiative was unveiled with a range of futuristic digital technologies and exciting products at the India Mobile Congress (IMC) 2018.

- Airtel completed the acquisition of Telenor (India) Communications Private Limited following all regulatory and statutory approvals. Airtel has integrated Telenor's operations across circles and has added 43.4 MHz spectrum to its portfolio. All the Telenor customers have been transitioned seamlessly and continue to enjoy uninterrupted services with the same SIM and same plan / pack benefits.
- On April 10, 2019 DoT accorded an In-principle approval for the merger of Consumer Mobile Business of Tata Teleservices (Maharashtra) Limited and Tata Teleservices Limited with Bharti Airtel Limited and Bharti Hexacom Limited subject to fulfillment of certain conditions.

Successful Divestment / Funding:

- Subsequent to the balance sheet date, on May 03, 2019, the Company launched a **rights issue of 1.13 Bn** fully paid up equity shares (face value ₹ 5 each) at a price of ₹ 220/- per share aggregating to ₹ 249.4 Bn with rights entitlement of 19 equity shares for every 67 equity shares held. The right issue will close on May 17, 2019. The proceeds from the issue will be utilized towards its stated objective of deleveraging.
- During the quarter ended December 31, 2018, due to the change in the shareholder rights of the Company in Airtel Payments Bank Limited ('APBL'), APBL ceased to be a subsidiary of the Group and has become an Associate under Ind-AS.

Network Expansion & Transformation:

Airtel took several initiatives to scale its network to meet the ever increasing needs of the customers for a world class network in a highly competitive industry scenario:

- Airtel and Ericsson conducted India's first Licensed Assisted Access (LAA) trial over a live LTE network. LAA enables the use of unlicensed spectrum in the 5 GHz band in combination with licensed spectrum. With this, customers can get a significantly enhanced mobile broadband experience and ultra-fast speeds, while operators make efficient use of unlicensed spectrum resources.
- Airtel unveiled 'Airtel 3.0'- a range of futuristic digital technologies and exciting products at the India Mobile Congress (IMC) 2018. The showcase was part of the Company's vision under which it aims to build networks and services that enrich lives of customers by enabling a worldclass digital experience.
- As part of **Project Leap**, Airtel's nationwide network transformation programme, Airtel continues to invest significantly towards upgrading and expanding its network.
 - With an aim to further enhance the indoor network coverage of its 4G services, Airtel has initiated refarming of its 900 MHz spectrum and has completed deployment of LTE 900 technology in 10 circles. Similarly, spectrum in 2100MHz band, which was being used for 3G, is being refarmed to 4G for providing additional capacity.

- Airtel became the first operator to launch 4G services in the Andaman and Nicobar islands on January 15, 2019, thus enabling local residents to enjoy digital services like HD quality video streaming, superfast downloads and uploads, high speeds internet browsing on Airtel's state-of-the-art FDD 4G network. It will contribute to the Government's Digital India vision.
- Airtel launched 'Bandwidth on Demand' for businesses to enable them to efficiently manage their bandwidth requirements in real-time. The first-of-its-kind digital platform gives enterprise customers the flexibility to opt for bandwidth on an hourly, daily or monthly basis based on their unique business needs. This offers greater operational efficiency and tighter control over costs.
- Airtel announced its plans to deploy Ciena's coherent optical and intelligent software platforms to build one of the World's Largest Photonic Control Plane networks in India. The new backbone network spanning 130,000 kms will use available fiber resources efficiently to enable super-fast broadband experiences over 4G / 5G / FTTH architectures to serve the exploding demand for high-speed data services.
- Airtel announced a host of initiatives to offer a digital experience to its customers at the Kumbh Mela this year. Airtel customers were able to stream the Kumbh proceedings on the Airtel TV app from across the country. Airtel also deployed its state-of-the-art Massive MIMO technology at the venue to enhance its network capacity massively. In addition to this. Airtel also put up special kiosks at Kumbh to offer Virtual Reality based immersive experience to visitors.

Digital Innovations & Customer Delight:

In the face of rapidly changing customer demands, Airtel consistently remained on the path of digital innovations to nurture its customer journey across all touch points and to have a highly engaged customer force by providing exceptional customer experience.

- Continuing on its strategy of winning with quality customers, Airtel re-launched its flagship customer program -#AirtelThanks. The new program is tiered in its offering – Silver, Gold and Platinum with each tier having differentiated set of benefits for customers. Existing benefits have been expanded with more content, device & security services, financial services, differentiated customer care and surprise offers from top brands. In an industry first, Airtel launched Amazon Prime benefits for Prepaid as a part of its Thanks program.
- Airtel launched 'Foreign Pass' a range of affordable international roaming voice packs for prepaid customers in India. Starting at just ₹ 196, these voice call packs are available for 20 countries that are the most popular travel destinations amongst Indians today. The packs are aimed at offering travelers the convenience of keeping in touch with their friends and family instantly without worrying about running out of balance.

- Airtel has discontinued charges for activating international roaming services for both Postpaid and Prepaid users. Consequently, users will experience uninterrupted services while travelling internationally.
- Airtel launched the latest range of Apple iPhones the iPhone Xs and iPhone Xs Max on its Online Store. Customer cash backs and reward points have also been rolled out to enable affordability for customers.
- Airtel launched Google Assistant based Digital Customer Care. In an industry first, Airtel has collaborated with Google to truly simplify its customer service experience by integrating its customer care with the Artificial Intelligencepowered Google Assistant.
- Airtel has introduced 'Smart Recharge' plans that offer bundled offers for prepaid customers. These plans begin from ₹ 23, and extend up to ₹ 245. Each smart recharge plan from Airtel offers something unique, and comes with a minimum validity of 28 days.
- Airtel announced the launch of its 100th Next-Gen Airtel store in India with the opening of the new format store at Park Street in Kolkata. Designed on the theme of creating excellence and wining customers for life, the Next-Gen Airtel stores set a new benchmark in customer engagement and experience. Conceptualized by UK based 8 Inc, the Next-Gen stores are wrapped in latest technologies, to serve customers with simple and transparent digitally enabled experiences.
- Airtel launched 'Wynk Tube' as an extension of Wynk Music providing an integrated and intuitive vernacular interface which allows users to stream audio and video of popular tracks. The app is available to users in 12 Indian regional languages besides English and Hindi and enables a highly personalized digital entertainment experience. Regional content and personalization through Al will help Airtel to further expanded its fast growing content portfolio.

Homes Services

Overview

The Company provides fixed-line telephone and broadband services for homes in 93 cities across India. The Homes broadband segment continued to witness some topline stress on the back of increasing shift toward mobile broadband and thereby dropping ARPUs. Consequently, the year saw an 11.4% Y-o-Y decline in revenues. The Homes business had 2.3 Mn customers as on March 31, 2019, representing a growth of 4.5% as compared to 2.2 Mn at the end of previous year. The Company continues to remain bullish about this segment and plans to further expand its footprints through continued investments to provide high speed broadband which is also in sync with the New Digital Communications Policy of the government which aims to provide '**Broadband for All**' by 2022. Total Home passes deployment during the year has been highest ever.

Revenues from Homes services stood at ₹ 22,391 Mn for the year ended March 31, 2019, as compared to ₹ 25,265 Mn in the

previous year, decrease of 11.4%. EBITDA margin improved during the year to 48.3% as compared to 46.7% in the previous year. During the year data traffic increased by 57.3% to 2,109.7 Bn MBs.

Particulars	FY 2018-19	FY 2017-18	Y-O-Y Growth
	₹ Millions	₹ Millions	%
Gross Revenues	22,391	25,265	-11%
EBIT	3,330	4,717	-29%

Homes Subscribers : (Mn)



Key Highlights

- Airtel, in partnership with DoT has begun piloting 'broadband experience centers' riding on BharatNet infrastructure across the state of Uttar Pradesh. The partnership is aimed to enable citizens to experience high speed broadband connectivity and get access to e-governance, e-health, e-banking and e-commerce initiatives.
- Airtel launched Airtel Home India's first-of-its-kind digital quad-play platform that simplifies the customer experience for homes that use multiple Airtel services. 'Airtel Home' allows customers to bundle multiple Airtel services – broadband, postpaid and DTH - as a single account with a unified interface. Customers also get one bill, premium customer support and enjoy up to 10% discount on their total bill.

Digital TV Services

Overview

Airtel Digital TV continues to expand its customer base, which crossed the 15 Mn mark during the year. The Company has witnessed a step up in customer additions on back of its premium HD content. Airtel Digital TV has 15.4 Mn customers on its Direct-To-Home (DTH) platform as of March 31, 2019. Airtel DTH is a pioneer in launching innovative products for its customer along with best in class customer service making it one of the fastest growing DTH operators with operations in 639 districts across the country.

The Company currently offers both standard and high definition (HD) digital TV services with 3D capabilities and Dolby surround sound. The Company currently offer 635 channels including 80 HD channels (including 1 HD SVOD service), 19 SVOD services, 5 international channels and 3 interactive services. There was a key regulatory development in television broadcast industry wherein TRAI implemented the New Tariff Order (NTO) wef March 31, 2019. The NTO allows customers to select the channels and bouquets they want to subscribe to and pay accordingly. The Company has complied with the deadline set for implementation and has welcomed the move as it has the potential to usher in the next wave of digitized broadcasting across the country and is in line with its ethos of putting customer first.

Revenues for the year stood at ₹ 41,001 Mn for the year ended March 31, 2019, as compared to ₹ 37,570 Mn in the previous year, an increase of 9.1% with ARPU remaining almost flat at ₹ 231 as compared to previous year. The operating free cash flow on full year basis was at ₹ 6,931 Mn compared to ₹ 3,949 Mn during the previous year.

Particulars	FY 2018-19	FY 2017-18	Y-O-Y Growth
	₹ Millions	₹ Millions	%
Gross Revenues	41,001	37,570	9%
EBIT	7,410	5,306	40%

DTH Subscribers Base (Mn)



Key Highlights

Airtel Digital TV in partnership with Zee Theatre, the theatre segment of Zee Entertainment, launched 'Spotlight', a video on demand channel that will air the best of Indian plays by popular theatre groups from across the country. This will further strengthen our content portfolio and offer a wider genre of entertainment to our customers who will be able to watch over 100 plays in in Hindi, Marathi, Gujarati, Bengali and English ranging from classic, to thriller, to comedy.

B2B Services

Airtel Business

Overview

Airtel Business is India's leading and most trusted ICT services provider and offers diverse portfolio of services to enterprises, governments, carriers, and small and medium businesses. Airtel Business constantly provides innovative integrated solutions, superior customer service and unmatched depth / reach to global markets. Along with voice, data and video, our services also include network integration, data centers, managed services, enterprise mobility applications and digital media. We also offer global services in both voice and data including VAS services like International Toll Free Services and SMS hubbing.

Revenues in this segment comprises of: a) Enterprise & Corporates Fixed Line, Data and Voice businesses; and b) Global Business which includes wholesale voice and data.

Global Business, the international arm of Airtel Business, offers an integrated suite of global and local connectivity solutions, spanning voice and data to the carriers, Telcos, OTTs, large multinationals and content owners globally.

Airtel's international infrastructure includes the ownership of i2i submarine cable system, connecting Chennai to Singapore and consortium ownership of submarine cable systems like South East Asia - Middle east - Western Europe – 4 (SWM4), Asia America Gateway (AAG), India - Middle East – Western Europe (IMEWE), Unity, Europe India Gateway (EIG) and East Africa Submarine System (EASSy). Along with these seven owned subsea cables; Airtel Business has a capacity on 22 other cables across various geographies. The Company also entered into partnerships during the year to further diversify its global network in emerging markets.

Its global network runs across 250,000 Rkms with over 1200 customers, covering 50 countries and five continents and 65 Global PoPs (Point of presence). This is further interconnected to its domestic network in India and direct terrestrial cables to SAARC countries, Myanmar and China helping accelerate India's emergence as a preferred transit hub.

Leveraging the direct presence of Airtel Mobile operations in 16 countries across Asia and Africa, Global Business also offers mobile solutions (ITFS, signalling hubs, messaging), along with managed services and SatCom solutions. Global Business is also providing advanced consumers solutions like IOT to global customers.

Airtel Business witnessed a year of good growth led by surge in global and domestic data revenues. Revenues for the year grew by 9.7% as compared to previous year. It maintained strong margins and positive cash flows with the operating free cash flow on full year basis being ₹ 26,176 Mn compared to ₹ 33,650 Mn during the previous year. The Company continued focus on winning in the core business while building upon new revenue streams and emerging businesses in the areas of IoT, Security and Data Centers.

Particulars	FY 2018-19	FY 2017-18	Y-O-Y Growth
	₹ Millions	₹ Millions	%
Gross Revenues	124,538	113,566	10%
EBIT	27,466	31,029	-11%

Key Highlights

Digital Transformation and Strategic Alliances

In a global first, Airtel launched an innovative carrier digital platform, which enables carriers to do wholesale voice business with Airtel at the click of a button. The digital platform offers paperless sign-up, quick voice interconnects and real-time traffic analytics for global carriers across the world.

- Airtel and Telecom Egypt (TE), Egypt's first integrated telecom operator, announced a strategic partnership for global submarine cable systems, wherein, Airtel will get an IRUs (Indefeasible Right of Use) on Middle East North Africa (MENA) submarine cable and TE North Cable Systems. The transaction is aimed to be concluded after the fulfillment of all conditions precedent. With this, Airtel has further diversified its global network to serve the massive growth in demand for data services, particularly in emerging markets across South Asia, Africa and Middle East.
- Airtel announced a partnership with Zoom Video Communications Inc., to launch India's first high quality unified communications service. The offering provides an integrated and secure platform for High Definition (HD) audio, video and web conferencing. Unique features like, instant one click access, content sharing, recording, virtual backgrounds, Company branding, multi-layer security and more, will enable businesses to foster effective collaboration amongst its employees and teams globally.
- Airtel announced a strategic alliance with CISCO to bring advanced connectivity solutions to enterprise and SMB customers. As a part of the partnership, Airtel will offer Managed Software-Defined Wide Area Network (SD-WAN) and Cisco Webex solutions to bring best-in-class digitization and collaboration solutions to further consolidate its leadership position in the Indian B2B segment.

Mergers and Acquisitions

In May 2019, the Company announced an agreement to combine its VSAT (Very Small Aperture Terminal) satellite communications operations in India with Hughes Communications India Ltd (HCIL), a global leader in broadband satellite networks and services. The combined entity will benefit from enhanced scale, improved operational efficiencies and wider market reach and will be able to introduce new VSAT and related technologies to deliver a wide range of quality products and services. The combined entity will continue to serve existing Hughes and Airtel customers. The transaction is subject to approvals by relevant authorities.

Passive Infrastructure Services

Overview

Our subsidiary, Bharti Infratel Ltd (Infratel), is India's leading provider of tower and related infrastructure and it deploys, owns & manages telecom towers and communication structures, for various mobile operators. It holds 42% equity interest in Indus Towers, a joint venture with Vodafone India and Aditya Birla Telecom who hold 42% and 16% respectively. The Company's consolidated portfolio of 92,277 telecom towers, which includes 40,388 of its own towers and the balance from its 42% equity interest in Indus Towers, makes it one of the largest tower infrastructure providers in the country with presence in all 22 telecom circles. The Company has been the industry pioneer in adopting green energy initiatives for its operations. Bharti Infratel is listed on the Indian stock exchanges, NSE and BSE.

Key Highlights

Mergers and Acquisitions:

During the year ended March 31, 2019, **Bharti Infratel Limited** and **Indus Towers Limited** and their respective shareholders and creditors have entered into a scheme of amalgamation and arrangement (under section 230 to 232 and other applicable provisions of the Companies Act, 2013) ('Scheme') to create a pan-India tower company operating across all 22 telecom service areas. The combined company, which will fully own the respective businesses of Bharti Infratel and Indus Towers, will change its name to Indus Towers Limited and will continue to be listed on the Stock Exchanges. The merger has been approved by **Competition Commission of India (CCI), SEBI and NCLT**. The amalgamation would "become effective" when a certified copy of the NCLT order is filed with the Registrar of Companies "upon fulfilment / waiver of other conditions prescribed in the scheme."

Particulars	FY 2018-19	FY 2017-18	Y-O-Y Growth
	₹ Millions	₹ Millions	%
Gross Revenues	68,185	66,284	3%
EBIT	21,257	20,452	4%

Africa

Overview

The year has been marked with significant events in African operations primarily related to the intended IPO.

The Company has announced an intended IPO at London Stock Exchange along with a parallel listing on the Nigeria Stock Exchange during the year 2019-20 and activities relating to the IPO have been initiated.

During the year, the Company has completed substantial network modernization to cater to data coverage and capacity requirements. With this modernization, Company now provides U 900 in 12 OPCOs and 4G services in 11 OPCOs.

In Africa, exchange rates have been largely stable except devaluation of CFA in Franco countries and Zambian Kwacha which have seen currency depreciation versus the US dollar. To enable comparison on an underlying basis, all financials and all operating metrics mentioned below are in constant currency rates as of March 1, 2018 and and are adjusted for divestment of operating units for all the periods i.e. the comparison till PBT has been given below for 14 countries. PBT as mentioned below excludes any realized / unrealized derivatives and exchange gain or loss for the period.

As on March 31, 2019, the Company had 98.9 Mn customers in Africa across 14 countries as compared to 89.3 Mn customers in previous year, an increase of 10.7%.

Customer churn for the year is at 5% as compared to 4.4% in the previous year mainly due to introduction of stringent regulations around KYC. Total minutes on the network during the year increased by 29.9% to 207.3 Bn. Data customers increased by 5.1 Mn to 30 Mn accounting for 30.4% of the total customer base as compared to 27.9% in the previous year. The total MBs on the network has increased by 65.3% to 392.6 Bn MBs with usage per customer increasing from 954 MBs to 1,192 MBs. Overall ARPU in Africa marginally declined from USD 2.9 to USD 2.8.

Total sites in Africa as on March 31, 2019 were 21,059 of which 16,426 were mobile broadband towers, representing 78.0% of the total sites.

Airtel Africa revenues grew by 11.7% to USD 3,153 Mn as compared to USD 2,824 Mn in the previous year. The Company's continued focus on running the operations efficiently and cost effectively has resulted in EBITDA of USD 1,228 Mn for the year as compared to USD 995 Mn in the previous year, increase of 23.4%. Consequently EBITDA margin improved by 3.7% to 38.9% compared to 35.2% in the previous year. Depreciation and amortization charges were at USD 458 Mn as compared to USD 446 Mn in the previous year. EBIT for the year was at USD 766 Mn as compared to USD 545 Mn in the previous year. PBT for the full year was at USD 487 Mn as compared to USD 226 Mn in the previous year. After accounting for full year capex of USD 630 Mn (PY: USD 419 Mn), operating free cash flow was USD 598 Mn as compared to USD 576 Mn in the previous year.

In ₹ Reported Currency

Particulars	FY 2018-19	FY 2017-18	Y-O-Y Growth
	₹ Millions	₹ Millions	%
Gross Revenues	215,026	191,074	13%
EBIT	52,107	35,600	46%

In USD Constant Currency – 14 Countries

Particulars	FY 2018-19	FY 2017-18	Y-O-Y Growth
	₹ Millions	₹ Millions	%
Gross Revenues	3,153	2,824	12%
EBIT	766	545	41%

Note: During the financial year 2017-18, Bharti Airtel Limited divested 1 operating unit in Africa. Accordingly, the above table has been shown for remaining 14 countries only.

Wireless Subscribers: AFRICA (Mn) - 14 Countries



98.9 Mn

Customers in Africa across 14 countries as on March 31, 2019

Key Highlights

Funding: Initial Public Offering ('IPO')

- Seven leading global investors comprising Warburg Pincus, Temasek, Singtel, SoftBank Group International, Qatar Investment Authority ('QIA') and others have invested USD 1.45 Bn in Airtel Africa Limited, a subsidiary of the Company and holding entity of Africa operations of the Group, through a primary equity issuance.
- Airtel Africa Ltd. has appointed global banks comprising J.P. Morgan, Citigroup, BofA Merrill Lynch, Absa Group Limited, Barclays Bank PLC, BNP Paribas, Goldman Sachs International and Standard Bank Group for an intended IPO on International Stock Exchanges.

Mergers, Acquisitions & Licenses

- Airtel Kenya is in the process of seeking regulatory approvals from relevant authorities for merger with Telkom Kenya.
- Following the consolidation of Airtel Rwanda and Tigo Rwanda, Airtel Rwanda is in the process of applying for a combined licence for Mobile Financial Services from the Bank of Rwanda.
- On April 23, 2018, the Niger Government granted Airtel a 4G Licence at a price 24M USD which included additional spectrum on the 1800 MHz (8 MHz) and 800 MHz (10 MHz).
- Airtel Uganda Public service provider license has been renewed for 1 year on the same terms and conditions of the existing license that had expired on December 11, 2018.
- Central Bank of Nigeria issued guidelines for license of Payment Service Bank in Nigeria. An application for Payment Service Bank ('PSB') license has been filed with Central Bank of Nigeria.
- In May 2018, the DRC regulator invited operators to apply for 4G license. Airtel has acquired 4G License along with 10 MHz spectrum in 800 MHz.

Network Transformation & Digital Innovations

- The Company has completed substantial network modernization to cater to data coverage and capacity requirements. With this modernization, Company now provides U 900 in 12 OPCOs and 4G services in 11 OPCOs.
- Airtel has achieved Network Leadership in Uganda with full 4G LTE Coverage across all its sites. Airtel is the first telco to achieve countrywide LTE coverage in Uganda.
- Airtel Chad has signed an agreement with the Ministry of National Education for payment of salaries to teachers through Airtel Money in Tchad.

Awards & Recognition

- Airtel Touching Lives, a corporate philanthropy initiative by Airtel Nigeria has been named the Most Innovative CSR Leadership Initiative by Marketing Edge, a leading publication focused on brands, media, advertising and communications.
- Airtel Niger has been awarded as the best promoter of digital services by the President.
- Airtel Uganda has been recognized by Digital Impact Awards, Africa as the Best Technology Brand on Social Media, Best Digital Customer Experience by Technology Brand, Best Saving and Lending Product (Digital driven), Best Professional, Legal and Regulatory brand.
- Airtel Tanzania won an Appreciation Award for its contributions and continued support in improvement of school environment in Tanzania by Tanga City Council and was also recognized for Mobile Health Support by Ministry of Health.
- Airtel Nigeria has been awarded with Smart recharge campaign of the year by Advertiser association of Nigeria.
- Airtel Nigeria was named 'Brand of the Year 2018' by the Board of Editors of "Leadership", one of foremost newspapers.

Airtel Africa announced an intended IPO at London and Nigerian Stock Exchange during the year 2019-20.

South Asia

Overview

Full year revenue of South Asia was at ₹ 4,436 Mn as compared to ₹ 4,045 Mn in the previous year. EBITDA for the year was at ₹ 126 Mn as compared to ₹ 8 Mn in the previous year. EBIT losses for the year reported at ₹ 1,069 Mn as compared to loss of ₹ 1,268 Mn in the previous year. Capex for the year was ₹ 1,185 Mn as compared to ₹ 1,235 Mn in the previous year.

Particulars	FY 2018-19	FY 2017-18	Y-O-Y Growth
	₹ Millions	₹ Millions	%
Gross Revenues	4,436	4,045	10%
EBIT	(1,069)	(1,268)	16%

Share of Associates / Joint Ventures

A) Robi Axiata Limited

Robi Axiata Limited is a joint venture between Axiata Group Berhad, of Malaysia, Bharti Airtel Limited, of India and NTT Docomo Inc. of Japan. Axiata holds 68.7% controlling stake in the entity, Bharti Airtel holds 25% while the remaining 6.3% is held by NTT Docomo.

Robi Axiata Limited is the second largest mobile phone operator of Bangladesh and the first operator to introduce GPRS and 3.5G services in the country.

Key operational and financial performance:

Bangladesh	Unit	Quarter Ended			
		Dec-18	Sep-18	Jun-18	Mar-18
Operational Performance					
Customer Base	'000	46,886	46,753	44,729	45,609
Data Customer as % of Customer Base	%	60.4%	60.6%	59.5%	57.8%
ARPU	BDT	118	122	117	118
Financial Highlights (proportionate share of Airtel)					
Total revenues	₹Mn	3,707	3,648	3,299	3,153
EBITDA	₹Mn	1,042	983	833	679
EBITDA / Total revenues	%	28.1%	27.0%	25.3%	21.5%
Net Income	₹Mn	(202)	1,036	(89)	(200)

B) Bharti Airtel Ghana Limited

Bharti Airtel Ghana Limited is a joint venture between Bharti Airtel Africa B.V. and MIC Africa B.V. Both the entities effectively hold 49.95% share in the merged entity.

Key operational and financial performance:

Ghana	Unit	Quarter Ended				
		Mar-19	Dec-18	Sep-18	Jun-18	Mar-18
Operational Performance						
Customer Base	'000	4,804	4,847	5,389	5,784	6,113
Data Customer as % of Customer Base	%	58.7%	56.5%	61.4%	56.7%	58.2%
ARPU	GHS	13.0	12.0	12.4	12.8	13.2
Financial Highlights (proportionate share of Airtel)						
Total revenues	₹Mn	1,284	1,358	1,519	1,674	1,767
EBITDA	₹Mn	(3)	(64)	108	319	262
EBITDA / Total revenues	%	-0.2%	-4.7%	7.1%	19.1%	14.8%
Net Income	₹Mn	(1,550)	(1,214)	(906)	(961)	(241)

C) Airtel Payments Bank Limited

Airtel Payments Bank Limited has become an associate of Bharti Airtel Limited w.e.f November 01st, 2018.

Key operational and financial performance:

Airtel Payments Bank Limited	Unit	Quarter Ended	2 months ended	
		Mar-19	Dec-18	
Operational Performance				
Active users	'000'	7,767	5,724	
Financial Highlights (proportionate share of Airtel)				
Total revenues	₹Mn	919	410	
EBITDA	₹Mn	(872)	(477)	
EBITDA / Total revenues	%	-94.8%	-116.4%	
Net Income	₹Mn	(921)	(497)	

Risk & Mitigation Framework

Bharti Airtel (the Company), has thrived globally by building a culture of innovation and high performance. The Company explores new markets and business models across the world; evolves new ways of customer and stakeholder engagement; enters into new strategic partnerships; adopts new technologies; and builds exponential efficiencies in existing systems. While these initiatives unveil a universe of possibilities, potential risks and uncertainties arise in a volatile business environment. The distress signals need to be picked up and addressed with urgency for smooth operations. Therefore, the Company has created a robust risk management framework in its operating landscape that caters to strategic, legal, financial, operational and climate risks. The Company has a sound practice to identify key risks across the Group and prioritize relevant action plans for mitigation. The key risks that may impact the Company and mitigating actions undertaken by the Company comprise:

1. Regulatory and Political Uncertainties (Legal & Compliance)

Outlook from last year > Stable

Definition

The Company operates in India, Sri Lanka and 14 African countries. Some of these countries (or regions within countries) are affected by political instability, civil unrest and other social tensions. The political systems in a few countries are also fragile, resulting in regime uncertainties; hence, the risk of arbitrary action. Such conditions tend to affect the overall business scenario. In addition regulatory uncertainties and changes, like escalating spectrum prices, call drops penalties, EMF norms among others are potential risks being faced by the business.

Mitigating actions:

As a responsible corporate citizen, the Company engages proactively with key stakeholders in the countries in which it operates; and continuously assess the impact of the changing political scenario. The Company contributes to the socioeconomic growth of the countries in its area of operation through high-quality services to its customers, improved

2. Economic Uncertainties (Operational)

Definition:

The Company's strategy is to focus on growth opportunities in the emerging and developing markets. These markets are characterised by low to medium mobile penetration, low internet penetration and relatively lower per capita incomes, thus offering more growth potential. However, these markets fall under countries which are more prone to economic uncertainties, such as capital controls, inflation, interest rates and currency fluctuations. Since the company has borrowed in foreign currencies, and many loans are carrying floating interest terms, it is exposed to market risks, which might impact its earnings and cash flow. These countries are also affected by economic downturns, primarily due to commodity price fluctuations, reduced financial aid, capital inflows and remittances. Slowing down of economic growth tends to affect consumer spending and might cause a slowdown in telecom sector.

Mitigating actions:

As a global player with presence across 16 countries, the Company has diversified its risks and opportunities across markets. Its wide service portfolio including voice, data, Airtel connectivity, providing direct and indirect employment, and contributing to the exchequer. These activities are covered in detail through its annual sustainability report. It also maintains cordial relationships with governments and other stakeholders. The Country MDs and Circle CEOs carry direct accountability for maintaining neutral Government relations. Through its CSR initiatives (Bharti Foundation etc.), it contributes to the social and economic development of community, especially in the field of education.

- The Company actively works with industry bodies like Cellular Operators Association of India ('COAI'), Confederation of Indian Industry ('CII'), and Federation of Indian Chambers of Commerce & Industry ('FICCI') on espousing industry issues e.g. penalties, right of way, tower sealing amongst others.
- Regulatory team along with legal and network teams keeps a close watch on compliances with regulations and laws and ensures the operations of the Company are within the prescribed framework.

Outlook from last year > Stable

Money, Digital Services and value added services helps widen its customer base.

- To mitigate currency risks, it follows a prudent risk management policy, including hedging mechanisms to protect the cash flows. No speculative positions are created; all foreign currency hedges are taken on the back of operational exposures. A prudent cash management policy ensures that surplus cash is up-streamed regularly to minimize the risks of blockages at times of capital controls. It has specifically renegotiated many operating expenditure / capex Fx contracts in Africa and converted them to local currency, thereby reducing Fx exposure.
- To mitigate interest rate risks, the Company is further spreading its debt profile across local and overseas sources of funds and to create natural hedges. It also enters in interest rate swaps to reduce the interest rate fluctuation risk.
- Finally, the Company adopts a pricing strategy that is based on principles of mark to market, profitability and affordability, which ensures that the margins are protected at times of inflation, and market shares at times of market contraction.

3. Poor quality of networks and information technology including redundancies and disaster recoveries (Operational)

Outlook from last year > Stable

Definition:

The Company's operations and assets are spread across wide geographies. The telecom networks are subject to risks of technical failures, partner failures, human errors, or wilful acts or natural disasters. Equipment delays and failures, spare shortages, energy or fuel shortages, software errors, fibre cuts, lack of redundancy paths, weak disaster recovery fall-back, and partner staff absenteeism, among others are few examples of how network failures happen.

The Company's IT systems are critical to run the customer-facing and market-facing operations, besides running internal systems. In many geographies or states, the quality of IT connectivity is sometimes erratic or unreliable, which affects the delivery of services e.g. recharges, customer query, distributor servicing, customer activation, billing, etc. In several developing countries, the quality of IT staff is rudimentary, leading to instances of failures of IT systems and / or delays in recoveries. The systems landscape is ever changing due to newer versions, upgrades and 'patches' for innovations, price changes, among others. Hence the dependence on IT staff for turnaround of such projects is huge.

Mitigating actions:

- The Company has state-of-the-art Network Operations Centre for both India as well as Africa to monitor real time network activity and to take proactive and immediate action to ensure maximum uptime of network.
- Network Planning is increasingly being done in-house, to ensure that intellectual control on architecture is retained within the Company. It continuously seeks to address issues (congestion, indoor coverage, call drops, modernisation and

upgrade of data speeds, among others) to ensure better quality of network. Recent efforts also include transformation of the microwave transmission, fibre networks, secondary rings / links and submarine cable networks. The Company consistently eliminates systemic congestion in the network, and removes causes of technical failures through a quality improvement programme, as well as embedding redundancies. Tighter SLAs are reinforced upon network partners for their delivery. The Company's Network Team performance is measured, based on network stability, customer experience and competitor benchmarking. The Company follows a conservative insurance cover policy that provides a value cover, equal to the replacement values of assets against risks, such as fire, floods and other natural disasters.

- The Company's philosophy is to share infrastructure with other operators, and enter into SLA-based outsourcing arrangements. We have been proactively seeking sharing relationships on towers, fibre, VSAT, data centres and other infrastructure. The disposal of towers in Africa to independent and well-established tower companies and long-term lease arrangements with them will ensure high quality of assets and maintenance on the passive infrastructure. The Company has put in place redundancy plans for power outages, fibre cuts, VSAT breakdowns, and so on, through appropriate backups such as generators, secondary links, among others. Similar approaches are deployed for IT hardware and software capacities; and internal IT architecture teams continuously reassess the effectiveness of IT systems.
- Information Security is managed by dedicated IT professionals, given the huge dependency on automated systems, as well as to ensure that customer privacy is protected.

I. Inadequate Quality of Customer Lifecycle Management (Operational)

Outlook from last year > Stable

Definition:

Prepaid market continues to be highly competitive & price sensitive. With consolidation in the industry, several processes now have scope of building efficiencies that can help us in remaining competitive in the market, especially in respect of customer acquisitions. In the absence of such simplification, inefficiencies like high rotational churn, high acquisition costs, low lifetime value of new customers could increase, resulting in increased costs and lower quality of revenue.

- Customer mind-sets and habits are shifting rapidly, reflected in their ever-rising expectations in terms of quality, variety, features and pricing. The competitive landscape is also changing dramatically, as operators vie with one another to capture customer and revenue market shares which is accelerating customer migration from legacy 2G / 3G networks to high speed 4G networks.
- The Company might see heightened competitive intensity in its non-wireless businesses on account of irrational pricing by potential new entrant leading to erosion of revenue & customers. In mobility business, the Company may face a risk of deeply discounted Volte feature phone pricing from new entrant. Content is becoming a major deciding factor for a customer to choose the operator.

Mitigating actions:

- In a major step towards simplification of customer journey, company had envisioned the task to streamline the product portfolio. Over the years, lot of redundancies which got created in the product portfolio were simplified by eliminating over 60% of unused products.
- The simplification drive was initiated with the introduction of Smart Combo recharges, starting at an affordable price

point of 35. These all-in-one packs provide the benefits of Data, Tariff and talktime to the customers in a single denomination. Now customers don't need to purchase different packs rather one pack will provide all benefits.

- In order to derive higher extraction & enhance ARPUs from the dormant base that enjoyed free services, company introduced plans with minimum recharge commitment, which required customers to do a monthly recharge in order to use the services. The same was done keeping the affordability factor in mind at a minimum price of ₹ 23 every month.
- The acquisition processes were further strengthened by launching mandatory first recharge. Emphases was laid on acquiring customers on unlimited bundle packs. Continued monitoring customer acquisition process like new customer

acquisition churn, high acquisition recharge denominations, direct distribution, trade margins structures have yielded good results.

- In our continued effort to build and anchor the digital-first approach and delivering a compelling user experience and benefits, we have made Airtel Thanks App as a Centre-piece of our customer experience and engagement.
- Introduction of platform like Airtel thanks helped cater to the growing customer needs of content consumption. Clubbing additional services like Aitrel TV, Wynk Music, Handset insurance, on regular bundle recharges integrated and end-to-end experience through sharp propositions for highvalue customers.

Data Loss Prevention (Operational)

Definition

Personal data is any information relating to a customer, whether it relates to their private, professional, or public life. In the online environment, where vast amounts of personal data are shared and transferred around the globe instantaneously, it is increasingly difficult for people to maintain control of their personal information. This is where data protection comes in.

Data protection refers to the practices, safeguards, and binding rules put in place to protect your personal information and ensure that you remain in control of it. In short, you should be able to decide whether or not you want to share some information, who has access to it, for how long, for what reason, and be able to modify some of this information, and more. Data protection must strike a balance between individual privacy rights, while still allowing data to be used for business purposes, whilst adhering to data privacy norms and regulations.

Efforts to update regulations regarding privacy and personal data protection are underway in several countries and regions, most notably the European Union, which has introduced the General Data Protection Regulation ('GDPR') package. Compliance requirements for operators are in flux, particularly as regulators seek to strike a balance between consumer protection and national security needs. India is also close to having its own data protection law.

Mitigating actions:

The customer base of Bharti Airtel limited has been expanding at a tremendous rate. We also collect and process a large amount of personal information belonging to employees, temporary staff and third party personnel. These facts, coupled with introduction of new innovative value added services, have led to increase in the personal information handled by Airtel. We are committed to ensure that privacy of personal information is maintained during its entire lifecycle, through the implementation of stringent processes and relevant technologies.

Outlook from last year > Stable

"Bharti Airtel Information Privacy Policy ('BIPP')" is in alignment with the Information Technology ('IT') Rules 2011 and best practices of industry and GDPR. Airtel's privacy policy provides management direction and support to ensure privacy of personal information collected by Airtel. In order to allow collection, processing, retention, dissemination and destruction of the personal information in accordance with the appropriate laws, regulations and contractual obligations.

Bharti Airtel Information Privacy Policy ('BIPP') is applicable to all employees of Airtel and all third parties (including strategic partners) of Airtel who have access to personnel information of customers, employees and vendors. The BIPP is applicable across all business functions of Airtel and across all geographies of airtel in India including Airtel center office, 13 B2C circles and three airtel Business Regions.

Data leakage protection ('DLP') is a strategy for making sure that those in possession of sensitive information do not advertently or inadvertently share that information outside the virtual boundaries of the corporate network. The term is also used to describe software products that help organizations control what data end users can transfer. The data leakage prevention strategy at airtel has been designed to protect information at their most vulnerable points i.e. at the endpoint, at the web layer, and at the email layer.

All airtel endpoints are equipped with specialized software. This helps monitor various channels for potential data leakage. Should a potential violation be detected, an alert is generated and / or the data transfer request is blocked in real time. Similar solutions are deployed on the central email gateway and web gateway, to monitor emails and internet bound traffic respectively. A centralized monitoring team reviews the alerts and raises an incident for investigation and resulting action.

All incidents are tracked to closure in a time bound manner. Additionally, a monthly review of all incidents and their closure is conducted, to enable the organization to regularly refine the existing policies.

6. Increase in cost structures ahead of revenues thereby impacting liquidity (Operational / Strategic)

Definition:

Across markets, costs structures have been increasing both from volumes (new sites rollouts, capacity) and / or rate increases (inflation, Fx impacts, wage hikes, energy etc.). With the entry of new operator, market pricing has been dampened putting pressure on margins and cash flows thereby leading to increased debt leverage. Increased investment in network to ensure quality of service, continued spends on distribution and maintaining world class customer service are expected to remain thereby heightening debt levels.

Mitigating actions:

The Company has institutionalized the War on Waste ('WOW') Programme, an enterprise-wide cost-reduction programme. This has been rolled out across all functions, business units and countries. All functions / business units / countries are targeting cost reductions and cost efficiencies. The Company continues to focus on capex optimization through various programmes like ICR, tower-sharing, fibre sharing through IRU or co-build.

- Digitization and automation with significant programmes on self-care, paper less acquisition, e-bill penetration, online recharges, Indoor to outdoor conversion, digital customer interactions are continuously monitored through our WoW initiative etc.
- The Company has been progressively maintaining to keep the debt levels at acceptable levels. To this end it has and continues to take decisions on inorganic sources of funding including rights issue of shares, divestment of Infratel and DTH stakes.

7. Inability to provide high quality network experience with exponential growth in data demand (Strategic)

Outlook from last year > Stable

Definition:

In order to keep pace with rising data demand of customers and to ensure competitive parity traffic, telecom companies will be required to invest heavily in building data capacities and broadband coverage expansion. Operators are adopting new strategies to provide unlimited voice and significant data benefits to customers. Additionally, today's customer is looking at seamless mobile internet experience and technology agnostic.

Mitigating actions:

- Airtel is expanding its broadband network footprint to fulfill customer experience and stay ahead of the of competition It is re-farming spectrum from legacy technologies like 2G & 3G to 4G, to get better coverage & capacity. Liberalized spectrum in 900MHz band has re-farmed to 4G to provide better inbuilding coverage. Similarly, spectrum in 2100MHz band (which was being used for 3G) is being re-farmed to 4G for providing additional capacity.
- Having deployed 4G FDD as coverage layer, Airtel is leveraging on the TDD layer for capacity expansion across the network. It is the first network in India which has up to five layers on 4G network, with capability to generate capacity in cells as per traffic requirement. Airtel has also deployed carrier aggregation across these layers to help its subscribers in getting best in class experience across these layers.
- For capacity expansion, innovative solutions are being deployed including mMIMO, split sectors and small cells in areas with hyper consumption. Airtel is the first operator to

deploy wide scale mMIMO solutions (technology widely used in 5G networks), which is giving up to 4x capacity gains.

- Airtel is the first operator in India to deploy 4G in licensed and unlicensed band using LAA ('Licensed assisted access') technology, which would help in tapping unlicensed band spectrum (over & above licensed band spectrum) for generating capacity.
- Pan India VoLTE footprint and roaming across circles on VoLTE has been established because of which 20% of the voice traffic has been offloaded from legacy core to 4G (HD) voice. Introduction to VoWifi technology, which would carry voice calls on indoor / outdoor WiFi networks as per the user location. This would help in improving indoor customer experience and offload voice traffic to WiFi networks.
- Airtel will continue to step up backhaul readiness on site with increased fiberization and expansion of transmission backbone to aggregate capacity to cater additional data load.
- Technological evolution in telecom has been quite rapid and next few years we will witness wide scale commercial deployment of 5G. We are future proof for such scenarios and are building up for 5G network deployment.
- Airtel is investing in digitization of its operations using automation and machine learning practices. This would help us in real time network orchestration and self-optimize to get the best of capacity and user experience on a deployed base.

Outlook from last year > Stable

8. Gaps in internal controls (financial and non-financial) (Operational)

Definition:

The Company serves over 403 Mn customers globally with a monthly average of 256 Bn minutes of voice on network and huge data carried on wireless networks located at more than 204,000 towers. Gaps in internal controls and / or process compliances not only lead to wastages, frauds and losses, but can also adversely impact the Airtel brand.

Mitigating actions:

- The Company's business philosophy is to ensure compliance with all accounting, legal and regulatory requirements proactively. Compliance is monitored meticulously at all stages of operation. Substantial investments in IT systems and automated workflow processes help minimize human errors.
- Besides internal audits, the Company also have a process of self-validation of several checklists and compliances as well

9. Lack of Digitization and Innovations (Strategic)

Definition

Digitization is reshaping the telecom sector and will be a key driver for innovation within the Company as companies compete in a digital ecosystem away from pure connectivity based environment. Further evolving technologies result in change in customer value propositions. Digital content and apps have now become the favorites for mobile customers. Digital Mobile money technologies, innovative mobile apps, Cloud, M2M, SaaS and other technology-based SAS products are also evolving. Such rapid technology evolution may impact the functionality of existing assets and accelerate obsolescence. Keeping pace with changing customer expectations is a big agenda for the telecom sector. Lack of Digitization of internal business processes may render the company in-able or lethargic in turn to respond to customer needs. Rapidly evolving technologies like robotics, block chain, app automation for internal processes in Customer, Finance, Supply Chain and HR can render the company slow in decision making and reacting to new and emerging customer, vendor, and partner expectations.

Mitigating actions:

Digitization for the customers continues to be the prime area of focus, with several digital initiatives being undertaken.

For digital growth, the Company has adopted a platform centric approach and created new digital platform for attracting millennials and digitally savvy customers. The homes platform will allow us to bring together services like DTH, Broadband and mobility through one install, one as a 'maker-checker' division of duties to identify and rectify deviations early enough. The company has implemented a "Compliance Tool" which tracks provides a comprehensive list of all the external compliances that the company needs to abide, function-wise. The Compliance Tool's ownership lies with the head of the respective function with an oversight by the Legal team to ensure compliance.

The Company has Internal Financial Controls and the Corporate Audit Group has tested such controls. The Audit Group has asserted that the Company has in place adequate tools, procedures and policies, ensuring orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records; and timely preparation of reliable financial information.

Outlook from last year > Emerging

service and one bill. This convergence will lead a better customer experience and lower churn.

- The Company invested in building its own digital innovations such 'Wynk music', 'Airtel TV'. Wynk music and Airtel TV continues in the top 10 music and TV apps in the country. Airtel TV provides 300 live channels and 6000 movies & TV shows in 13 languages. These experiences provide a bonus layer of benefits which we can provide our customers which help reduce churn and improve ARPU.
- The company is investing in digital channels to create a great experience for our customers. Airtel Thanks app and 'Airtel.in' have seen tremendous growth in customer interaction over the course of the year. Moreover, Airtel Thanks app now comes with a loyalty program with Silver, Gold, Platinum tiers that provide our loyal customers with rewards. This reduces churn and provides additional opportunity for ARPU upgrade.
- The Company also invested in building its own digital innovations in offline distribution where the Mitra app enables new innovations like introducing assisted sales of life insurance offline.
- One of the key digital initiatives being run is creating a digital network. This covers network planning, deployment (including TOCOs and MS partners), operations and network quality. In addition the Company also partnered with SKT for creating network Data Lake and building deep analytics and intelligence on top of it. We are now using data science to aid efficient network planning.

Outlook from last year > Stable

Outlook from last year > Emerging

10. Climate Change (Strategic)

Definition

Over the last decade, climate change has emerged as a credible risk to almost every business sector, including the telecommunication sector. Telecom industry's carbon footprint is likely to increase as developing markets continue to grow, network traffic increases, and companies move towards 5G. In order to address this, GSMA ('Global System for Mobile Communications') has recently constituted a taskforce to develop Climate Action Plan for the telecom industry, in support of the Paris Climate Agreement. This is driven by the objective to develop methodologies that will enable the industry members to set science based targets and achieve net zero carbon emissions by 2050 or sooner. This will facilitate the industry to take a leadership position in transcending towards a carbon positive economy.

Bharti Airtel Limited is a member of the taskforce created by GSMA, supporting the endeavor to move towards cleaner operations and more energy efficient networks. Consequently, there is an urgent need for us to identify potential risks posed by climate change and their impacts on the company, to be able to develop our own mitigation strategy. At Airtel, Climate change risks are considered an integral part of our centralized enterprise risk management.

We foresee climate change manifesting in the form of following risks to our business in the coming years:

- Policy and Legal Risk: Following the Green Telecom guidelines issued by the Department of Telecom ('DoT'), Government of India, calling for an increase in the use of green energy technologies in telecommunication sector, climate change is emerging as a potential factor that can interfere with the realization of our strategic, operational, financial and compliance objectives.
- Technology Risk: The need to transition to lower emission technologies, necessitated by regulatory or market environment, might lead to early retirement of existing assets. For instance, Green Telecom guidelines issued by DoT require all telecom products, equipment and services to be energy and performance assessed and certified 'Green Passport', utilizing the ECR ratings.
- Physical Risk: Because of increased frequency and severity of extreme weather events, there is a greater risk of damage to our network infrastructure and physical assets exposed to such weather.
- Market Risk: Adverse impacts of climate change might impact the livelihoods of some customers (for example, those in rural areas) thereby reducing their capacity to afford our services.
- Reputational Risks: Rising expectations of customers and other stakeholders from a business organization to contribute to a low-carbon economy, expose us to a certain degree of reputational risk.

Impact:

The above climate related risks have the potential to translate into the following impacts for Airtel:

- Higher operational expenses due to increased regulatory and compliance requirements, such as increased cost of GHG emissions and emission reporting obligations, as well as higher insurance premiums for assets exposed to climate risks.
- Increased capital investment in new technologies and green energy solutions.
- Impact on revenue from decreased operational capacity due to network failure or other interruptions.
- Increased frequency and intensity of extreme weather events interrupting our materials supply by disrupting modes of transport.
- Increased temperatures adversely impacting the health and safety of workers at our facilities, with the potential to disrupt operations and decrease revenue.

Mitigation:

We realize the considerable negative impact that climate change can have on our business and have identified 'Energy, Climate Change & Resource Optimization' as one of our high priority material issues. Following are some of the measures that we have taken to mitigate this emerging risk and build climate resilience:

- Adopting green energy solutions through installation of rooftop solar panels at Main Switching Centres ('MSCs') and using advance VRLA batteries to reduce the running of Diesel Generator sets in our operating sites.
- Reducing our energy consumption through measures such as Solar-DG hybrid systems, energy efficient lighting and equipment at our facilities and power purchase agreements, among other things.
- Working closely with network infrastructure and facility management to facilitate a shift to green mobile tower technologies that consume less power.
- Other initiatives aimed at creating green data centers, equipment optimization, outdoor BTS sites, minimizing e-waste and paper waste.
- Airtel is ISO 22301 (Business Continuity Management system) certified to reduce the likelihood of occurrence, prepare for, respond to, and recover from disruptive incidents when they arise.

For detailed information on our initiatives and measures to address climate change risks, please refer to the section on 'Natural Capital', Integrated Report 2019.

Internal Controls

The Company's philosophy towards internal control is based on the principle of healthy growth and proactive approach to risk management. Aligned to this philosophy, the Company has deployed a robust framework of internal controls that facilitates efficient conduct of business operations in compliance with the company policy; fair presentation of our financial results in a manner that is complete, reliable and understandable; ensure adherence to regulatory and statutory compliances; and safeguards investor interest by ensuring the highest level of governance. The Internal Control framework has been set up across the company and is followed at the circle and country level. This framework is assessed periodically and performance of circles and countries are measured via objective metrics and defined scorecards.

Accounting hygiene and audit scores are driven centrally through central financial reporting team and Airtel Centre of Excellence ('ACE'), both teams responsible for accuracy of books of accounts, preparation of financial statements and reporting the same as per the company's accounting policies. Regulatory and legal requirements, accounting standards, and other pronouncements are evaluated regularly to assess applicability and impact on financial reporting. The relevant financial reporting requirements, documented in the Group Accounting Manuals, are communicated to relevant units and enforced throughout the Group. This, together with the financial reporting calendar evidencing the tasks and timelines, forms the basis of the financial reporting process.

Deloitte Haskins & Sells LLP, the statutory auditors, have done an independent evaluation of key internal controls over financial reporting ('ICOFR') and expressed an unqualified opinion stating that the company has, in all material respects, adequate internal control over financial reporting; and such internal controls over financial reporting were operating effectively as on March 31, 2019.

The Company has in place an Internal Assurance ('IA') function with Head - Internal Assurance / Chief Internal auditor as its head. EY and ANB & Co ('ANB') are the Assurance Partners of the Company who conduct financial, compliance and process improvement audits each year. Legal & Regulatory audits are conducted by ANB while audits of the remaining areas are executed by EY. The internal assurance plan for the year is derived from a bottoms-up risk assessment and directional inputs from the Audit Committee. The Audit Committee oversees the scope and coverage of the IA plan, and evaluates the overall results of these audits during the guarterly Audit Committee meetings. Additionally, separate quarterly Audit Committee meeting are also held to review the progress made on previous gaps identified by Internal Assurance. During these meetings, functional Directors are invited from time-to-time, to provide updates on improvements on controls and compliance within their respective functions and update on the progress of any transformational projects undertaken. Internal Assurance also assesses the effectiveness of Internal Financial Controls ('IFC') and no reportable material weaknesses in the design or operation were observed for the current financial year.

A CEO and CFO Certificate forming part of the Corporate Governance Report, confirm the existence and effectiveness of internal Controls and reiterate their responsibilities to report deficiencies to the Audit Committee and rectify the same. The Company's code of conduct requires compliance with law and Company policies, and also covers matters such as financial integrity, avoiding conflicts of interest, workplace behavior, dealings with external parties and responsibilities to the community.

The Airtel Centre of Excellence ('ACE') based in Gurugram and Bengaluru, with its global footprint in 16 countries, is the captive shared service for financial accounting, Revenue Assurance, SCM and HR processes. Digitization of ACE is being aimed as a part of the transformation agenda and includes initiatives like system based reconciliation, reporting processes with vividly defined segregation of duties. ERP integration in Africa into an Oracle Single Instance across all African countries ensures uniformity and standardization in ERP configurations, chart of accounts, finance and SCM processes across countries. Quality of financial reporting and controls continues to show improvement. We continuously examine our governance practices to enhance investor trust and improve the Board's overall effectiveness. Initiatives such as virtual desktop interface for ultimate data security, self-validation checks, desktop reviews and regular physical verification are producing measurable outcomes through substantial improvement in control scores across India and Africa. Oracle Governance Risk & Compliance ('GRC') module has been implemented for India and Africa to strengthen existing controls pertaining to access rights for various ERPs, ensuring segregation of duties and preventing possibilities of access conflicts.

Material Developments in Human Resources

Human Resources has been a key enabler for Airtel, as it works towards creating a digitally empowered and future-ready organisation.

Airtel continues to have a strong people agenda built around the three pillars – Learn, Lead and Grow. Each pillar consists of various focused programmes, supported by state-of-art tech platforms. These initiatives have been created under the tutelage of experienced HR leaders and tech practitioners.

The first pillar – **Learn** ensures consistent upskilling and empowerment of talent to make them ready for a highly dynamic market. Airtel continues to invest significantly in its digital learning and development capabilities.

In addition to the ongoing learning at one's job & classroom programs, delivered in partnership with leading training organizations & institutes, Airtel also has 4 prominent digital learning platforms for employees.

The organization continues to partner **Coursera**, a global leader in online education and learning, to provide high level certifications from Ivy League universities. The tie up with **Pluralsight**, a leading technology learning platform, ensures our digital talent is equipped with the latest from the world of data

and technology. **Linkedin Learning** continues to be a success story at Airtel and has been enabling employees to enhance leadership, functional and behaviourial skills.

Airtel 101, the mobile learning platform, provides micro learning modules based on content developed by in-house teams. Airtel 101 continues to be one of the most frequented digital learning destinations at Airtel.

Overall, the learning agenda fortified with, more than **14,860 employees** across functions, completing nearly **10,000 courses,** clocking a combined total of more than **2,50,000** man hours.

The second pillar – **Lead**, continues to focus on growing leaders & aims to groom them for leadership roles within the organization. Airtel launched **Airtel Leadership Academy**, a common framework for leadership development of top talent across all levels. Under the initiative, Airtel currently runs **Future Leaders Program ('FLP')** to groom talent for middle management roles and **Advanced Leaders Program ('ALP')** to groom talent for senior management roles.

The development journey also has a built-in component of selfawareness in the form of an Individual Development Center & creation of the customized Development Plan for each of the participants. Each of these programs have flagship development modules, conducted in partnership with faculties from the world's leading universities.

The participants also get the opportunity of getting mentored by Senior Leaders and having Connect Sessions with the Airtel Leadership Team.

The third pillar – **Grow**, focuses on empowering employees to take absolute ownership of their careers within the organization. Under this pillar, career development programmes catering to different business functions, has helped employees to take up larger cross-functional roles with ease. This has also resulted in strong internal succession pipelines, providing better growth opportunities. The flexibility offered under the programme in addition to employee readiness through developmental interventions, has helped the organization to fill over 80% of the leadership roles internally itself. Today, over 15% of the employees are getting promoted regularly annually – another testament to the success of the programme.

Airtel also continued to establish itself as a viable and promising career brand on B-school and engineering campuses. As part of its **Young Leader Program**, Airtel hired 50 budding management leaders from top B schools across the country and 90 engineers as part of its **Young Technical Leader Program**. Airtel's flagship B-school case competition - **iCreate** witnessed an overwhelming response from MBA students across the country with over 10,000 participants. The top 12 teams from across the country visited the Airtel headquarters in Gurugram and competed in a hotly contested finale.

Airtel is also running focused programmes to drive a cultural change within the organization. The company has relaunched various initiatives to promote diversity as well. **'WE' – Women Empowered,** the flagship programme to drive diversity, was revived last year. One of the popular initiatives, 'She For Change', a compendium of stories documenting personal narratives of transformation by Airtel's women was launched internally and promoted well across all digital touchpoints. The company also announced the launch of WeSecure, a safety app, developed by Airtel's in-house engineering team, was announced as well. Besides, a series of initiatives were announced for women employees including empanelment of health specialists.

Outlook

India's economy is growing at a healthy rate and has been progressing on a journey of becoming a digital first nation, powered by digital highways i.e. the mobile broadband infrastructure created by the telecommunications sector. India can create over \$1 trillion of economic value from the digital economy in 2025, which is a potential of five-fold increase with mobile network playing a vital role. The Telecom industry in India is the second largest in the world and has witnessed exponential growth over the last few years primarily driven by affordable tariffs, wider availability, roll out of Mobile Number Portability ('MNP'), expanding 4G coverage, evolving consumption patterns of subscribers and a conducive regulatory environment. The growth is expected to continue with increased tele-density in rural areas and higher adoption and shipments of affordable smartphones. As per IDC, the smartphone market in India grew 14.5% in 2018 with shipment of 142.3 Mn units vs. 124.3 Mn units last year. This will also open up opportunities for growth in digital mobile banking, content streaming and e-commerce.

With increased economic activity, rapid urbanization, rising middle class and focus on infrastructure investment, the outlook for the Africa's telecom sector continues to remain positive. Availability of low-cost smartphones and enhanced 3G / 4G connectivity in the region has paved the way for substantial growth in the mobile broadband segment. Also, the need for financial inclusion in Africa is creating opportunities for mobile money services.

With the explosion of data and the rising interest in digital services, Bharti Airtel stands to gain by being an integrated player to offer as per customer requirements. With strong network investments, unique brand and an unflinching focus on serving the customer, the company is truly well poised to capitalize on the growth opportunities that the future heralds.

Report on Corporate Governance

Corporate Governance is more than a set of processes and compliances at Bharti Airtel Limited. It underlines the role that we see for ourselves for today, tomorrow and beyond.

The following report on Corporate Governance reflecting ethos of Bharti Airtel Limited (Bharti Airtel / Airtel / the Company) and its continuous commitment to ethical business principles across its operations, lays down the best practices and the procedure adopted by the Company in line with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and internationally followed standards of corporate governance.

Governance Philosophy

At Bharti Airtel, Corporate Governance focuses on creating and sustaining a deep relationship of trust and transparency with all stakeholders. We follow ethical business standards in all our operations globally. We consider stakeholders as partners in our journey forward and we are committed to ensure their wellbeing, despite business challenges and economic volatilities.

The norms and processes of Corporate Governance reflect our commitment to disclose timely and accurate information regarding our financial and operational performance, as well as our leadership and governance structure. Over the years, our stakeholder commitment has enhanced the respect and recall of our brand nationally and internationally. Our global stature has enabled us to attract the best talent and resources to translate our short-term and long-term strategies into a viable business blueprint.

Our Board of Directors ('Board') shapes the long-term vision and policy approach to steadily elevate the quality of governance in our organisation. We follow a defined guideline and an established framework of corporate governance. The objective is to emerge as a market leader in our industry, nationally and internationally with focus on creating greater value for all those who have a stake in our progress directly or indirectly. The Board puts a lot of emphasis on creating a global talent pool, compliant ethical business practices and making all our actions consistent with the need to protect the environment by following green practices and technologies.

Our Board represents a confluence of experience and expertise across diverse areas, ranging from global finance, telecommunication, general management, administrative services and consulting.

There is a clear demarcation of duties and responsibilities among the Chairman and Managing Directors & CEOs to ensure best corporate performance and socio-economic value creation.

Our governance conforms to global standards through continuous evaluation and benchmarking. The broad tenets Company follows are:

- Transparent procedures and practices and decisions based on adequate information.
- ► Compliance with all relevant laws in letter and spirit.
- ► High levels of disclosures to disseminate corporate, financial and operational information to all stakeholders.
- Policies on tenure of Directors, rotation of Auditors and a Code of Conduct for Directors and Senior Management.
- Constitution of various Committees for Audit, HR and Nomination, Corporate Social Responsibility, Employee Stock Option Plans, Stakeholders' Relationship, Risk Management etc.
- Complete and timely disclosure of relevant financial and operational information to enable the Board to play an effective role in guiding strategies.
- Meetings of Independent Directors without the presence of any Non-Independent / Executive Directors and members from the management to identify areas, where they need more clarity or information and for open and transparent discussions and placing the outcome of these before the Board and management.
- Formal induction schedule and familiarisation programme for new Board members that enable them to meet individually with the top management team, customers etc.
- Regularly review and establishe effective meeting practices that encourage active participation and contribution from all members.
- Independence of Directors in reviewing and approving corporate strategy, major business plans and activities.
- Well-defined corporate structure that establishes checks, balances and delegate decision making to appropriate levels in the organisation though the Board always remains in effective control of affairs.

Corporate Governance Rating

CRISIL has assigned to Bharti Airtel its Governance and Value Creation (GVC) rating, viz. CRISIL GVC Level 1 for Corporate Governance practices. The rating indicates that Bharti Airtel's capability, with respect to Corporate Governance and value creation for all its stakeholders, is the highest. The Company is fully cognizant that standards are a constantly upwardly moving target. Therefore, it always strives to benchmark itself with the best companies in India and globally and to maintain the highest ratings for its practices.

Capital Market Rating

As on March 31, 2019 the Company was rated by two domestic rating agencies, namely CRISIL and ICRA and three international rating agencies, namely Fitch Ratings, Moody's and S&P.

As on March 31, 2019, CRISIL and ICRA revised their long-term ratings of the Company to [CRISIL] AA / [ICRA] AA, with a stable outlook. Short-term ratings were maintained at the highest end of the rating scale at [CRISIL] A1+ / [ICRA] A1+. Fitch maintained the rating at BBB- / Stable. S&P and Moody revised its outlook and rating to BBB- / Negative and to Ba1 / Negative respectively during the year.

Governance Structure

Sustaining a culture of integrity along with high performance orientation and an adaptive management style in today's dynamic business environment needs a robust governance structure. The Corporate Governance structure of the Company is multi-tiered, comprising governing / management Boards at various levels, each of which is interlinked in the following manner:

- At the apex level is the Board of Directors and various committees, which collectively direct the highest standards of Corporate Governance and transparency in the Company's functioning. The Board exercises independent judgment in overseeing management performance on behalf of the share owners and other stakeholders, and hence, plays a vital role in the oversight and management of the Company. The Board is chaired by the Chairman, who is responsible for the overall strategy development, alliances, leadership development, international opportunities, strengthening governance practices and enhancing brand value and Airtel's global image and reputation.
- At one level below the Board, strategic co-ordination and direction is provided by the Airtel Corporate Council (ACC). The ACC is headed by the Chairman and comprises the Managing Director & CEO and select senior management personnel as its members. The key role and responsibilities of the ACC are provided later in this report.
- The Managing Director & CEO (India & South Asia) is responsible for strategy deployment and overall business performance of India and South Asia. He is supported by the Airtel Management Board (AMB). The Company's business in India is structured into six business units (BUs) i.e. Mobile Services, Homes, Airtel Business, Global Voice & Data Business, Wynk and Emerging Businesses and Digital TV Services. While the Mobile Services business is headed by the MD & CEO himself, the other five businesses are headed by respective CEOs. The Company's operations in India are run in 22 Circles, each headed by Circle CEO or a Chief Operating Officer, each supported by an Executive Committee. The Sri Lankan operations are headed by a Country MD, supported by an Executive Committee.
- The Company's operations in Africa are guided by the CEO (Africa) of Airtel Africa plc., a subsidiary company. He is responsible for strategy deployment and overall business performance. He is supported by the Africa Executive Committee (Exco). Each of the operations in the 14 countries in Africa are headed by a Country MD, each supported by an Executive Committee.

- The AMB in India and South Asia, and Exco in Africa provide support relating to the Company's business strategy and also derive operational synergies across business units. They create and drive company-wide processes, systems, policies, and also function as role models for leadership development and as catalysts for imbibing customer centricity and meritocracy in the Company.
- Airtel's governance structure thus helps in clearly determining the responsibilities and entrust powers of each of the business entities, enabling them to fulfill those responsibilities in the most effective manner. It also allows the Company to retain the organisational DNA, while enabling effective delegation of authority and empowerment at all levels.
- Airtel Payments Bank is an unlisted subsidiary in which the Company owns 80.10%, the remaining 19.90% is held by Kotak Mahindra Bank. The Payment Bank's operations are managed by its MD & CEO, under the supervision of an independent Board.
- The Passive Infrastructure business is deployed, owned and managed by Bharti Infratel Limited (Infratel), a listed subsidiary company. Infratel's operations are managed by its Managing Director & CEO under the supervision of an Independent Board. The business transactions between the Company and Infratel are undertaken on an arms' length basis, since it provides services to other telecom operators as well, on a non-discriminatory basis.

Board of Directors

Composition of the Board

The Company's Board is an optimum mix of Executive, Non-Executive and Independent Directors, and conforms to the provisions of the Companies Act, 2013, Listing Regulations, FDI guidelines, terms of shareholders' agreement and other statutory provisions. The Board comprises eleven members which include a Chairman, a Managing Director & CEO (India & South Asia), three Non-Executive Directors and six Independent Directors including a woman independent director. Independent Directors constitute ~ 54% of the Board's strength - more than the requirements of the Companies Act, 2013 and the Listing Regulations. The average tenure of members on our Board is 8.2 years as on March 31, 2019.

Detailed profile of each of the Directors is available on the Company's website at <u>www.airtel.com</u> in the 'Investors' section.

The Company's Board members are from diverse backgrounds with skills and experience in critical areas like technology, global finance, telecommunication, entrepreneurship, administrative services, consulting and general management. Many of them have worked extensively in senior management positions in global corporations, and others are business leaders of repute with a deep understanding of the global business environment. The Board reviews its strength and composition from time to time to ensure that it remains aligned with the statutory, as well as business requirements. As per the Company's Policy on Nomination, Remuneration and Board Diversity, selection of a new Board member(s) is the responsibility of the HR and Nomination Committee. While evaluating a person for appointment / re-appointment as director, the HR and Nomination Committee, in addition to factors such as background, competency, skills, abilities, educational and professional background, personal accomplishment, age, relevant experience and understanding of the telecommunication sector / industry, marketing, technology, finance and other disciplines relevant to the business, also endeavours to understand and embrace the different geographies, gender, nationality and culture. The appointment is subsequently approved by the Board. All the appointments are made with unanimous approval. The appointment of such Director is subsequently approved by the shareholders at the Annual General Meeting (AGM). While the shareholders' representative Directors are proposed by the respective shareholders, Independent Directors are selected from diverse academic, professional or technical background depending upon business needs.

Skill matrix of the Board

The Board has identified the following skills / expertise / competencies fundamental for effective functioning of the Company which are currently available with the Board:

Technology and digital expertise: Background in technology, anticipation of technological trends, suggestions and creation of emerging business ideas.

Industry and sector experience or knowledge: Knowledge and experience in telecom sector to provide strategic guidance to the management.

Strategic Leadership Skills: Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams.

Financial and Risk Management: Wide-ranging financial skills, accounting and reporting, corporate finance and internal controls, including assessing quality of financial controls identify the key risks to the Company and monitor the effectiveness of the risk management framework and practices.

Governance: Experience in developing governance practices, serving the best interest of all stakeholders, maintaining board and management accountability, effective stakeholder engagements and commitment to highest standards of corporate ethics and values.

Independent Directors

The Company has a policy on Independent Directors, their roles, responsibilities and duties, are consistent with the Listing Regulations and Section 149 of the Companies Act, 2013. It sets out the criteria of independence, age limits, recommended tenure, committee memberships, remuneration and other related terms of appointment. The policy emphasises importance of independence. As per the policy:

- a) The Independent Director must meet the baseline definition and criteria on 'independence' as set out in Regulation 16 of Listing Regulations and Section 149(6) of the Companies Act, 2013 and other applicable regulations.
- b) The Independent Director must not be disqualified from being appointed as Director in terms of Section 164 and other applicable provisions of the Companies Act, 2013.
- c) The minimum age is 25 years and the maximum is 70 years.
- d) The Independent Directors are not to be on the Board of more than six listed companies. However, pursuant to the Listing Regulations if the Independent Director is serving as a Whole-time Director in any listed company then he shall not serve as an Independent Director in more than three listed companies.
- e) The maximum tenure is two terms of five years each. However, the second term is subject to eligibility criterion approved by shareholders by way of special resolution.

The Company has issued letters of appointment to all the Independent Directors. This letter inter-alia sets out the roles, functions, duties and responsibilities, details regarding remuneration, training and development and performance evaluation process. The detailed terms and conditions of the appointment of Independent Directors are available on the Company's website i.e. <u>https://s3-ap-southeast-1</u>, <u>amazonaws.com/bsy/iportal/images/Terms-and-conditions-of-appointment-of-Independent-Director_71431EDE0A09885D5</u> A367A04374E5FB5.pdf

At the time of appointment and thereafter at the beginning of each financial year, the Independent Directors submit a selfdeclaration, confirming their independence and compliance with various eligibility criteria laid down by the Company, among other disclosures to the Board. The Board ensures that its Directors meet the above eligibility criteria and are independent to the management.

Lead Independent Director

The Company has for a long time followed the practice of appointing a Lead Independent Director. Mr. Craig Ehrlich is currently designated as the Lead Independent Director and his role and responsibilities, inter alia, are to:

- Preside over all deliberation sessions of the Independent Directors.
- Provide objective feedback of the Independent Directors as a group to the Board on various matters, including agenda and other matters relating to the Company.
- Undertake such other assignments, as may be requested by the Board from time to time.

Meeting of Independent Directors

The Independent Directors meet separately at least once in a quarter, generally prior to the commencement of Board meeting, without the presence of any Non-Independent Director or representatives of management. They meet to discuss and form an independent opinion on the agenda items, various other Board-related matters, identify areas where they need clarity or information from management and to annually review the performance of Non-Independent Directors, the Board as a whole and the Chairman. The Lead Independent Director updates the Board about the proceedings of the meeting.

In these meetings, the Independent Directors also engage with Statutory Auditors, as well as Internal Assurance Partners at least once a year, to discuss internal audit effectiveness, control environment and their general feedback. The Lead Independent Director updates the Audit Committee / the Board about the outcome of the meetings and action, if any, required to be taken by the Company.

During FY 2018-19, the Independent Directors met four times i.e. on April 24, 2018, July 26, 2018, October 25, 2018 and January 31, 2019.

Familiarisation programme for Board members

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

The induction programme includes one-to-one interactive sessions with the top management team, business and functional heads among others, and also includes visit to networks centre to understand the operations and technology. Apart from the induction programme, the Company periodically presents updates at the Board / Committee meetings to familiarise the Directors with the Company's strategy, business performance, operations, product offerings, finance, risk management framework, human resources and other related matters. The Board members also visit Airtel outlets and meet customers / other stakeholders for gaining first-hand experience about the products and services of the Company.

The Board has an active communication channel with the executive management, which enable Directors to raise queries, seek clarifications for enabling a good understanding of the Company and its various operations. Quarterly updates, press releases and mid-quarter updates are regularly circulated to the Directors to keep them abreast on significant developments in the Company.

Detailed familiarisation programme for Directors is available on the Company's website at <u>https://s3-apsoutheast-1.amazonaws.com/bsy/iportal/images/</u> Familiarization-Programme-of-Independent-Directors_ B532869149B20A4BF468D3A5A01D2751.pdf

Board Evaluation

One of the key functions of the Board is to monitor and review the Board evaluation framework. In compliance with the provisions of the Companies Act, 2013 and the Listing Regulations, the HR and Nomination Committee has approved the process, format, attributes and criteria for the performance evaluation of the Board, Board Committees and Individual Directors including the Chairman and MD & CEO (India & South Asia).

The process provides that the performance evaluation shall be carried out on an annual basis. During the year, the Directors completed the evaluation process, which included evaluation of the Board as a whole, Board Committees and individual Directors including the Chairman and the MD & CEO (India & South Asia). The evaluation process was facilitated by an independent consulting firm.

Performance of the Board and Board Committees was evaluated on various parameters such as structure, composition, quality, diversity, experience, competencies, performance of specific duties and obligations, quality of decision-making and overall Board effectiveness.

Performance of individual Directors was evaluated on parameters, such as meeting attendance, participation and contribution, engagement with colleagues on the Board, responsibility towards stakeholders and independent judgement. All the directors were subject to peer-evaluation.

The Chairman and the MD & CEO (India & South Asia) were evaluated on certain additional parameters, such as performance of the Company, leadership, relationships, communication, recognition and awards received by the Company.

Some of the performance indicators based on which the Independent Directors were evaluated include:

- Devotion of sufficient time and attention towards professional obligations for independent decision making and for acting in the best interests of the Company.
- Providing strategic guidance to the Company and help determine important policies with a view to ensuring longterm viability and strength.
- Bringing external expertise and independent judgement that contributes objectivity in the Board's deliberations, particularly on issues of strategy, performance and conflict management.

All Directors participated in the evaluation process. The results of evaluation were discussed in the Independent Director's meeting, respective Committee meetings and in the Board Meeting held on May 06, 2019. The Board discussed the performance evaluation reports of the board, board committees, individual directors, Chairman and Managing Directors & CEO (India & South Asia) and also noted the suggestions / inputs of independent directors, HR and Nomination Committee and respective committee Chairman. Recommendations arising from this entire process were deliberated upon by the Board to augment its effectiveness and optimize individual strengths of the Directors.

Board Meeting Schedules and Agenda

The calendar for the Board and Committee meetings, in which the financial results would be considered in the ensuing year, as well as major items of the agenda are fixed in advance for the entire year. The Board Calendar for the financial year 2019-20 has been disclosed later in the report and has also been uploaded on the Company's website. The Board meetings are held within 45 days from the end of the quarter in the manner that it coincides with the announcement of quarterly results. Time gap between two consecutive meetings does not exceed 120 days. In case of an urgent necessity, additional Board meetings are called.

The Audit Committee and the HR and Nomination Committee meetings are generally held on the same dates as Board meetings. To ensure an immediate update to the Board, the Chairman of the respective committee briefs the Board about the proceedings of the respective committee meetings.

The Company Secretary, in consultation with the Chairman, prepares Board and Committee meetings' agenda. The detailed agenda, along with explanatory notes and annexures, as applicable are sent to the Board and Committee members, at least a week before the meetings except for the meetings called at a shorter notice. In special and exceptional circumstances, additional or supplementary item(s) are permitted to be taken up as 'any other item'. Sensitive subject matters are discussed at the meeting, without written material being circulated in advance.

As a process prior to each Board meeting, proposals are invited from Independent Directors for discussion / deliberation at the meeting(s) and these are included in the meeting's agenda to promote objective decision making.

The Board devotes its significant time in evaluation of current and potential strategic issues and reviews Company's business plans, Corporate strategy and risk management issues based on the markets it operates in and in light of global industry trends and developments to help achieve its strategic goals.

Group CFO and other Senior Management members are invited to the Board meetings to present reports on the items being discussed at the meeting. In addition, the functional heads of various business segments / functions are also invited at regular intervals to present updates on their core areas.

Information available to the Board

The Board has complete access to all relevant information within the Company, and to all the employees of the Company. The information shared on a regular basis with the Board specifically includes:

 Annual operating plans, capital budgets and updates thereon.

- Quarterly and annual consolidated and standalone results and financial statements of the Company and its operating divisions or business segments.
- Minutes of meetings of the Board and Board Committees, resolutions passed by circulations, and Board minutes of the unlisted subsidiary companies.
- Information on recruitment / remuneration of senior officers just below Board level.
- Material important show cause, demand, prosecution notices and penalty notices, if any.
- E Fatal or serious accidents, dangerous occurrences, material effluent or pollution problems, if any.
- Any material default in financial obligations to and by the Company or substantial non-payment for services provided by the Company.
- Any issue which involves possible public or product liability claims of substantial nature, if any.
- Details of any acquisition, joint venture or collaboration agreement.
- Transactions involving substantial payment towards goodwill, brand equity or intellectual property.
- L Human resource updates and strategies.
- Sale of material nature, of investments, subsidiaries, assets, which is not in the normal course of business.
- 🚊 Quarterly treasury reports.
- Quarterly compliance certificates with the 'Exceptions Reports', which includes non-compliance of any regulatory, statutory nature or listing requirements and shareholders service.
- Disclosures received from Directors.
- Proposals requiring strategic guidance and approval of the Board.
- E Related party transactions.
- 🚊 Regular business updates.
- L Update on Corporate Social Responsibility activities.
- Significant transactions and arrangements by subsidiary companies.
- E Report on action taken on last Board meeting decisions.

Number of Board Meetings

During FY 2018-19, the Board met six times i.e. on April 24, 2018, July 26, 2018, October 25, 2018, December 20, 2018, January 31, 2019 and February 28, 2019. Requisite information, according to the requirements of Regulation 34 of the Listing Regulations is provided below:

Name of Director	Director Identification Number	Category	Name of the listed entity where person is director along with category of directorship	Number of other directorships ¹ and committee ² memberships and chairmanships			No. of board meetings attended	Whether attended last AGM
				Directorships	Comm	ittees	(total held	
					Chairman	Member	during tenure)	
Mr. Sunil Bharti Mittal	00042491	Chairman	Nil	14	Nil	Nil	6(6)	Yes
Mr. Gopal Vittal	02291778	Executive Director	Nil	5	Nil	1	5(6)	Yes
Ms. Chua Sock Koong ³	00047851	Non-Executive Director	Nil	1	Nil	Nil	6(6)	No
Mr. Rakesh Bharti Mittal	00042494	Non-Executive Director	Nil	17	Nil	Nil	6(6)	Yes
Ms. Tan Yong Choo	02910529	Non-Executive Director	Nil	1	Nil	Nil	6(6)	No
Mr. Ben Verwaayen⁴	06735687	Independent Director	N.A.	N.A.	N.A.	N.A.	3(4)	No
Mr. Craig Ehrlich	02612082	Independent Director	Nil	Nil	Nil	Nil	3(6)	No
Mr. D.K. Mittal	00040000	Independent Director	1. Balrampur Chini Mills Ltd	12	1	7	4(6)	Yes
			2. Max Financial Services Limited					
			3. Max india limited					
			4. Trident limited					
			5. Max Ventures And Industries Limited					
			6. ONGC Tripura Power Company Limited					
Ms. Kimsuka Narasimhan⁵	02102783	Independent Director	1. Astrazeneca Pharma India Limited	3	1	1	N.A.	N.A.
			2. Akzo Nobel India Limited					
Mr. Manish Kejriwal	00040055	Independent Director	1. Bajaj Holdings & investment limited	5	Nil	3	4(6)	No
			2. Bajaj Finserv Limited					
Mr. Shishir Priyadarshi	03459204	Independent Director	Nil	Nil	Nil	Nil	6(6)	No
Mr. V. K. Viswanathan	01782934	Independent Director	1. United Spirits Limited	8	4	5	6(6)	Yes
			2. KSB Limited					
			3. Magma Fincorp Limited					
			4. HDFC Life Insurance Company Limited					
			5. Bosch Limited					

1. The directorships, held by Directors, as mentioned above, do not include the directorships held in foreign bodies corporate and Bharti Airtel Limited.

 Committees considered for the purpose are those prescribed under Regulation 26 of the Listing Regulations viz. Audit Committee and Stakeholders' Relationship Committee of Indian Public Limited companies other than Bharti Airtel Limited. Committee memberships details provided do not include chairmanship of committees as it has been provided separately.

- 3. Two meetings were attended by Mr. Tao Yih Arthur Lang as an alternate director to Ms. Chua Sock Koong.
- 4. Mr. Ben Verwaayen retired from the Board w.e.f. December 26, 2018.
- 5. Ms. Kimsuka Narasimhan was appointed as a Non-executive Independent Director w.e.f. March 30, 2019.
- 6. Except Mr. Sunil Bharti Mittal and Mr. Rakesh Bharti Mittal, who are brothers, none of the Directors are relatives of any other director.
- 7. As on March 31, 2019, apart from Mr. Gopal Vittal, Managing Director & CEO (India and South Asia) who holds 522,664 equity shares, no other Director of the Company holds shares in the Company.

Nomination, Remuneration & Board Diversity

In terms of the Listing Regulations and Companies Act, 2013, the Board has approved a Policy on Nomination, Remuneration and Board Diversity for Directors, KMPs and other Senior Management Personnel and includes the criteria of making payments to nonexecutive directors.

The Company's remuneration policy is directed towards rewarding performance based on a periodic review of the achievements.

The detailed Nomination, Remuneration and Board Diversity Policy is annexed as Annexure B to the Board's Report. The Company affirms that the remuneration paid to the Directors is as per terms laid out in the Nomination, Remuneration and Board Diversity Policy.

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Directors' Remuneration

The details of the remuneration of Directors during FY 2018-19 are given below:

						(Amount in ₹)
Name of Director	Sitting Fees	Salary and allowances	Performance linked incentive	Perquisites	Commission	Total
Executive directors						
Mr. Sunil Bharti Mittal	-	201,352,623	90,000,000	18,702,042	-	310,054,665
Mr. Gopal Vittal	-	81,206,032	54,333,335	35,672	-	135,575,039
Non-executive directors						
Mr. Rakesh Bharti Mittal	-	-	-	-	-	-
Mr. Ben Verwaayen	300,000	-	-	-	-	300,000
Ms. Chua Sock Koong	-	-	-	-	-	-
Mr. Craig Ehrlich	300,000	-	-	-	-	300,000
Mr. D.K. Mittal	1,000,000	-	-	-	-	1,000,000
Mr. Manish Kejriwal	200,000	-	-	-	-	200,000
Ms. Tan Yong Choo	-	-	-	-	-	-
Ms. Kimsuka Narasimhan	-	-	-	-	-	-
Mr. Shishir Priyadarshi	600,000	-	-	-	-	600,000
Mr. V.K. Viswanathan	900,000	-	-	-	-	900,000
Total	3,300,000	282,558,655	144,333,335	18,737,714	-	448,929,704

• The salary and allowance includes the Company's contribution to the Provident Fund. Liability for gratuity and leave encashment is provided on actuarial basis for the Company as a whole, the amount pertaining to the Directors is not ascertainable and, therefore, not included.

The value of the perquisites is calculated as per the provisions of the Income Tax Act, 1961.

► Value of Performance Linked Incentive (PLI) considered above represents incentive which will accrue at 100% performance level for FY 2017-18 and will get paid on the basis of actual performance parameters (including EBITDA margin, Gross Revenue etc.) in the next year. At 100% performance level, the gross remuneration of Mr. Sunil Bharti Mittal was ₹ 310.05 Mn. for FY 2018-19 and ₹ 301.97 Mn. for FY 2017-18 and that of Mr. Gopal Vittal ₹ 135.58 Mn. for FY 2018-19 and ₹ 126.4 5 Mn. for FY 2017-18. During the year, Mr. Sunil Bharti Mittal and Mr. Gopal Vittal were paid ₹ 105 Mn. and ₹ 45.12 Mn. as PLI for previous year 2017-18, which is not included above.

- During the year, Mr. Gopal Vittal was granted 168,720 stock options on August 08, 2018 under ESOP Scheme 2005 at an exercise price of ₹ 5 per Option, with vesting period spread over 3 years. The above remuneration of Mr. Gopal Vittal does not include perquisite value of ₹ 73,475,697 towards the value of Stock Options exercised during the year.
- The options can be converted into equity shares either in full or in tranches at any time upto seven years from the grant date. The unexercised vested options can be carried forward throughout the exercise period. The options which are not exercised will lapse after the expiry of the exercise period.
- No other director has been granted any stock option during the year.
- The Company has entered into contracts with the executive directors i.e. Mr. Sunil Bharti Mittal dated August 19, 2016 and with Mr. Gopal Vittal dated July 24, 2017. These are based on the approval of the shareholders. There are no other contracts with any other director.
- No notice period or severance fee is payable to any director.
- There were no other pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company.

Board Committees

In compliance with the statutory requirements, the Board has constituted various committees with specific terms of reference and scope. The objective is to focus effectively on the issues and ensure expedient resolution of the diverse matters. The committees operate as the Board's empowered agents according to their charter / terms of reference. The Constitution and charter of the Board Committees are available on the Company's website, www.airtel.com, and are also stated herein.

Audit Committee

Audit Committee comprises four Directors, three of whom are independent. The Chairman of the Committee, Mr. V. K. Viswanathan, Independent Director is a Chartered Accountant and has sound financial knowledge, as well as many years of experience in general management. All members of the Audit Committee, including the Chairman, have accounting and financial management expertise. The composition of the Audit Committee meets the requirements of Section 177 of the Companies Act, 2013 and the Listing Regulations.

The Company Secretary is the Secretary to the Committee. The Managing Director & CEO (India & South Asia), the CEO (Africa), the CFO, the Head – Internal Assurance, the Statutory Auditors, Internal Auditors and Internal Assurance Partners are permanent invitees.

The Chairman of the Committee was present at the last AGM, held on August 08, 2018.

Key Responsibilities of the Audit Committee

- Oversee the Company's financial reporting process and the disclosure of its financial information, to ensure that the financial statements are correct, sufficient and credible.
- Consider and recommend to the Board, the appointment (including filling of a casual vacancy), resignation or dismissal, remuneration and terms of appointment (including qualification and experience) of the Statutory Auditors, Internal Auditors / Chief Internal Auditor, Cost Auditor and Secretarial Auditor.
- Prior approval of non-audit services that can be provided by the Statutory Auditors and approval of payment of such non-audit services.
- Prior approval of all transactions with related party(ies), subsequent modifications of transactions with related parties and review of the statement of significant related party transactions with specific details of the transactions.
- Discussion with the Statutory Auditor before the commencement of audit about the nature and scope of the audit to be conducted and post-audit discussion to ascertain any areas of concern.
- To call for comments of the Auditors about internal control system, including the observation of the Auditors, review financial statement before their submission to the Board

and discussion on any related issues with the Internal and Statutory Auditors and the management of the Company.

- ► Review, with the Management, the quarterly financial statements before submission to the Board for approval.
- Review, with the Management, the annual financial statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
 - a) Matters required to be included in the Directors' responsibility statement, included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statement.
 - f) Disclosure of all related party transactions.
 - g) Modified opinion(s) in the draft audit report.
- E Review the following information:
 - a) Management Discussion and Analysis of financial condition and results of operations.
 - b) Management letter / letters of internal control weaknesses issued by the Statutory Auditors.
 - c) Internal Audit Reports relating to internal control weaknesses.
 - d) The financial statements, in particular the investments, if any, made by unlisted subsidiary companies.
 - e) Quarterly compliance certificates confirming compliance with laws and regulations, including any exceptions to these compliances.
- Oversee the functioning of the Vigil Mechanism / Whistle Blower Mechanism.
- Establish the systems for storage, retrieval and display of books of accounts and other financial records in electronic format.
- Review the findings of any internal investigation by the Internal Auditors into matters where there is suspected fraud or irregularity, or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Review the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any.

- Approve the appointment, re-appointment and removal of Company's Chief Financial Officer after assessing the qualifications, experience and background, among others, of the candidate.
- Review the Company's financial and risk management policies, implementation of treasury policies, strategies and status of investor relation activities.
- Ensure that the internal audit function is effective, adequately resourced, and to review coordination between Internal and Statutory Auditors.
- Review the state and adequacy of internal controls with key members of the Management, Statutory Auditors and Internal Auditors.
- Discuss with the Internal Auditor the coverage, functioning, frequency and methodology of internal audits as per the annual audit plan and discuss significant findings and follow up thereon.
- Review and monitor the Statutory and Internal Auditor's independence, performance and effectiveness of audit process.
- Review and scrutinize the inter-corporate loans and investments
- Reviewing the utilization of loans and / or advances from / investment in the subsidiary company exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
- Monitor and review with the Management, the statement of uses / application of funds raised through an issue (public issue, right issue and preferential issue, among others), the statement of funds utilised for purposes, other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or right issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Valuation of undertakings or assets of the Company, wherever necessary.
- Appointment of a registered valuer of the Company and fixation of his terms and conditions.
- Evaluation of internal financial controls.
- Delegate above said functions to Sub-Committees, whenever required.
- The Audit Committee shall also undertake such other functions, as may be assigned by the Board of Directors from time to time, or as may be stipulated under any law, rule or regulation including the Listing Regulations and the Companies Act, 2013.

Powers of the Audit Committee

- Investigate any activity within its terms of reference.
- Seek any information that it requires from any employee of the Company, and all employees have been directed to cooperate with any request made by the Committee.
- ► Obtain outside legal or independent professional advice.
- ≥ Secure attendance of outsiders with relevant expertise.
- Access sufficient resources to carry out its duties.

Meetings, Attendance and Composition of the Audit Committee

During FY 2018-19, the Committee met five times i.e. on April 24, 2018, July 26, 2018, October 25, 2018, December 20, 2018 and January 31, 2019.

Beside the Committee meetings as above, the Committee also holds quarterly conference calls and / or mid-quarter conference calls before every regular Committee meeting to discuss routine internal audit issues and other matters. This provides an opportunity to the Committee to devote more time on other significant matters in the regular Committee meeting. During FY 2018-19, the Committee had met six times through the conference calls i.e. April 17, 2018, July 19, 2018, October 4, 2018, October 18, 2018, December 13, 2018 and January 24, 2019.

All recommendations made by the Audit Committee were accepted by the Board.

The composition and the attendance of members at the meetings held during FY 2018-19, are given below:

Name	Category	Number of meetings attended (total held during tenure)	Number of conference calls attended (total conducted during tenure)
Mr. V. K. Viswanathan (Chairman)	Independent Director	5(5)	6(6)
Mr. Craig Ehrlich ¹	Independent Director	3(5)	6(6)
Mr. D. K. Mittal ²	Independent Director	3(5)	5(6)
Ms. Kimsuka Narasimhan³	Independent Director	0(0)	0(0)
Mr. Manish Kejriwal⁴	Independent Director	0(0)	0(0)
Ms. Tan Yong Choo	Non-Executive Director	5(5)	4(6)

1. Ceased to be member of the Committee w.e.f. March 30, 2019.

- 2. Ceased to be a member of the Committee w.e.f. February 01, 2019.
- 3. Appointed as a member of the Committee w.e.f. March 30, 2019.

4. Appointed as a member of the Committee w.e.f. March 30, 2019.

Consolidated fees paid to statutory auditor

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm / network entity of which it is a part :

Particulars	₹ Millions
Audit fees*	328
Taxation matters	8
Other services	342
Total	678

*Excludes out-of-pocket expenses

Audit Committee Report for the year ended March 31, 2019

To the Shareholders of Bharti Airtel Limited

The Audit Committee ('Committee') is pleased to present its report for the year ended March 31, 2019:

- 1. The Committee presently comprises of four members of whom three-fourths, including the Chairman are Independent Directors, as against the requirement of twothirds prescribed under Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.
- 2. The responsibility for the Company's internal controls and financial reporting processes lies with the Management. The Statutory Auditors have the responsibility of performing an independent audit of the Company's financial statements in accordance with the Indian Accounting Standards (Ind-AS) and issuing a report thereon. The Ombudsperson is responsible for the Company's Whistle Blower Mechanism.
- 3. The Company has in place an Internal Assurance Group (IAG). During the year, the Company had appointed Anil Jeet Singh Riat, Senior Vice President and Head – Internal Audit as Chief Internal Auditor in accordance with Section 138 of the Companies Act, 2013. The Company had also appointed Ernst & Young LLP and ANB & Co., Chartered Accountants, Mumbai as the internal assurance partners. The audit conducted by the Internal Auditors and Internal Assurance Partners is based on an internal audit plan, which is reviewed each year in consultation with the IAG and the Audit Committee. These audits are based on risk based methodology and inter-alia involve the review of internal controls and governance processes, adherence to management policies and review of statutory compliances. The Internal Assurance Partners share their findings on an ongoing basis during the year for corrective action.
- 4. The Audit Committee oversees the work of Statutory Auditors, Internal Auditors, IAG, Internal Assurance Partners and the Ombudsperson. It is also responsible for overseeing the processes related to the financial reporting and information dissemination.

- 5. In this regard, the Audit Committee reports as follows:
 - The Committee has discussed with the Company's Internal Auditors, Internal Assurance Partners and Statutory Auditors the overall scope and plan for their respective audits. The Committee has also discussed the results and effectiveness of the audit, evaluation of the Company's internal controls and the overall quality of financial reporting.
 - II. The Management has presented the Company's financial statements to the Committee and affirmed that the Company's financial statements have been drawn in accordance with Ind-AS. Based on its review and the discussions conducted with the Management and the Statutory Auditors, the Committee believes that the Company's financial statements are fairly presented in conformity with applicable accounting standards in all material aspects. The Committee also considers that the financial statements are true and fair and provide sufficient information. The Committee believes the Company has followed adequate processes to prepare these financial statements.
 - III. The Committee has reviewed both abridged and unabridged versions of the standalone and consolidated financial statements for the year ended March 31, 2019. It has recommended the same for the Board's approval.
 - IV. The Committee has reviewed the internal controls for ensuring that the Company's accounts are properly maintained and that the accounting transactions are in accordance with prevailing laws and regulations. In conducting such reviews, the Committee found no material deficiency or weakness in the Company's internal control systems.
 - V. The Committee reviewed the Company's internal financial controls and risk management systems from time to time. During the year the Company has constituted separate Risk Management Committee which shall focus on the risk management including determination of company's risk appetite, risk tolerance and regular risk assessments (risk identification, risk quantification and risk evaluation) etc.
 - VI. The Committee reviewed the Ombudsperson's report on the functioning of the Whistle Blower Mechanism for reporting concerns about unethical behaviour, actual or suspected fraud, or violation of the Company's Code of Conduct or ethics policy. The Committee believes that the Company has an effective Whistle Blower Mechanism and nobody has been denied access to this mechanism.
 - VII. The Committee has reviewed with the Management, the independence and performance of Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of the Company

- VIII. The Committee, along with the Management, reviewed the performance of the Internal Assurance Partners viz. Ernst & Young LLP and ANB & Co., Chartered Accountants, Mumbai during the financial year 2018-19. The Committee has also reviewed the eligibility and independence of Ernst & Young LLP and ANB & Co. and has recommended to the Board the re-appointment of Ernst & Young LLP and ANB & Co. as the internal assurance partners.
- IX. The Committee has been vested with the adequate powers to seek support and other resources from the Company. The Committee has access to the

information and records as well. It also has the authority to obtain professional advice from external sources, if required.

X. The Audit Committee monitored and approved all related party transactions, including any modification / amendment in any such transactions.

In conclusion, the Audit Committee is sufficiently satisfied that it has complied with the responsibilities as outlined in the Audit Committee's Charter.

Place: New Delhi Date: May 06, 2019 V. K. Viswanathan

Chairman, Audit Committee

HR and Nomination Committee

The Committee comprises five Non-Executive Directors, of whom three members, including, the Chairman of the Committee are Independent Directors. The composition of the Committee meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. The Company Secretary acts as the Secretary of the Committee. The Chief People Officer is a permanent invitee to the Committee meetings. Other Senior Management members are also invited to the meeting to present reports relating to items being discussed at the meeting.

Key Responsibilities of the HR and Nomination Committee

HR related:

- Formulation and recommendation to the Board, of a policy relating to remuneration of Directors, Key Managerial Personnel* and other employees.
- Determine the compensation (including salaries and salary adjustments, incentives / benefits, bonuses) and performance targets of the Chairman and of the Managing Directors & CEO's.
- Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.
- In the event of no profit or inadequate profit, to approve the remuneration payable to managerial persons, taking into account the Company's financial position, industry trend, appointee's qualification, experience, past performance, past remuneration while bringing objectivity in determining the remuneration package, while striking a balance between the Company's interest and shareholders.
- ► Attraction and retention strategies for employees.
- E Review employee development strategies.
- Assess the learning and development needs of the Directors and recommend learning opportunities, which can be used by Directors to meet their needs for development.

- Review all human resource related issues, including succession plan of key personnel.
- Consider any other key issues / matters as may be referred by the Board, or as may be necessary in view of Regulation 19 of the Listing Regulations or any other applicable statutory provisions.

ESOP related:

- E Formulation of ESOP plans and decide on future grants;
- **E** Formulation of terms and conditions on following under the present ESOP Schemes of the Company with respect to:
- Quantum of options to be granted under ESOP Scheme(s) per employee and in the aggregate under a plan.
- Performance conditions attached to any ESOP Plan.
- Conditions under which options vested in employees may lapse in case of termination of employment for misconduct.
- Exercise period within which the employee should exercise the option, and that option would lapse on failure to exercise the option within the exercise period.
- Specify time period within which the employee must exercise the vested options in the event of termination or resignation of an employee.
- Right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period.
- Procedure for making a fair and reasonable adjustment to the number of options and to the exercise price, in case of rights issues, bonus issues and other corporate actions.
- Grant, vest and exercise of option in case of employees, who are on long leave, and the procedure for cashless exercise of options.
- Any other matter which may be relevant for administration of ESOP schemes from time to time.

- To frame suitable policies and processes to ensure that there is no violation of SEBI (Prohibition of Insider Trading) Regulations, 2015 and SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.
- Other key issues as may be referred by the Board.

Nomination related:

- Formulate the criteria / policy for appointment of Directors, Senior Management**, which shall, inter-alia, include qualifications, positive attributes, diversity and independence of a Director.
- Review and recommend the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and Board Committees.
- Evaluate the balance of skills, knowledge, experience and diversity on the Board for description of the role and capabilities, required for a particular appointment.
- Identify and recommend to the Board, persons who are qualified to become Directors and who may be appointed in Senior Management, including Key Managerial Personnel, in accordance with the criteria laid down and their removal thereof.
- Recommend the appointment of any Director to executive or other employment / place of profit in the Company.
- Review succession planning for Executive and Non-Executive Directors and other Senior Executives, particularly the Chairman, Managing Directors & CEOs.
- Recommend suitable candidate for the role of Lead Independent Director.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Conduct an annual evaluation of the overall effectiveness of the Board, the Committees of the Board and the performance of each Director.
- Review the Terms of Reference of all committees of the Board, including itself on an annual basis, and recommend any changes to the Board.

*Key Managerial Personnel' means: i) the Chief Executive Officer or the Managing Director or the Manager; ii) the Company Secretary; iii) the Wholetime Director; iv) the Chief Financial Officer.

**Senior Management' means personnel of the Company who are members of its core management team excluding Board of Directors, comprising all members of the Management one level below the chief executive officer / managing director / whole time director / manager (including chief executive officer / manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.

Meetings, Attendance and Composition of HR and Nomination Committee

During FY 2018-19, the Committee met five times i.e. April 24, 2018, July 26, 2018, October 25, 2018, December 20, 2018 and January 31, 2019.

The composition and the attendance of members at the meetings held during FY 2018-19, are given below:

Name	Category	Number of meetings attended (total held during tenure)
Mr. D. K. Mittal, Chairman¹	Independent Director	0(0)
Mr. Ben Verwaayen, Chairman²	Independent Director	3(4)
Mr. Craig Ehrlich ³	Independent Director	0(0)
Mr. Manish Kejriwal⁴	Independent director	2(5)
Mr. Rakesh Bharti Mittal	Non-Executive Director	5(5)
Mr. Shishir Priyadarshi	Independent Director	5(5)
Ms. Chua Sock Koong⁵	Non-Executive Director	5(5)

1. Appointed as a member and chairman of the Committee w.e.f. February 01, 2019.

- 2. Ceased to be member of the Committee w.e.f. December 26, 2018.
- 3. Appointed as a member of the Committee w.e.f. March 30, 2019.
- 4. Ceased to be member of the Committee w.e.f. February 1, 2019.
- Two meetings attended by Mr. Tao Yih Arthur Lang, alternate director to Ms. Chua Sock Koong.

The details relating to remuneration of Directors, as required under Listing Regulations have been given under a separate section, viz. 'Director's Remuneration' in this Report.

Stakeholders' Relationship Committee

In compliance with the Regulation 20 of the Listing Regulations, requirements and provisions of Section 178 of the Companies Act, 2013, the Company has a Stakeholders' Relationship Committee. The Committee comprises of four members including two Independent Directors. Mr. Rakesh Bharti Mittal, Non-Executive Director is the Chairman of the Committee. The Company Secretary acts as a Secretary to the Committee.

Key Responsibilities of the Stakeholders' Relationship Committee

The key responsibilities of the Stakeholders' Relationship Committee include the following:

1. Formulation of procedures, in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time.

- Consider and resolve the complaints / grievances of security holders of the Company, including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend and general meetings' notices.
- 3. Dematerialise or re-materialise the share certificates.
- 4. Approve the transmission of shares or other securities arising as a result of death of the sole / any of joint shareholder.
- 5. Sub-divide, consolidate and / or replace any share or other securities certificate(s) of the Company.
- Issue duplicate share / other security (ies) certificate(s) in lieu of the original share / security (ies) certificate(s) of the Company.
- 7. Approve, register and refuse to register transfer / transmission of shares and other securities.
- 8. To further delegate all or any of the powers to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).
- 9. Oversee & review, all matters connected with the transfer of securities of the Company.
- 10. Oversee the performance of the Company's Registrar and Share Transfer Agent and review of adherence to the service standards adopted by the Company in respect of various services being rendered by its Registrar & Share Transfer Agent.
- 11. Recommend methods to upgrade the standard of services to the investors.
- 12. To deal with the Company's unclaimed / undelivered dividends, as prescribed in the relevant regulation of the Listing Regulations and review the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders.
- 13. Review of measures taken for effective exercise of voting rights by shareholders.
- 14. To do all such acts, deeds and things as may be necessary in this regard.

The meetings of the Committee are generally held as and when deemed necessary, to review and ensure that all investor requests / grievances are redressed within stipulated time period.

Meetings, Attendance and Composition of Stakeholders' Relationship Committee

During FY 2018-19, the Committee met five times i.e. on April 24, 2018, July 26, 2018, August 13, 2018, October 25, 2018

and January 31, 2019. The composition and the attendance of members at the meetings held during FY 2018-19, are given below:

Name	Category	Number of meetings attended (total held during tenure)
Mr. Rakesh Bharti Mittal, Chairman	Non-Executive Director	5(5)
Mr. D.K. Mittal	Independent Director	2(5)
Mr. Manish Kejriwal	Independent Director	2(5)
Mr. Gopal Vittal	Executive Director	5(5)

Compliance Officer

Mr. Rohit Krishan Puri, Dy. Company Secretary, acts as the Compliance Officer of the Company for complying with the requirements of the Listing Regulations and requirements of securities laws, including SEBI (Prohibition of Insider Trading) Regulations, 2015.

Nature of Complaints and Redressal Status

During FY 2018-19, the complaints and queries received by the Company were general in nature, which include issues relating to non-receipt of dividend warrants, shares, annual reports and others, which were resolved to the satisfaction of the shareholders.

Details of the investors' complaints received during FY 2018-19 are as follows:

Type of complaint	Number	Redressed	Pending on March 31, 2019
Non-receipt of securities	0	0	Nil
Non-receipt of Annual Report	1	1	Nil
Non–receipt of dividend / dividend warrants	3	3	Nil
Miscellaneous	1	1	Nil
TOTAL	5	5	Nil

Committee of Directors

To cater to various day-to-day requirements and to facilitate seamless operations, the Company has formed a functional Committee known as the Committee of Directors. The Committee meets as and when deem necessary to cater to the day to day requirements of the Company. The Committee comprises four members including two Independent Directors. Mr. Rakesh Bharti Mittal, Non-Executive Director is the Chairman of the Committee. The Company Secretary acts as a Secretary to the Committee.

Meetings, Attendance and Composition of Committee of Directors

During FY 2018-19, the Committee met six times i.e. on April 24, 2018, May 14, 2018, June 15, 2018, July 26, 2018, October 25, 2018, and January 25, 2019. The composition and the attendance of members at the meetings held during FY 2018-19, are given below:

Name	Category	Number of meetings attended (total held during tenure)
Mr. Rakesh Bharti Mittal, Chairman	Non-Executive Director	6(6)
Mr. D.K. Mittal	Independent Director	3(6)
Mr. Manish Kejriwal	Independent Director	1(6)
Mr. Gopal Vittal	Executive Director	5(6)

Key Responsibilities of the Committee of Directors (within the limit approved by the Board)

Investment Related

- ► To grant loans to any body corporate / entity.
- To give guarantee(s) in connection with loan made to any body corporate / entity.
- To negotiate, finalise, amend, modify, approve and accept the terms and conditions with respect to aforesaid loans and / or guarantee(s) from time to time.
- To purchase, sell, acquire, subscribe, transfer or otherwise deal in the shares / securities of any Company, body corporate or other entities.

Treasury Related

- To borrow such sum of money, as may be required by the Company from time to time provided that the money already borrowed, together with the money to be borrowed by the Company does not exceed the limits provided under Section 180 of the Companies Act, 2013 i.e. upto the paid up capital and free reserve of the Company.
- To create security / charge(s) on all or any of the assets of the Company for the purpose of securing credit facility(ies) of the Company.
- To deal in government securities, units of mutual funds, fixed income and money market instruments, fixed deposits and certificate of deposit programme of banks and other

instruments / securities / treasury products of banks & financial institutions as per treasury policy of the Company.

- To deal in foreign exchange and financial derivatives linked to foreign exchange and interest rates including, but not limited to foreign exchange spot, forwards, options, currency swaps and interest rate swaps.
- To open, operate, close, change in authorisation for any Bank Account, Subsidiary General Ledger (SGL) Account, Dematerialisation / Depository Account.
- To approve, finalise and authorise the execution of any deed, document, letter or writing in connection with the aforesaid activities, including borrowing / credit facilities, creation of charge.

Allotment of Shares

- Issue and allot shares of the Company in one or more tranches as per the terms of the ESOP Schemes for the time being in force or upon conversion of Foreign Currency Convertible Bonds issued by the Company.
- To seek listing of shares issued as above on one or more Stock Exchanges in India and all such shares being paripassu with the existing equity shares of the Company in all respects.
- To do all such acts, deeds and things, as may be necessary and incidental to allotment and listing of shares.

General Authorisations

- To open, shift, merge, close any branch office, circle office.
- To approve for participation into any tender, bid, auction by the Company.
- To register the Company with any Central / State Government authorities, Semi-Government authorities, local authorities, tax authorities including sales tax, service tax, value added tax authorities, labour law authorities, administrative authorities, business associations and other bodies.
- To purchase, sell, take on lease / license, transfer or otherwise deal with any property.
- To apply for and surrender any electricity, power or water connection.
- To appoint any Merchant Banker, Chartered Accountant, Advocate, Company Secretary, Engineer, Technician, Consultants and / or Professionals for undertaking any assignment for and on behalf of the Company.
- To constitute, reconstitute, modify, dissolve any trust or association with regard to the administrative matters or employee related matters and to appoint, reappoint, remove, replace the trustees or representatives.

- To authorise one or more employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s) jointly or severally to:
 - represent the Company before Central Government, State Governments, Judicial, Quasi-judicial and other statutory / administrative authorities or any other entity.
 - negotiate, finalise, execute, modify, sign, accept, and withdraw all deed, agreements, undertakings, certificates, applications, confirmations, affidavits, indemnity bonds, surety bonds, and all other documents and papers.
 - = affix common seal of the Company.
 - ⊆ enter into, sign, execute and deliver all contracts for and on behalf of the Company.
- To do all such acts, deeds and things as may be required for the smooth conduct of the operations of the Company and which does not require the specific approval of the Board of the Company or which has specifically been delegated by the Board to any other Committee of the Board or any officer, employee or agent of the Company.
- To perform such other functions as may be authorised / delegated by the Board or as might have been authorised / delegated to the erstwhile Borrowing Committee, Investment Committee, Committee of Director or the Allotment Committee.
- To authorise / delegate any or all of its power to any person, officer, representative.

Special Committee of Directors (Monetization of stake in Bharti Infratel Limited)

The Special Committee of Directors (Monetization of stake in Bharti Infratel Limited) evaluates the proposal for monetization of stake in Bharti Infratel Limited. The Committee meets as and when necessary to explore divestment in Bharti Infratel Limited.

The Committee comprises three members including one independent director. Mr. Rakesh Bharti Mittal, Non-Executive Director is the Chairman of the Committee. The Company Secretary acts as a Secretary to the Committee.

Meetings, Attendance and Composition of Special Committee of Directors (Monetization of stake in Bharti Infratel Limited)

During the year no meeting of Special Committee of Directors (Monetization of stake in Bharti Infratel Limited) was convened.

Key Responsibilities of the Special Committee of Directors (Monetization of stake in Bharti Infratel Limited)

To engage and negotiate with the prospective buyers including in relation to the terms of sale provided that the terms shall be subject to the approval of the board of directors and no agreements shall be approved and or executed except after the approval of the board of directors.

- To appoint, terminate, reappoint legal advisors, advisors, consultants, and any other professionals or intermediaries etc. on such terms and conditions as deemed fit.
- To represent the Company before any prospective buyer and any regulatory and / or statutory authorities and departments.
- To delegate all or any of the authorisations conferred as above to any Officer(s) / Authorized Representative(s) of the Company.
- To do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary, expedient, usual or proper in furtherance of the above.

Special Committee of Directors (Restructuring of overseas holding structure)

The Special Committee of Directors (Restructuring of overseas holding structure) evaluates the proposal for restructuring of overseas holding structure of the Company. The Committee meets as and when necessary.

The Committee comprises three members including one independent director. Mr. Rakesh Bharti Mittal, Non-Executive Director is the Chairman of the Committee. The Company Secretary / Deputy Company Secretary acts as a Secretary to the Committee.

Meetings, Attendance and Composition of Special Committee of Directors (Restructuring of overseas holding structure)

During the year no meeting of Special Committee of Directors (Restructuring of overseas holding structure) was convened.

Key Responsibilities of the Special Committee of Directors (Restructuring of overseas holding structure)

- ► To evaluate the proposal for restructuring of overseas holding structure.
- To appoint, terminate, reappoint legal advisors, advisors, consultants, and any other professionals or intermediaries etc. on such terms and conditions as deemed fit.
- To represent the Company before any regulatory and / or statutory authorities and departments.
- To delegate all or any of the authorisations conferred as above to any Officer(s) / Authorized Representative(s) of the Company.
- To do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient, usual or proper in furtherance of the above.

Special Committee of Directors for Fund Raising

During the year, the Special Committee of Directors for Fund Raising' was constituted for the purpose of Right Issue. Its responsibilities, inter-alia, includes deciding the terms and conditions of the issue including setting the record date, appointment of intermediaries, finalization of the Letter of Offer and other related matters. The Committee meets as and when necessary.

The Committee comprises four members including one independent director. Mr. Rakesh Bharti Mittal, Non-Executive Director is the Chairman of the Committee. The Company Secretary / Deputy Company Secretary acts as a Secretary to the Committee.

Meetings, Attendance and Composition of Special Committee of Directors (Fund Raising)

During FY 2018-19, the Committee met two times i.e. on January 30, 2019 and March 06, 2019. The composition and the attendance of members at the meeting held during the FY 2018-19, are given below:

Name	Category	Number of meetings attended (total held during tenure)
Mr. Rakesh Bharti Mittal, Chairman	Non-Executive Director	1 (2)
Ms. Tan Yong Choo	Non-Executive Director	2 (2)
Mr. D.K. Mittal	Independent Director	1 (2)
Mr. Gopal Vittal	Executive Director	2 (2)

Corporate Social Responsibility (CSR) Committee

In compliance with the requirements of the Companies Act, 2013, the Company has constituted the Corporate Social Responsibility Committee. The Committee evaluates and recommend the CSR proposals to the Board for approval.

The Committee comprises three members including one Independent Director. Mr. Rakesh Bharti Mittal, Non-Executive Director, is the Chairman of the Committee. The Company Secretary acts as a secretary to the Committee.

Key Responsibilities of the CSR Committee

- Formulate, monitor and recommend to the Board CSR Policy and the activities to be undertaken by the Company.
- 2. Recommend the amount of expenditure to be incurred on the activities undertaken. Review the Company's performance in the area of CSR.
- 3. Evaluate social impact of the Company's CSR activities.
- 4. Review the Company's disclosure of CSR matters including any annual social responsibility report.
- 5. Review the following, with the Management, before submission to the Board for approval
 - ► The Business Responsibility (BR) Report

- CSR Report
- 🚊 Annual Sustainability Report
- 6. Formulate and implement the BR policies in consultation with the respective stakeholders.
- 7. Establish a monitoring mechanism to ensure that the funds contributed by the Company are spent by Bharti Foundation, or any other charitable organisation to which the Company makes contributions, for the intended purposes only.
- 8. Approve the appointment or re-appointment of Directors responsible for Business Responsibility.
- 9. Nominate at least one member of the CSR Committee as a trustee of Bharti Foundation.
- Consider other functions, as defined by the Board, or as may be stipulated under any law, rule or regulation including the Listing, Corporate Social Responsibility Voluntary Guidelines, 2009 and the Companies Act, 2013.

On the recommendation of the CSR Committee, the Board had on April 29, 2014, approved the Corporate Social Responsibility (CSR Policy) of the Company. The CSR Policy intends to strive for economic development that positively impacts the society at large with minimal resource footprints. The Policy is available on the Company's website at <u>www.airtel.com</u>.

Meetings, Attendance and Composition of CSR Committee

During FY 2018-19, the Committee met three times i.e. on April 24, 2018, July 26, 2018 and February 13, 2019. The composition and the attendance of members at the meetings held during the FY 2018-19, are given below:

Name	Category	Number of meetings attended (total held during tenure)
Mr. Rakesh Bharti Mittal, Chairman	Non-Executive Director	3 (3)
Mr. D.K. Mittal	Independent Director	2 (3)
Mr. Gopal Vittal	Executive Director	3 (3)

Corporate Social Responsibility Report for the year ended March 31, 2019

The CSR Report for the year ended March 31, 2019 is annexed as Annexure D to the Board's Report.

Risk Management Committee

In compliance with the requirements of the Listing Regulations, the Company has constituted Risk Management Committee to focus on risk management including determination of Company's risk appetite, risk tolerance and regular risk assessments (risk identification, risk quantification and risk evaluation) etc. The Committee comprises seven members viz. Mr. D. K. Mittal, Mr. V.K. Viswanathan, Mr. Rakesh Bharti Mittal, Mr. Gopal Vittal, Mr. Nilanjan Roy, Group Director, Internal Assurance and Mr. Pankaj Tewari. Mr. D.K. Mittal is the Chairman of the Committee. The Company Secretary / Dy. Company Secretary acts as a secretary to the Committee.

During the year Risk Management Committee meeting met three times i.e. on October 04, 2018, October 18, 2018 and December 13, 2018. The composition and the attendance of members at the meetings held during the FY 2018-19, are given below:

Name	Category / designation	Number of meetings attended (total held during tenure)
Mr. D. K. Mittal, Chairman	Independent Director	3 (3)
Mr. V. K. Viswanathan	Independent Director	3 (3)
Mr. Rakesh Bharti Mittal	Non-executive Director	3 (3)
Mr. Gopal Vittal	Executive Director	0 (3)
Mr. Nilanjan Roy ¹	CFO	3 (3)
Mr. Pankaj Tewari	Company Secretary	1(3)
Mr. Badal Bagri ²	CFO	0 (0)
Group Director, Internal Assurance	-	3 (3)

1. Mr. Nilanjan Roy resigned w.e.f. February 28, 2019.

- 2. Mr. Badal Bagri was appointed w.e.f. March 01, 2019.
- 3. Attended by Mr. Devendra Khanna representing Group Director, Internal Assurance.

Authority

- a) Obtain any legal or independent professional advice on matters to be deliberated in the Risk Management Committee.
- b) Access sufficient resources to carry out its duties.

Key Responsibilities of the Risk Management Committee

- 1. Formulate and review risk management policy;
- 2. Approve the process for risk identification;
- Assess / Determine risk appetite and monitor risks (including Cyber Security risk);
- 4. Implement, monitor and review the risk management framework, risk management plan and related matters;
- 5. Advise the board on risk strategy;
- 6. Foster an appropriate risk culture; and
- 7. Delegate above said authorities to sub-committees, whenever required.

Airtel Corporate Council (ACC)

Airtel Corporate Council is a non-statutory committee, constituted by the Board for strategic management and

supervision of the Company's operations within the approved framework.

The Committee comprises six members. Mr. Sunil Bharti Mittal, is the Chairman of the Committee. The Company Secretary acts as a secretary to the Committee.

Key Responsibilities of the ACC Committee

- Strategic Management and supervision of Company's business; CEO Board Report.
- Formulation of Company's annual business plan including objectives and strategies, capex, and investments. Approval of the variation in the Approved Annual Operating Plan upto 5% negative deviation.
- ► Formulation of organisation policies, systems and processes, concerning the Company's operations.
- Review and recommend for approval of all items / proposals relating to restructuring, new line of business, investments, General Reserved Matters (as referred in Article 125 (ii) of Articles of Association of the Company) and other matters, which require the Board's approval in relation to the Company and its subsidiaries in India, Africa and SA, as a shareholder.
- Acquisition, disposal, transfer of any immovable property of value exceeding any amount in excess of the duly approved respective DoA's.
- Formation, modification, withdrawal, implementation of systems, policies, control manuals and other policy frameworks for operational efficiency and risk management. The Committee to agree in advance the specific key operational efficiency / risk management matters that business must present at each meeting.
- Approval for contribution to any political party / political trust within the overall limit set by the Board.
- Business Development transaction related updates / next steps.
- ≟ Financial Restructuring / Treasury Strategy.
- Review and approval of all strategic consulting assignments.
- Change of Company's brand name, logo, and trade mark. All brand launches (new or rebranding to be presented to ACC, prior to formally committing material expenditure).

Powers of ACC in respect of the Subsidiaries and their step down Subsidiaries (Other than listed subsidiaries)

- Formulation of business plan, including any strategic initiative, investments, capex, borrowing including refinancing and extension, among others.
- Nomination of the respective subsidiaries nominee on Board of other companies.
- Entry into / exit from business / major business activities, in any manner whatsoever, including purchase, sale, lease, franchise, among others.

With respect to overseas subsidiaries and their step down subsidiaries, the power of ACC is confined to performing key shareholder functions.

General Body Meetings

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

Financial Year	Location	Date	Time	Special Resolutions passed
2017-18		August 08, 2018	1530 Hrs. (IST)	1. Re-appointment of Mr. Craig Edward Ehrlich as an Independent Director
				2. Alteration of the Articles of Association of the Company
2016-17	Air Force Auditorium,	July 24, 2017	1530 Hrs. (IST)	1. Re-appointment of Mr. Manish Kejriwal as an Independent Director
	Subroto Park, New Delhi - 110010			2. Amendment in the Employee Stock Option Scheme 2005 of the Company
2015-16	110010	August 19, 2016	1530 Hrs. (IST)	1. Adoption of new Articles of Association of the Company
				2. Alteration of Memorandum of Association of the Company

Tribunal Convened Meetings

Pursuant to the Order by the Hon'ble Special Bench of the National Company Law Tribunal, the meetings of equity shareholders of the Company was held as per below details:

Location	Order dated	Date	Time	Special Resolution passed
Air force Auditorium, Near R&R Hospitals, NH 48, Subroto Park, New Delhi- 110011	April 24, 2018	Monday, July 30, 2018	10.30 A.M.	Approval of scheme of arrangement between Bharti Airtel Limited and Telesonic Networks Limited
Ocean Pearl Retreat, Chattarpur Mandir Road, Satbari I, New Delhi - 110034	May 23, 2018	Friday, August 03, 2018	10.30 A.M.	Approval of scheme of arrangement between Tata Teleservices (Maharashtra) Limited and Bharti Airtel Limited
Ocean Pearl Retreat, Chattarpur Mandir Road, Satbari I, New Delhi - 110034	June 14, 2018	Tuesday, August 28, 2018	10.30 A.M.	Approval of the composite scheme of arrangement between Tata Teleservices Limited, Bharti Airtel Limited and Bharti Hexacom Limited

Details of Poll conducted at the Tribunal Convened meetings:

Details of Agenda	No. of valid votes	Votes cast in favour of the resolution (no. & %)	Votes cast against the resolution (no. & %)
Approval of scheme of arrangement between Bharti Airtel Limited and Telesonic Networks Limited	3,667,536,701	3,667,532,623 (99.99%)	4,078 (0.01 %)
Approval of scheme of arrangement between Tata Teleservices (Maharashtra) Limited and Bharti Airtel Limited	3,628,471,786	3,628,468,352 (99.99%)	3,434 (0.01%)
Approval of the composite scheme of arrangement between Tata Teleservices Limited, Bharti Airtel Limited and Bharti Hexacom Limited	3,646,662,127	3,646,659,785 (100%)	2,342 (0.00%)

Postal Ballot

The Board in its meeting held on December 20, 2018, had approved the Notice of Postal Ballot / E-Voting for passing of special resolution for transfer of Company's investment in Bharti Infratel Limited ('Infratel'), a subsidiary company to Nettle Infrastructure Investments Limited, a wholly-owned subsidiary and subsequent transfer thereof.

Person Conducting the Postal Ballot Exercise

Mr. Gopal Vittal, Managing Director & CEO (India & South Asia), Mr. Pankaj Tewari, Company Secretary and Mr. Rohit Krishan Puri, Deputy Company Secretary were appointed as persons responsible for the entire postal ballot / e-voting process. Mr. Sanjay Grover of Sanjay Grover & Associates, Company Secretaries, New Delhi (C.P. No. 3850) was appointed as the Scrutinizer for conducting the postal ballot / e-voting process in a fair and transparent manner.

Procedure followed

- 1. In compliance with the Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Section 108, 110 and other applicable provisions of the Companies Act, 2013, read with the rules made thereunder, the Company provided electronic voting facility to all its members, to enable them to cast their votes electronically. The Company engaged the services of Karvy Computershare Pvt. Ltd. (Karvy) for the purpose of providing e-voting facility. The members had the option to vote either by physical ballot or e-voting.
- 2. The Company dispatched the postal ballot notice dated December 20, 2018 containing draft resolutions together with the explanatory statements, the postal ballot forms and

self-addressed envelopes to the members whose names appeared in the register of members / list of beneficiaries as on cut-off date i.e. Friday, February 01, 2019. The Company also published a notice in the newspaper declaring the details of completion of dispatch on February 07, 2019 and February 08, 2019 and other requirements as mandated under the Act and applicable rules.

- 3. Members desiring to exercise their votes by physical postal ballot forms were requested to return the forms duly completed and signed, to the Scrutinizer on or before the close of business hours on Friday, March 08, 2019. The members who opted for the e-voting voted from 09:00 a.m. on Thursday, February 07, 2019 to 05:00 p.m. on Friday, March 08, 2019.
- 4. The Scrutinizer submitted his report on March 8, 2019, after the completion of scrutiny.
- 5. The results of the postal ballot were announced by the Chairman or any person authorised by him (a definite name could be given as it is a thing of the past) on or before Saturday, March 9, 2019. The last date specified for receipt of duly completed Postal Ballot Forms and closure of e-voting i.e. March 08, 2019, was taken as the date of passing the resolution.
- 6. The result of the postal ballot along with the scrutinizer's report was displayed at the registered office of the Company, hosted at the Company's website at <u>www.airtel.com</u> and on the website of Karvy i.e. <u>https://evoting.karvy.com</u> and was also communicated to the Stock Exchanges.
- 7. The consolidated summary of the result of postal ballot / e-voting is as under :

Details of Agenda	No. of valid votes	Votes cast in favour of the resolution (no. & %)	Votes cast against the resolution (no. & %)
Transfer of the Company's investment in Bharti Infratel Limited ('Infratel'), a subsidiary company to Nettle Infrastructure Investment limited, a wholly- owned subsidiary and subsequent transfer thereof	3,725,746,898	3,716,023,784 (99.74%)	9,723,114 (0.26%)

Apart from the above announcement of results, there is no immediate proposal for passing any other special resolution through Postal Ballot on or before ensuing Annual General Meeting.

Code of Conduct

In compliance with Regulation 17 of the Listing Regulations and the Companies Act, 2013, the Company has framed and adopted a Code of Conduct for all Directors and Senior Management personnel. The code is available on the Company's website <u>www.airtel.com</u>. The Code is applicable to all Board members and Senior Management personnel who directly report to the Chairman, the Managing Director & CEO (India & South Asia). The Code is circulated to all Board members and Senior Management Personnel and its compliance is affirmed by them annually. Besides, the Company also procures a quarterly confirmation of material financial and commercial transactions entered into by Senior Management personnel with the Company that may have a potential conflict of interest.

A declaration signed by the Managing Director & CEO (India & South Asia), regarding affirmation of the compliance with the Code of Conduct by Board Members and Senior Management for the financial year ended March 31, 2019, is annexed as Annexure A to this report.

Along with the Code of Conduct for the Board members and Senior Management, the Company has also laid down a Code of

Conduct for its employees. As a process, an annual confirmation is also sought from all employees. All employees are expected to confirm compliance to the Code annually. Regular training programmes / self-certifications are conducted across locations to explain and reiterate the importance of adherence to the code.

Disclosures and Policies

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

All transactions entered into with related parties as defined under the Companies Act, 2013 and the Listing Regulations during the financial year were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013.

None of the transactions with any of the related parties were in conflict with the interest of the Company rather, they synchronise and synergise with the Company's operations. Attention of members is drawn to the disclosure of transactions with the related parties set out in Note No. 34 of the Standalone Financial Statements, forming part of the Annual Report.

The required statements / disclosures, with respect to the related party transactions, are placed before the Audit Committee and to the Board of Directors, on quarterly basis in terms of Regulation 23(3) of the Listing Regulations and other applicable laws for approval / information. Prior omnibus approval is obtained for Related Party Transactions which are of repetitive in nature.

The Company's major related party transactions are generally with its subsidiaries and associates. These transactions are entered into based on consideration of various business exigencies, such as synergy in operations, sectoral specialisation, liquidity and capital resource of subsidiary and associates and all such transactions are on an arm's length basis.

The Board of Directors has formulated a Policy on dealing with Related Party Transactions pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and related parties. The Policy is posted on the website of the Company at <u>https://s3-ap-southeast-1.amazonaws.com/bsy/</u> iportal/images/BAL-Policy-on-Related-Party-Transactions_ CAF52027123589504F21514722AAF1A5.pdf.

Disclosure on Risk Management

The Company has established an enterprise-wide risk management ('ERM') framework to optimally identify and manage risks, as well as to address operational, strategic and regulatory risks. In line with the Company's commitment to deliver sustainable value, this framework aims to provide an integrated and organised approach to evaluate and manage risks. Risk assessment monitoring is included in the Company's annual Internal Audit programme and reviewed by the Audit Committee / Risk Management Committee at regular intervals. In compliance with Regulation 17 and 21 of the Listing

Regulations, the Board of Directors has formulated a Risk Management Policy for framing, implementing and monitoring the risk management plan for the Company.

The Board is periodically updated on the key risks, steps and processes initiated for reducing and, if feasible, eliminating various risks. Business risk evaluation and management is an ongoing process within the Company.

Detailed update on risk management framework has been covered under the risk section, forming a part of the Management Discussion and Analysis.

Prevention of Sexual Harassment

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

The Ombudsperson administers a formal process to review and investigate all concerns and undertakes appropriate actions required to resolve the reported matters. During the Financial Year 2018-19, 23 cases regarding sexual harassment at the workplace were reported and investigated. In 19 of these cases, the allegations were substantiated and the accused personnel were either provided counselling, written warning or released from their services.

Details of Non-compliance with regard to Capital Markets during the last three years

There have been no instances of non-compliances by the Company and no penalties and / or strictures have been imposed by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

Insider Trading

In compliance with the SEBI regulation on prevention of insider trading, the Company has established systems and procedures to regulate and monitor insider trading by designated person and has formulated a code on insider trading for designated persons, who may have access to the Company's price sensitive information. The Code lays down procedures to be followed and disclosures to be made, while trading in the Company's shares.

The Company follows highest standards of transparency and fairness in dealing with all stakeholders and ensures that no insider shall use his or her position with or without knowledge of the Company to gain personal benefit or to provide benefit to any third party.

Ombudsperson Policy / Whistle Blower Policy

Bharti Airtel has adopted an Ombudsperson Policy (includes Whistle Blower Policy). It outlines the method and process for stakeholders to voice genuine concerns about unethical conduct that may be in breach with the employees' Code of Conduct. The policy aims to ensure that genuine complainants are able to raise their concerns in full confidence, without any fear of retaliation or victimisation. The Policy also allows for anonymous reporting of complaints. The Ombudsperson administers the entire formal process from reviewing and investigating concerns raised, undertaking all appropriate actions for resolution thereof and regular monitoring of ombuds process to strengthen its effectiveness and adequacy. Instances of serious misconduct dealt with by the Ombudsperson are reported to the Audit Committee. All employees of the Company as well as vendors / partners and any person that has a grievance (excluding standard customer complaints) has full access to the Ombudsperson through phones, emails or even meetings in person. During the year under review, no employee was denied access to the Audit Committee.

Auditors' Certificate on Corporate Governance

As required under Regulation 34 of the Listing Regulations, the auditors' certificate on Corporate Governance is annexed as Annexure H to the Board's Report.

CEO and CFO Certification

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

Certificate from Secretarial Auditor pursuant to Schedule V of the Listing Regulations

A certificate has been received from Chandrasekaran Associates, Company Secretaries, pursuant to Schedule V of the Listing Regulations, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority. The same is annexed as Annexure C to this report.

Subsidiary Companies

The Company monitors performance of subsidiary Companies, inter-alia, by the following means:

- Financial Statements, in particular investments made by unlisted subsidiary companies, are reviewed quarterly by the Audit Committee.
- Minutes of the Board Meetings of unlisted subsidiary companies are regularly placed before the Board.
- A statement containing significant transactions and arrangements entered into by unlisted subsidiary companies is placed before the Board.

Bharti Infratel Limited, the Company's material Indian subsidiary, is listed on Stock Exchanges and therefore, the Company is not required to nominate a Director on the Board of Bharti Infratel Limited.

The Board of Directors have formulated a Policy for determining material subsidiaries pursuant to the provisions of the Listing Regulations. The same is posted on the Company's website at https://s3-ap-southeast-1.amazonaws.com/bsy/iportal/images/ Policy-for-determining-Material-Subsidiaries-1_3C3DACCD6AC6 7BF355A2231C3D434D64.pdf.

Compliance with the Mandatory Requirements of the Listing Regulations

The Board of Directors periodically review the compliance of all applicable laws. The Company has complied with all the mandatory requirements of the Code of Corporate Governance as specified in Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of the Listing Regulations. It has obtained a certificate affirming the compliances from Deloitte Haskins & Sells LLP, Chartered Accountants, the Company's Statutory Auditors and the same is attached to the Board's Report.

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

In addition to the mandatory requirements, the Company has also adopted the following non-mandatory requirements Regulation 27(1) of the Listing Regulations:

(i) Shareholders' Rights

The Company has a policy of announcement of the audited quarterly results. The results, as approved by the Board of Directors (or Committee thereof) are first submitted to Stock Exchanges within 30 minutes under Regulation 30 of the Listing Regulations of the approval of the results. Once taken on record by the Stock Exchanges, the same are disseminated in the media through press release. The quarterly financial results are published in newspapers and uploaded on Company's website <u>www.airtel.com</u>.

On the next day of the announcement of the quarterly results, an earnings call is organised, where the management responds to the queries of the investors / analysts. These calls are webcast live and transcripts posted on the website. In addition, discussion with the management team is webcast and also aired on the electronic media.

(ii) Audit Qualifications

Company's financial statements are unqualified.

(iii) Separate posts of Chairman and CEO

The positions of the Chairman of the Board and the Managing Director & Chief Executive Officer of the Company are held by separate individuals.

(iv) Reporting of Internal Auditor / Internal Assurance Partners

The Internal Auditors / Internal Assurance Partners directly reports to the Audit Committee.

Green Initiatives by MCA

In compliance with the provisions of Section 20 of the Companies Act, 2013 and as a continuing endeavour towards

Status of Dividend Declared

Status of the dividend declared by the Company for the last seven years is as under.

				Amount in ₹ Millions
Financial Year	Rate of Dividend per equity share of ₹ 5 each	Total Pay-out	Amount Paid to the shareholders	Amount un-paid to the shareholders
2018-19 (Interim)	₹ 2.50	9,993.50	9978.02	15.42
2017-18	₹ 2.50	9,993.50	9979.12	14.38
2017-18 (Interim)	₹2.84	11,352.62	11,335.24	17.38
2016-17	₹1	3,997.40	3,991.25	6.15
2015-16	₹1.36	5,436.46	5,427.89	8.58
2014-15	₹ 2.22	8,874.23	8,860.87	13.36
2014-15 (Interim)	₹ 1.63	6,515.76	6,505.79	9.98
2013-14	₹ 1.80	7,195.32	7,184.28	11.04
2012-13	₹1	3,797.53	3,791.06	6.47
2011-12	₹1	3,797.53	3,790.78	6.75

The Company constantly endeavours to reduce the unpaid dividend amount. The shareholders, who have not claimed their dividend for the above financial years are requested to contact the Company or its Share Transfer Agent.

Equity Shares in the Suspense Account

In terms of Regulation 34 of the Listing Regulations, the details of the equity shares lying in the suspense accounts, which were issued in physical form, are as follows::

Particulars	Number of Shareholders	Number of equity shares
Number of shareholders and aggregate number of shares as transferred to the Unclaimed Suspense Account outstanding as on April 01, 2018	1	1
Number of shareholders who approached the Company for transfer of shares and shares transferred from suspense account during the year	0	0
Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2019	1	1

The voting rights on the shares in the suspense accounts as on March 31, 2019 shall remain frozen till the rightful owners of such shares claim the shares.

Means of Communication

Quarterly Results: The Company's Quarterly Audited Results are published in prominent daily newspapers, viz. Mint (English daily) and Hindustan (vernacular newspaper) and are also uploaded on the Company's website <u>www.airtel.com</u>.

News releases, presentations: Official news releases and official media releases are sent to Stock Exchanges and uploaded on the Company's website <u>www.airtel.com.</u>

the 'Go Green' initiative, the Company proposes to send all correspondence / communications through email to those shareholders who have registered their email id with their depository participant's / Company's registrar and share transfer agent. In case the shareholders desire to receive a printed copy of such communications, they send a requisition to the Company. The Company forthwith sends a printed copy of the communication to the shareholder. **Earning Calls & Presentations to Institutional Investors / Analysts:** The Company organises an earnings call with analysts and investors on the next day of announcement of results, which is also broadcast live on the Company's website. The transcript of the earnings call is posted on the website soon after. Any specific presentation made to the analysts / others is also uploaded on the Company's website <u>www.airtel.com</u>.

NSE Electronic Application Processing System (NEAPS) / BSE Corporate Compliance & Listing Centre: The NEAPS / BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance fillings, like shareholding pattern, Corporate Governance Report, media releases and other material information is also filed electronically on the designated portals.

Website: Up-to-date financial results, annual reports, shareholding patterns, official news releases, financial analysis reports, latest presentation made to the institutional investors and other general information about the Company are available on the website <u>www.airtel.com</u>.

Shareholders Satisfaction Survey: In our constant endeavour to strengthen the shareholder service standards, a Shareholders Satisfaction Survey is conducted through a Shareholders Feedback Form uploaded on the Company's website <u>www.airtel.com</u> under 'Investors' section. Accordingly, members may provide their valuable feedback.

Since the time of listing of shares, Bharti Airtel adopted a practise of releasing a quarterly report, which contains financial and operating highlights, key industry and Company developments, results of operations, stock market highlights non-GAAP information, ratio analysis, summarised financial statements and so on. The quarterly reports are posted on the Company's website and are also submitted to the Stock Exchanges, where the Company's shares are listed.

General Shareholders' Information

24th Annual General Meeting

Date	: August 14, 2019
Day	: Wednesday
Time	: 1530 Hrs. IST .
Venue	: Air Force Auditorium,
	Subroto Park, New Delhi – 110 010

Financial Calendar

(Tentative Schedule, subject to change)

Financial year : April 1 to March 31

Results for the quarter ending:

Quarter ended	Board Meeting
June 2019	August 01, 2019 (Thursday)
September 2019	October 29, 2019 (Tuesday)
December 2019	January 29, 2020 (Wednesday)
March 2020	April 28, 2020 (Tuesday)

Book Closure

N.A.

Dividend

N.A.

Dividend Pay-out Date

N.A.

Equity Shares Listing, Stock Code and Listing Fee Payment

Name and address of the Stock Exchange	Scrip code	Status of fee paid for FY 2019-20
National Stock Exchange of India Limited	BHARTIARTL	Paid
Exchange Plaza, C-1 Block G		
Bandra Kurla Complex, Bandra, Mumbai – 400001		
BSE Limited	532454	Paid
Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400001		

Debentures Listing and Listing Fee Payment

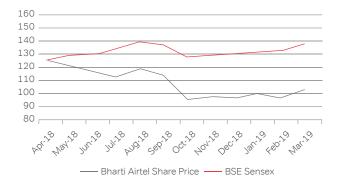
Name and address of the Stock Exchange	Scrip code	Status of fee paid for FY 2019-20
National Stock Exchange of India Limited	BAL20	
Exchange Plaza, C-1 Block G		Paid
Bandra Kurla Complex, Bandra, Mumbai – 400001	BAL21	

Stock Market Data for the Period April 1, 2018 to March 31, 2019

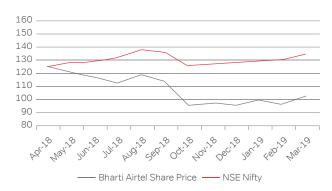
Month —		BSE			NSE	
Month	High	Low	Volume (Nos.)	High	Low	Volume (Nos.)
April 2018	427.00	374.60	78,16,531	427.40	374.15	14,85,77,916
May 2018	418.25	352.10	55,73,604	418.35	351.60	16,37,89,288
June 2018	394.00	357.60	61,34,215	393.40	357.55	8,91,14,119
July 2018	392.05	331.20	1,34,12,600	392.55	331.00	9,90,79,536
August 2018	398.55	362.80	63,81,411	399.00	363.00	9,43,08,722
September 2018	397.50	335.45	57,84,960	397.50	335.15	8,28,10,442
October 2018	340.20	277.00	3,43,14,349	340.00	276.85	15,27,71,509
November 2018	339.75	287.55	77,66,319	339.80	287.35	14,27,60,411
December 2018	340.00	282.25	83,05,963	333.40	282.00	13,77,43,112
January 2019	345.00	294.80	1,99,19,935	345.25	294.50	14,74,29,254
February 2019	326.85	293.30	43,97,991	326.95	292.85	10,43,14,883
March 2019	356.40	302.60	95,50,753	356.55	302.10	17,88,29,607

Source: <u>www.bseindia.com</u> Source: <u>www.nseindia.com</u>

Bharti Airtel Share Prices vs. BSE Sensex



Bharti Airtel Share Price Vs. NSE Nifty



Registrar and Transfer Agent

All the work related to share registry, both in physical and electronic form, is handled by the Company's Registrar and Transfer Agent at the address mentioned in the communication addresses section.

Share Transfer System

As much as 99.86% of the Company's equity shares are in electronic format. These shares can be transferred through the depositories without the Company's involvement.

Transfer of shares in physical form is processed within 15 days from the date of receipt, provided the documents are complete in all respects. All transfers are first processed by the Transfer Agent and are submitted thereafter to the Company, for approval. The Transfer Agent has been authorised to transfer minor shareholding up to 50 shares per instrument without the Company's involvement.

Pursuant to Regulation 40(9) of the Listing Regulations, the Company obtain certificates from a practicing Company Secretary on a half-yearly basis to the effect that all the transfers are completed within the statutory stipulated period. A copy of the certificates so received is submitted to both Stock Exchanges, where the shares of the Company are listed.

Distribution of Shareholding

By number of shares held as on March 31, 2019

SI. no.	Category (by no. of shares)	No. of shareholders	% to holders	No. of shares	% of shares
1	1 - 5000	182141	97.80	14614000	0.37
2	5001 - 10000	1744	0.94	2617803	0.07
3	10001 - 20000	866	0.46	2511448	0.06
4	20001 - 30000	297	0.16	1459783	0.04
5	30001 - 40000	148	0.08	1040477	0.03
6	40001 - 50000	109	0.06	1006125	0.03
7	50001 - 100000	207	0.11	2938047	0.07
8	100001 – above	726	0.39	3971212424	99.34
TOTA	\L	186238	100	3,997,400,107	100%

By category of holders as on March 31, 2019

S.	Category	No. of shares	% age of holding
no.			
I	Promoter and Promoter Group		
(i)	Indian	2,002,818,452	50.10
(ii)	Foreign	680,963,103	17.04
Tota	I Promoters shareholding	2,683,781,555	67.14
П	Public Shareholding		
(A)	Institutional Investors		
(i)	Mutual Funds and Unit Trust of India	264,178,731	6.60
(ii)	Financial institutions and Banks	3,108,671	0.08
(iii)	Insurance companies	227,466,498	5.70
(iv)	Foreign Institutional Investors	1,262,459	0.03
(v)	Others - Foreign Portfolio Investors	736,191,176	18.42
(B)	Others		
(i)	Bodies Corporate (Indian)	24,101,595	0.60
(ii)	Bodies Corporate (Foreign)	2,532,710	0.06
(iii)	Trusts	8,717,006	0.22
(iv)	NRIs / OCBs / Foreign Nationals / QFI	2,315,817	0.06
(v)	Resident Individuals	36,868,027	0.92
(vi)	Indian Public & Others	6,875,862	0.17
Tota	I Public Shareholding	1,313,618,552	32.67
Tota	I Shareholding	3,997,400,107	100

Dematerialisation of Shares and Liquidity

The Company's shares are compulsorily traded in dematerialised form and are available for trading with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The shareholders can hold the Company's shares with any of the depository participants, registered with these depositories. ISIN for the Company's shares is INE397D01024.

The Company's equity shares are frequently traded at the BSE Limited and the National Stock Exchange of India Limited.

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

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

Disclosure of commodity price risks and commodity hedging activities

The Company follows prudent Board approved risk management policies. A detailed note on commodity price risks and commodity hedging activities is given in Management Discussion and Analysis forming part of Annual Report.

Plant Locations

Being a service provider company, Bharti Airtel has no plant locations. The Company's Circle Office addresses are provided at the end of the Annual Report.

Communication Addresses

	Contact	Email	Address
For Corporate Governance and Other Secretarial related matters	Mr. Rohit Krishan Puri Dy. Company Secretary & Compliance Officer	compliance.officer@bharti.in	Bharti Airtel Limited Bharti Crescent, 1, Nelson Mandela Road,
For queries relating to Financial Statements	Ms. Komal Sharan Head - Investor Relations	ir@bharti.in	 Vasant Kunj, Phase – II, New Delhi – 110 070 Telephone no. +91 11 46666100 Fax no. +91 11 46666137
For Corporate Communication related matters	Mr. Raza Khan Head - Corporate Communications	<u>corporate.</u> communications@bharti.in	Website: <u>www.airtel.com</u>
Registrar & Transfer Agent	Karvy Fintech Pvt. Ltd.	einward.ris@karvy.com	Karvy Selenium Tower B, Plot number 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032 Ph No. 040-67162222 Fax No. 040-23001153 Website: <u>www.karvy.com</u>
Debentures Trustee	Chief Financial Officer Axis Trustee Services Limited	<u>debenturetrustee@</u> axistrustee.com	Ground Floor, Axis House Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai – 400 025 Telephone No. 022 6226 0050/54 Fax No. 022-43253000

Annexure A

Declaration

I hereby confirm that the Company has received from all the members of the Board and Senior Management, for the financial year ended March 31, 2019, a confirmation that they are in compliance with the Company's Code of Conduct.

For Bharti Airtel Limited

Date: May 06, 2019 Place: New Delhi **Gopal Vittal** Managing Director & CEO (India & South Asia)

Annexure B

Chief Executive Officer (CEO) / Chief Financial Officer (CFO) certification

We, Gopal Vittal, Managing Director & CEO (India & South Asia) and Badal Bagri, CFO (India and South Asia) of Bharti Airtel Limited, to the best of our knowledge and belief hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2019 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: New Delhi Date: May 06, 2019 **Badal Bagri** CFO (India and South Asia) **Gopal Vittal** Managing Director & CEO (India & South Asia)

Annexure-C

CERTIFICATE UNDER SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,

The Members of **M/s Bharti Airtel Limited**

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

Based on the disclosures/declarations received from Directors appointed on the Board of Bharti Airtel Limited ("Company") as on March 31, 2019, we hereby certify that as on March 31, 2019, none of the Directors on the Board of Company have been debarred or disqualified from being appointed or continuing as director of the Company by Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

For Chandrasekaran Associates

Company Secretaries

Dr. S. Chandrasekaran Senior Partner

Date: May 06, 2019 Place: New Delhi

Membership No. FCS No. 1644 Certificate of Practice No. 715

Standalone Financial Statements

Independent Auditor's Report

ТО

THE MEMBERS OF BHARTI AIRTEL LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Bharti Airtel Limited** ("the Company"), which comprise the Standalone Balance Sheet as at March 31 2019, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended,("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31 2019, and its loss, total comprehensive loss, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Emphasis of Matter

We draw attention to Note 23(I)(f)(vi) of the Standalone Financial Statements, which describes the uncertainties related to the legal outcome of Department of Telecommunications demand with respect to one-time spectrum charges.

Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Key audit matter	Audit Procedures to address Key Audit Matter
Recoverability of deferred tax assets (DTA) recognized on tax loss carry-forwards and Minimum Alternate Tax (MAT) credit DTA on tax loss carry forwards and MAT credit recognised as at March 31, 2019 amounts to ₹ 126,085 million. Significant judgement is required in assessing the recoverability of DTA on tax loss carry forwards and MAT credit. Recoverability of DTA on tax loss and MAT credit is sensitive to the assumptions used by management in projecting the ten year business plan and tax plan and to expiry of losses and restriction on utilization of MAT credit after the period specified in the Income-tax Act, 1961. Refer note 2.12 "Taxes" for accounting policies, note 3.1.b in "Critical accounting estimates and assumptions" related to taxes and note 12 "Income taxes" for disclosures related to taxes in the standalone financial statements.	We evaluated the design and tested the operating effectiveness of internal controls related to the assessment of recoverability of DTA on carry forward tax losses and MAT credit. We benchmarked and challenged the key business assumptions like revenue growth rates, amount of future capital expenditure and EBIDTA margins in the ten year business plans against historical data and trends and with market data and external sources, where available, to assess their reasonableness.
	We verified the tax computation for the ten year forecast period and considered whether the tax losses and MAT credit would expire in accordance with the provisions of Income tax Act, 1961. We also performed sensitivity assessment to evaluate whether it is probable that the tax losses and MAT credit would expire within the period specified in the provisions of Income tax Act, 1961 and tested the mathematical accuracy of the business plans and tax computation for the forecast period. We verified that recognition of DTA is consistent with company's accounting guidelines for recognition of deferred tax on tax loss carry forward and MAT credit. We verified the appropriateness of accounting policies, critical accounting estimates and assumptions and disclosures related to Income tax in notes 2.12, 3.1.b and 12 respectively in the standalone financial statements.
Evaluation of impairment assessment for investments in subsidiaries	We evaluated the design and tested the operating effectiveness of internal controls related to evaluation of impairment
Investments in subsidiaries as at March 31, 2019 amounts to ₹ 357,533 million.	assessment of investment in Bharti Infratel Limited. We evaluated the management's valuation method used and
The management assessed that there are impairment indicators in respect of its investment in Bharti Infratel limited (BIL). Accordingly, the management estimated the recoverable value of its investment in BIL, the carrying value of which as at March 31, 2019 is ₹ 227,516 million.	the accuracy of the inputs used in the model to determine the recoverable value. We challenged the inputs used to assess their reasonableness, tested the sensitivity of the recoverable value to the change in the inputs used and tested the arithmetical accuracy of the model.
The evaluation of the recoverable amount involves determination of the most appropriate valuation method and the inputs used in the valuation model.	We verified the appropriateness of the accounting policies and disclosures related to Investments in notes 2.10(a) and 8 respectively in the standalone financial statements.
Refer note 2.10(a) for policy on "Recognition, classification and presentation" of financial instruments and note 8 "Investments" for disclosures related to details of Investments in the standalone financial statements.	

Key audit matter	Audit Procedures to address Key Audit Matter
Evaluation of uncertain positions related to tax and regulatory matters The Company has material uncertain positions related to regulatory matters and direct and indirect tax matters under dispute that involves significant judgment to determine the possible outcome of these disputes, provisions required, if any,	We evaluated the design and tested the operating effectiveness of internal controls related to the assessment of the likely outcome of uncertain positions related to the regulatory and tax matters, the provision made, if any, and/or write back of the provision. We discussed significant open matters and developments with
and/or write back of provision in respect of such matters. Refer Note 2.18 "Contingencies" for accounting policies, Note 20 "Provisions" for disclosure related to provisions for subjudice matters and Note 23(I) in respect of details of Contingent liabilities in the standalone financial statements.	the Company's regulatory and tax team. We involved our internal tax experts to understand and evaluate the status of tax matters, review legal precedence and external expert opinions, if any, obtained by the management to evaluate whether the tax and regulatory position is appropriate and has taken into account recent developments, if any.
	We challenged management's underlying assumptions in estimating tax and regulatory provisions and/or write back of provisions and assessed management evaluations and conclusions by understanding precedence, if any, set in similar matters and performed substantive procedures on the underlying calculation supporting the provisions required and/or write back of provisions.
	We verified the appropriateness of the accounting policies, disclosures related to provisions for subjudice matters and details of contingent liabilities in notes 2.18, 20 and 23(I) respectively in the standalone financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Management Discussion and Analysis, Board's Report including Annexures to the Board's Report, Business Responsibility Report, Corporate Governance and Integrated Report, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to

modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

• Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 1. As required by Section 143(3) of the Act, based on our audit we report that:
 - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other

Comprehensive Income, the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.

- d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to explanation given to us, the remuneration paid / accrued by the Company to its Chairman and Managing Director & CEO (India and South Asia) for the year ended March 31, 2019 is in excess by ₹ 300.66 Million vis-à-vis the limits specified in section 197 of Companies Act, 2013 ('the Act') read with Schedule V thereto as the Company does not have profits. The Company has represented to us that it is in the process of complying with the prescribed statutory requirements to regularize such excess payments, including seeking approval of shareholders, as necessary.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements
 - The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants (Firm's Registration No. 117366W/W-100018)

Shyamak R Tata

Place: New Delhi Date: May 06, 2019 Partner (Membership No. 38320)

Annexure "A" to the **Independent Auditor's Report**

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Bharti Airtel Limited of even date)

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

We have audited the internal financial controls over financial reporting of **Bharti Airtel Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls

system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the criteria for internal financial control over financial reporting established by the Company considering the essential

components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For DELOITTE HASKINS & SELLS LLP

Shyamak R Tata

Partner

Chartered Accountants (Firm's Registration No. 117366W/W-100018)

Place: New Delhi Date: May 06, 2019 (Membership No. 38320)

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Annexure "B" to the **Independent Auditor's Report**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Bharti Airtel Limited of even date)

i. In respect of Company's fixed assets:

- a) The Company has maintained proper records showing full particulars with respect to most of its fixed assets, and is in the process of updating quantitative and situation details with respect to certain fixed assets in the records maintained by the Company
- b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us, the records examined by us and based on examination of property tax receipts, utility bills, lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed or court orders approving schemes of arrangements / amalgamations provided to us, we report that, the title in respect of self-constructed buildings and the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

In respect of immovable properties that have been taken on lease and disclosed as property, plant and equipment in the financial statements, based on our examination of the lease agreements or court orders approving the schemes of arrangement or amalgamations, we report that the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

- ii. As explained to us, the inventories, except for those lying with the third parties, were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- According to information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other

parties covered in the register maintained under section 189 of the Companies Act, 2013.

- iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of Section 185 and 186 of the Companies Act, 2013 are applicable.
- According to the information and explanations given to us, the Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable.
- vi. The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company is regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Customs Duty, cess and other material statutory dues applicable to it to the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Incometax, Goods and Services Tax, Customs Duty, cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.
 - (c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax and Goods and Service Tax which have not been deposited as on March 31, 2019 on account of disputes are given below:

Name of the Statutes	Nature of the Dues	Amount Disputed (in ₹ Million)	Period to Which the amount Relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	128	1999-05, 2002-08	Supreme Court
Income Tax Act, 1961	Income Tax	10,519	1996-08, 2001-10	High Court
Income Tax Act, 1961	Income Tax	25,816	1995-13, 2003-15	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	604	1999-00, 2004-18	Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	638	2000-06, 1996-14	Assessing Officer
Sub Total (A)		37,705		
Andhra Pradesh VAT Act, 2005	Sales Tax	87	2004-13	Tribunal
Andhra Pradesh VAT Act, 2005	Sales Tax	33	2013-15	Deputy Commissioner (Appeals)
Andhra Pradesh VAT Act, 2005	Sales Tax	39	2015-18	Assistant Commissioner
Bihar VAT Act, 2005	Sales Tax	0*	2015-16	Assistant Commissioner
Bihar VAT Act, 2005	Sales Tax	2	2006-07	Commercial Tax Officer
Bihar VAT Act, 2005	Sales Tax	1	2016-17	Deputy Commissioner
Bihar VAT Act, 2005	Sales Tax	22	2015-17	Joint Commissioner (Appeal)
Bihar VAT Act, 2005	Sales Tax	139	2005-15	Tribunal
Chhattisgarh VAT Act, 2003	Sales Tax	0*	2006-07	Assistant Commissioner
Delhi VAT Act, 2004	Sales Tax	0*	2012-13	Add. Commissioner
Delhi VAT Act, 2004	Sales Tax	6	2011-14	Add. Commissioner
The Gujarat VAT Act, 2003	Sales Tax	1	2005-07	Assistant/Deputy Commissioner
The Karnataka VAT Act, 2003	Sales Tax	291	2005-06	Supreme Court
The Karnataka VAT Act, 2003	Sales Tax	0*	2012-13	Deputy Commissioner
The Karnataka VAT Act, 2003	Sales Tax	2	2016-17	Karnataka Appellate Tribunal
The Kerala VAT Act, 2003	Sales Tax	1	2005-17	Commercial Tax Officer
The Kerala VAT Act, 2003	Sales Tax	0*	2016-17	Intelligence Officer Ernakulam
Kerala Sales Tax Act	Sales Tax	16	2005-10	Deputy Commissioner, Appeal
Kerala Sales Tax Act	Sales Tax	0*	2008-10	Intelligence Officer Squad
Kerala Sales Tax Act	Sales Tax	1	2002-05	Tribunal
The Kerala VAT Act, 2003	Sales Tax	71	2006-07	High Court of Kerala
The Kerala VAT Act, 2003	Sales Tax	44	2007-12	Asst. Commissioner, Spl Circle III, Ernakulam
The Kerala VAT Act, 2003	Sales Tax	O*	2015-16	Intelligence Inspector, Squad No. I, Tellichery
The Kerala VAT Act, 2003	Sales Tax	O*	2015-16	Intelligence Inspector, Squad No. 3, Ernakulam
The Madhya Pradesh VAT Act, 2002	Sales Tax	7	2008-13	Tribunal
The Madhya Pradesh VAT Act, 2002	Sales Tax	0*	2000-10	Commercial Tax Officer
The Madhya Pradesh VAT Act, 2002	Sales Tax	1	2008-10	Deputy Commissioner
The Madhya Pradesh VAT Act, 2002	Sales Tax	22	1997-04	Deputy Commissioner, Appeal
The Maharashtra VAT Act, 2002	Sales Tax	0*	2003-04	Joint Commissioner, Appeal
Punjab VAT Act, 2005	Sales Tax	1	2009-17	Deputy Commissioner (Appeal)
Punjab VAT Act, 2005	Sales Tax	30	2003-04	High Court
Punjab VAT Act, 2005	Sales Tax	1	2003-04	Tribunal
Rajasthan VAT Act	Sales Tax	2	2002-03	Commercial Tax Officer
Rajasthan VAT Act	Sales Tax	0*	2015-16	Assistant Commissioner
The TN VAT Act	Sales Tax	0*	2010-11	Deputy Commercial tax Officer
	Jaics lax	0	2010-11	Deputy Commercial tax Officer

Name of the Statutes	Nature of the Dues	Amount Disputed (in ₹ Million)	Period to Which the amount Relates	Forum where the dispute is pending
The UP VAT Act	Sales Tax	11	2005-13	Assessing officer
The UP VAT Act	Sales Tax	1	2002-19	Assistant Commissioner
The UP VAT Act	Sales Tax	1	2009-10	Joint Commissioner
The UP VAT Act	Sales Tax	6	2008-10	High court
The UP VAT Act	Sales Tax	3	2003-08	Joint Commissioner, Appeal
The UP VAT Act	Sales Tax	9	2005-10	Tribunal
The UP VAT Act	Sales Tax	1	2015-16	Commissioner (Appeals)
The UP VAT Act	Sales Tax	26	2003-17	Deputy Commissioner
The West Bengal VAT Act, 2003	Sales Tax	0*	1996-97	The Deputy Commissoner of Commercial Taxes
The West Bengal VAT Act, 2003	Sales Tax	0*	1995-98	Commercial Tax Officer
The West Bengal VAT Act, 2003	Sales Tax	9	2005-06	Commissioner
The West Bengal VAT Act, 2003	Sales Tax	3	1997-12	Tribunal
Sub Total (B)		890		
Finance Act, 1994 (Service tax provisions)	Service Tax	278	1995-08	Supreme Court
Finance Act, 1994 (Service tax provisions)	Service Tax	51	2002-07	High court
Finance Act, 1994 (Service tax provisions)	Service Tax	6,083	1995-16	Tribunal
Finance Act, 1994 (Service tax	Service Tax	821	1999-13	Commissioner/Deputy
provisions) Finance Act, 1994 (Service tax provisions)	Service Tax	1	2003-04	Commissioner of Service Tax Deputy Commissioner
Sub Total (C)		7,234		
Goods and Services Tax Act, 2017	UPGST	14	2017-19	Assistant Commissioner
Sub Total (D)		14		
Custom Act, 1962	Custom Act	4,128	2001-05	Supreme Court
Custom Act, 1962	Custom Act	755	2003-15	Tribunal
Sub Total (E)		4,883		
Grand Total (A+B+C+D+E):		50,728		

The above mentioned figures represent the total disputed cases without any assessment of Probable, Possible and Remote, as done in case of Contingent Liabilities. Of the above cases, total amount deposited in respect of Sales Tax is 341 Mn, Service Tax is 497 Mn, Goods & Services Tax Act, 2017 is 0* Mn, Custom Duty is 2,142 Mn and Income Tax is 16,774 Mn. * Amount less than million are appearing as '0'.

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.
- ix. During the current year, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and to the best of our information and according to explanation given to us, the remuneration paid / accrued by the Company to its Chairman and Managing Director & CEO (India and South Asia) for the year ended March 31, 2019 is in excess by ₹ 300.66 Million vis-à-vis the limits specified in section 197 of Companies Act, 2013 ('the Act') read with Schedule V thereto as the Company does

not have profits. The Company has represented to us that it is in the process of complying with the prescribed statutory requirements to regularize such excess payments, including seeking approval of shareholders, as necessary.

- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants (Firm's Registration No. 117366W/W-100018)

Shyamak R Tata

Place: New Delhi Date: May 06, 2019 Partner (Membership No. 38320)

Standalone Balance Sheet

As at 31st March 2019

		(All amounts are in	millions of Indian Rupee)
	Notes	As of March 31, 2019	As of March 31, 2018
Assets			
Non-current assets			
Property, plant and equipment	6	565,455	476,911
Capital work-in-progress	6	52,970	27,387
Intangible assets	7	751.885	749.183
Intangible assets under development	7	2,703	28,040
Investment in subsidiaries, associates and joint ventures	8	368,009	481,219
Financial assets			
- Investments	8	63	63
- Derivative instruments	9	4	80
- Loans and security deposits	10	151,032	66,947
- Others	11	70	260
Income tax assets (net)		10,059	19,595
Deferred tax assets (net)	12	51,512	14,244
Other non-current assets	13	67,887	27,142
		2,021,649	1,891,071
Current assets			
Inventories		10	63
Financial assets			
- Investments	8	16,696	-
- Derivative instruments	9	68	195
- Trade receivables	14	38,490	43,196
- Cash and cash equivalents	15	1,876	4,626
- Other bank balances	15	320	825
- Loans	10	21,244	15,839
- Others	11	12,671	11,837
Other current assets	13	113,831 205,206	81,721 158,302
Total assets		2,226,855	2,049,373
Equity and liabilities		2,220,000	2,0+3,373
Equity			
Share capital	16	19,987	19,987
Other equity	10	963,606	1,008,622
Other equity		983,593	1,028,609
Non-current liabilities			_,=_,=_
Financial liabilities			
- Borrowings	18	586,494	544,681
- Derivative instruments	9	320	124
- Others	19	32,920	19,354
Deferred revenue		16,970	18,371
Provisions	20	1,927	1,830
		638,631	584,360
Current liabilities		· · · · · · · · · · · · · · · · · · ·	
Financial liabilities			
- Borrowings	18	229,183	80,680
 Current maturities of long-term borrowings 	18	22,222	28,797
- Derivative instruments	9	1,455	228
- Trade payables	22		
 total outstanding dues of micro enterprises and small enterprises total outstanding dues of creditors other than micro enterprises and small 		31 191,657	16 176,974
enterprises			
- Others	19	107,950	92,529
Deferred revenue		26,802	30,242
Provisions	20	1,088	1,262
Current tax liabilities (net)		2,248	2,447
Other current liabilities	21	21,995	23,229
		604,631	436,404
Total liabilities Total equity and liabilities		1,243,262 2,226,855	1,020,764 2,049,373

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

As per our report of even date

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

For Deloitte Haskins & Sells LLP

Chartered Accountants (Firm's Registration No: 117366W / W-100018)

Shyamak R Tata

Partner Membership No: 38320

Place: New Delhi Date: May 6, 2019 Sunil Bharti Mittal Chairman DIN: 00042491

Badal Bagri

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

Chief Financial Officer

Pankaj Tewari **Company Secretary**

Standalone Statement of Profit and Loss

for the year ended 31st March 2019

(AII	amounts are in i	millions of Indian Rupee;	except per share data)
	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
Income			
Revenue from operations	24	496,080	536,630
Other income		2,507	2,356
		498,587	538,986
Expenses			
Network operating expenses	25	161,247	139,512
Access charges		81,739	78,944
License fee / spectrum charges		49,465	55,630
Employee benefits expense	26	14,710	17,209
Sales and marketing expenses	27	25,619	30,519
Other expenses	28	38,394	36,171
		371,174	357,985
Profit from operating activities before depreciation, amortisati	on	127,413	181,001
and exceptional items			
Depreciation and amortisation	29	150,876	130,486
Finance costs	30	78,437	59,107
Finance income	30	(23,704)	(8,417)
Non-operating expenses		1,890	596
Loss before exceptional items and tax		(80,086)	(771)
Exceptional items (net)	31	(28,049)	6,041
Loss before tax		(52,037)	(6,812)
Tax expense / (credit)			
Current tax	12	15	(2,204)
Deferred tax	12	(33,762)	(5,400)
(Loss) / profit for the year		(18,290)	792
Other comprehensive income			
Items not to be reclassified to profit or loss:			
- Re-measurement gains on defined benefit plans	26	148	87
- Tax charge	12	(52)	(30)
Other comprehensive income for the year		96	57
Total comprehensive (loss) / income for the year		(18,194)	849
Earnings per share (Face value: ₹ 5/- each)			
Basic and diluted (loss) / earnings per share	32	(4.58)	0.20

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

As per our report of even date

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

For Deloitte Haskins & Sells LLP Chartered Accountants (Firm's Registration No: 117366W / W-100018)

Shyamak R Tata Partner Membership No: 38320

Place: New Delhi Date: May 6, 2019 Sunil Bharti Mittal Chairman DIN: 00042491

Badal Bagri Chief Financial Officer Gopal Vittal Managing Director & CEO (India and South Asia) DIN: 02291778

Pankaj Tewari Company Secretary

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	Share capital	pital				(All a Other equity - Reserves and Surplus	(All erves and Surplu	(All amounts are in millions of Indian Rupee; unless stated otherwise) plus	llions of Indian	Rupee; unless st	ated otherwise)
	No of shares (in '000)	Amount	Securities premium	Retained earnings	General reserve	Business restructuring reserve	Debenture redemption reserve	Share-based payment reserve	Capital reserve	Total	Total equity
As of April 1, 2017	3,997,400	19,987	107,180	829,278	26,585	16,313	1	3,979	8,751	992,086	1,012,073
Profit for the year				792		'	'	'		792	792
Other comprehensive income		'	'	57	·				'	57	57
Total comprehensive income		1	1	849	1	•	•	1	•	849	849
Transaction with owners of equity											
Employee share-based payment expense		ı		ı	·			337	ı	337	337
Exercise of share options					3,510			(3,646)		(136)	(136)
Creation of debenture redemption reserve		'	'	'	(7,500)		7,500		'	'	
Dividend (including tax)				(15, 350)						(15,350)	(15,350)
Common control transactions			,	30,836						30,836	30,836
As of March 31, 2018	3,997,400	19,987	107,180	845,613	22,595	16,313	7,500	670	8,751	1,008,622	1,028,609
Loss for the year	'	1	, ,	(18,290)	1		1		'	(18,290)	(18,290)
Other comprehensive income			,	96						96	96
Total comprehensive loss	•	•	•	(18,194)	1	•	•	•	1	(18,194)	(18,194)
Transaction with owners of equity											
Issue of equity shares (Note 5 (iii))	0	0	0							0	0
Employee share-based payment expense	,	·	,	·	ı			333	'	333	333
Exercise of share options			,		16			(347)		(331)	(331)
Dividend (including tax)	,	,	,	(19,988)	ı				'	(19,988)	(19,988)
Business combination (Note 5 (iii))		'	,	'	,				5,315	5,315	5,315
Common control transactions (Note 5 (ii), (vi)		I		(12, 151)	I				ı	(12, 151)	(12,151)
A vity As of March 31, 2019	3,997,400	19,987	107,180	795,280	22,611	16,313	7,500	656	14,066	963,606	983,593
The accompanying notes form an integral part of these standalone financial statements.	ral part of these	standalone	financial stat	ements.							
As per our report of even date				For and	on behalf o	For and on behalf of the Board of Directors of Bharti Airtel Limited	irectors of Bh	arti Airtel Limit	ted		
For Deloitte Haskins & Sells LLP Chartered Accountants (Firm's Registration No: 117366W / W-100018)	N-100018)										

Managing Director & CEO (India and South Asia)

Gopal Vittal

Sunil Bharti Mittal Chairman DIN: 00042491

Membership No: 38320

Shyamak R Tata

Partner

Date: May 6, 2019

Place: New Delhi

DIN: 02291778

Company Secretary

Chief Financial Officer

Badal Bagri

Pankaj Tewari

Bharti Airtel Limited

Integrated Report and Annual Financial Statements 2018-19

Standalone Statement of Cash Flows

	(All amounts are in m	illions of Indian Rupee)
	For the year ended March 31, 2019	For the year ended March 31, 2018
Cook flows from exercting activities	March 31, 2019	March 31, 2010
Cash flows from operating activities Loss before tax	(52,037)	(6,812)
Adjustments for:	(52,037)	(0,012)
Depreciation and amortisation	150,876	130,486
Finance costs	78,437	59,107
Finance income	(23,704)	(8,417)
Exceptional items	(29,915)	5,688
Loss on sale of property, plant and equipment	(29,910)	291
Employee share-based payment expenses	314	337
Other non-cash items	9,292	8,060
Operating cash flow before changes in working capital	133,558	188,740
Changes in working capital	100,000	100,740
Trade receivables	(6,448)	(19,814)
Trade payables	24,288	14,546
Inventories	305	(24)
Provisions	12	(21)
Other financial and non-financial liabilities	(16,479)	8,413
Other financial and non-financial assets	(42,350)	(29,819)
Net cash generated from operations before tax	92,886	161,947
Income tax refund/(paid) - Net	9,482	(2,404)
Net cash generated from operating activities (a)	102,368	159,543
Cash flows from investing activities		
Purchase of property, plant and equipment	(186,112)	(193,180)
Proceeds from sale of property, plant and equipment	276	4,886
Purchase of intangible assets*	(14,402)	(6,547)
Payment towards spectrum - deferred payment liability*	(11,720)	(9,909)
(Purchase) / sale of current investments (net)	(16,220)	35
Proceeds from sale of investment of subsidiaries	103,135	65,933
Investment in subsidiaries	(2,382)	(41,814)
Consideration / advance for acquisitions, net of cash acquired	(6,342)	-
Loan given to subsidiaries	(124,791)	(72,135)
Loan repayment by subsidiaries	36,105	71,512
Dividend received	20,014	4,200
Interest received	3,151	4,911
Net cash used in investing activities (b)	(199,288)	(172,108)

Standalone Statement of Cash Flows

	(All amounts are in mi	llions of Indian Rupee)
	For the year ended March 31, 2019	For the year ended March 31, 2018
Cash flows from financing activities		
Proceeds from borrowings	215,031	149,422
Repayment of borrowings	(146,572)	(57,313)
Net proceeds / (repayment) of short-term borrowings	97,848	(33,794)
Interest and other finance charges paid	(52,307)	(26,599)
Proceeds from exercise of share options	4	3
Dividend paid (including tax)	(19,988)	(15,350)
Net cash generated from financing activities (c)	94,016	16,369
Net (decrease) / increase in cash and cash equivalents during the year (a+b+c)	(2,904)	3,804
Add : Cash and cash equivalents as at the beginning of the year	4,626	822
Cash and cash equivalents as at the end of the period (refer Note 15)	1,722	4,626

*Cash flows towards spectrum acquisitions are based on the timing of payouts to DoT (viz. upfront / deferred)

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

As per our report of even date

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

For Deloitte Haskins & Sells LLP Chartered Accountants (Firm's Registration No: 117366W / W-100018)

Shyamak R Tata Partner Membership No: 38320

Place: New Delhi Date: May 6, 2019 Sunil Bharti Mittal Chairman DIN: 00042491

Chief Financial Officer

Badal Bagri

Gopal Vittal

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

Pankaj Tewari Company Secretary

(All amounts are in millions of Indian Rupee; unless stated otherwise)

1. Corporate information

Bharti Airtel Limited ('the Company') is domiciled and incorporated in India as a limited liability company with its shares being listed on the National Stock Exchange and the Bombay Stock Exchange. The registered office of the Company is situated at Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase – II, New Delhi – 110070.

The Company is principally engaged in provision of telecommunication services in India. The details as to the services provided by the Company are further provided in note 33. For details as to the group entities, refer note 34.

2. Summary of significant accounting policies

2.1 Basis of preparation

These standalone financial statements ('financial statements') have been prepared to comply in all material respects with the Indian Accounting Standard ('Ind AS') as notified by the Ministry of Corporate Affairs ('MCA') under section 133 of the Companies Act, 2013 ('Act'), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act.

The financial statements are approved for issue by the Company's Board of Directors on May 6, 2019.

The financial statements are based on the classification provisions contained in Ind AS 1, 'Presentation of Financial statements' and division II of schedule III of the Companies Act 2013. Further, for the purpose of clarity, various items are aggregated in the statement of profit and loss and balance sheet. Nonetheless, these items are dis-aggregated separately in the notes to the financial statements, where applicable or required.

All the amounts included in the financial statements are reported in millions of Indian Rupee ('Rupee' or ' $\overline{\epsilon}$ ') and are rounded to the nearest million, except per share data and unless stated otherwise. Further, amounts which are less than a million are appearing as '0'.

The preparation of the said financial statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Company's accounting policies. The areas where estimates are significant to the financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in note 3.

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, by the Company, to all the periods presented in the said financial statements, except in case of adoption of any new standards during the year.

2.2 Basis of measurement

The financial statements have been prepared on the accrual and going concern basis, and the historical cost convention except where the Ind AS requires a different accounting treatment. The principal variations from the historical cost convention relate to financial instruments classified as fair value through profit or loss and liability for cash-settled awards (refer note 2.16) - which are measured at fair value.

Fair value measurement

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

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

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

- Level 1: Quoted (unadjusted) prices for identical assets or liabilities in active markets
- Level 2: Significant inputs to the fair value measurement are directly or indirectly observable
- Level 3: Significant inputs to the fair value measurement are unobservable

2.3 Business combinations

The Company accounts for business combinations using the acquisition method of accounting, and accordingly, the identifiable assets acquired and the liabilities assumed in the business are recorded at their acquisition date fair values (except certain assets and liabilities which are required to be measured as per the applicable standard). The consideration transferred for the acquisition of a business is aggregation of the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Company in exchange for control of the business.

The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Any contingent consideration

(All amounts are in millions of Indian Rupee; unless stated otherwise)

transferred is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is subsequently measured at fair value with changes in fair value recognised in statements of profit or loss. Contingent consideration that is classified as equity is not re-measured and its subsequent settlement is accounted for within equity.

Acquisition-related costs are expensed in the period in which the costs are incurred.

If the initial accounting for a business combination is incomplete as at the reporting date in which the combination occurs, the identifiable assets and liabilities acquired in a business combination are measured at their provisional fair values at the date of acquisition. Subsequently adjustments to the provisional values are made within the measurement period, if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date; otherwise the adjustments are recorded in the period in which they occur.

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets', or amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with Ind AS 115 "Revenue from Contracts with Customers".

2.4 Common control transactions

Business combinations arising from transfers of interest / business in entities that are under the common control, are accounted at historical cost. The difference, between any consideration paid / received and the aggregate historical carrying amounts of underlying assets and liabilities acquired / disposed (other than impairment, if any), is recorded in retained earnings, a component of equity.

2.5 Foreign currency transactions

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

Transactions in foreign currencies are initially recorded in the relevant functional currency at the rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date with the resulting foreign exchange differences, on subsequent re-statement / settlement, recognised in the statement of profit and loss within finance costs / finance income. Non-monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rate prevalent, at the date of initial recognition (in case they are measured at historical cost) or at the date when the fair value is determined (in case they are measured at fair value) – the resulting foreign exchange difference, on subsequent re-statement / settlement, recognised in the statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity.

The equity items denominated in foreign currencies are translated at historical cost.

2.6 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

Deferred tax assets and liabilities, and all other assets and liabilities which are not current (as discussed in the below paragraphs) are classified as non-current assets and liabilities.

An asset is classified as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Separated embedded derivatives are classified basis the host contract.

2.7 Property, plant and equipment ('PPE')

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), assets retirement obligations (refer note 2.17 (b)) and any directly attributable cost of bringing the asset to its working condition and location for its intended use.

Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and any impairment losses. When significant parts of PPE are required to be replaced at regular intervals, the Company recognises such parts as separate component of assets. When an item of PPE is replaced, then its carrying amount is de-recognised

(All amounts are in millions of Indian Rupee; unless stated otherwise)

from the balance sheet and cost of the new item of PPE is recognised. Further, in case the replaced part was not being depreciated separately, the cost of the replacement is used as an indication to determine the cost of the replaced part at the time it was acquired.

The expenditures that are incurred after the item of PPE has been put to use, such as repairs and maintenance, are normally charged to the statement of profit and loss in the period in which such costs are incurred. However, in situations where the said expenditure can be measured reliably, and is probable that future economic benefits associated with it will flow to the Company, it is included in the asset's carrying value or as a separate asset, as appropriate.

Depreciation on PPE is computed using the straight-line method over the estimated useful lives. Freehold land is not depreciated as it has an unlimited useful life. The Company has established the estimated range of useful lives for different categories of PPE as follows:

Categories	Years
Leasehold land	Period of lease
Building	20
Building on leased land	20
Leasehold improvements	Period of lease or 10
	years, whichever is less
Plant and equipment	
- Network equipment	3 - 25
(including passive	
infrastructure)	
- Customer premise	3 - 5
equipment	
Computers / servers	3 – 5
Furniture & fixtures and office	2 - 5
equipments	
Vehicles	3 – 5

The useful lives, residual values and depreciation method of PPE are reviewed, and adjusted appropriately, at-least as at each financial year end so as to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets. The effect of any change in the estimated useful lives, residual values and / or depreciation method are accounted prospectively, and accordingly the depreciation is calculated over the PPE's remaining revised useful life. The cost and the accumulated depreciation for PPE sold, scrapped, retired or otherwise disposed off are de-recognised from the balance sheet and the resulting gains / losses are included in the statement of profit and loss within other expenses / other income.

The management basis its past experience and technical assessment has estimated the useful life, which is at variance with the life prescribed in Part C of Schedule II of the Companies Act, 2013 and has accordingly, depreciated the assets over such useful life.

The cost of capital work-in-progress (CWIP) is presented separately in the balance sheet.

2.8 Intangible assets

Identifiable intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be measured reliably.

The intangible assets are initially recognised at cost. These assets having finite useful life are carried at cost less accumulated amortisation and any impairment losses. Amortisation is computed using the straight-line method over the expected useful life of intangible assets.

The Company has established the estimated useful lives of different categories of intangible assets as follows:

a. Software

Software are amortised over the period of license, generally not exceeding five years.

b. Bandwidth

Bandwidth is amortised over the period of the agreement.

c. Licenses (including spectrum)

Acquired licenses and spectrum are amortised commencing from the date when the related network is available for intended use in the relevant jurisdiction. The useful lives range from two to twenty years.

The revenue-share based fee on licenses / spectrum is charged to the statement of profit and loss in the period such cost is incurred.

d. Other acquired intangible assets

Other acquired intangible assets include the following:

Rights acquired for unlimited license access: Over the period of the agreement which ranges upto five years.

Customer base: Over the estimated life of such relationships.

Non-compete fee: Over the period of the agreement which ranges upto five years.

The useful lives and amortisation method are reviewed, and adjusted appropriately, at least at each financial year end so as to ensure that the method and period of amortisation are consistent with the expected pattern of economic benefits from these assets. The effect of any change in the estimated useful lives and / or amortisation method is accounted prospectively, and accordingly the amortisation is calculated over the remaining revised useful life.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Further, the cost of intangible assets under development includes the amount of spectrum allotted to the Company and related costs (including borrowing costs that are directly attributable to the acquisition or construction of qualifying assets (refer note 7), if any, for which services are yet to be rolled out and are presented separately in the balance sheet.

2.9 Impairment of non-financial assets

PPE, intangible assets and intangible assets under development

PPE (including CWIP) and intangible assets with definite lives, are reviewed for impairment, whenever events or changes in circumstances indicate that their carrying values may not be recoverable. Intangible assets under development is tested for impairment, at-least annually and whenever circumstances indicate that it may be impaired.

For the purpose of impairment testing, the recoverable amount (that is, higher of the fair value less costs to sell and the value-in-use) is determined on an individual asset basis, unless the asset does not generate cash flows that are largely independent of those from other assets, in which case the recoverable amount is determined at the cashgenerating-unit ('CGU') level to which the said asset belongs. If such individual assets or CGU are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the asset / CGU exceeds their estimated recoverable amount and allocated on pro-rata basis.

Reversal of impairment losses

Impairment losses are reversed in the statement of profit and loss and the carrying value is increased to its revised recoverable amount provided that this amount does not exceed the carrying value that would have been determined had no impairment loss been recognised for the said asset / CGU in previous years.

2.10 Financial instruments

a. Recognition, classification and presentation

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

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

The Company recognises its investment in subsidiaries, associates and joint ventures at cost less any impairment losses. The said investments are tested for impairment whenever circumstances indicate that their carrying values may exceed the recoverable amount (viz. higher of the fair value less costs to sell and the value-in-use).

The Company classifies its financial assets in the following categories: a) those to be measured subsequently at fair value through profit or loss, and b) those to be measured at amortised cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Company has classified all the non-derivative financial liabilities as measured at amortised cost.

The entire hybrid contract, financial assets with embedded derivatives, are considered in their entirety for determining the contractual terms of the cash flow and accordingly the embedded derivatives are not separated. However, derivatives embedded in non-financial instrument / financial liabilities (measured at amortised cost) host contracts are classified as separate derivatives if their economic characteristics and risks are not closely related to those of the host contracts.

Financial assets and liabilities arising from different transactions are off-set against each other and the resultant net amount is presented in the balance sheet, if and only when, the Company currently has a legally enforceable right to set-off the related recognised amounts and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

b. Measurement - Non-derivative financial instruments

I. Initial measurement

At initial recognition, the Company measures the nonderivative financial instruments (except off-market financial guarantee) at its fair value plus, in the case of a financial instruments not at fair value through profit or loss, transaction costs. Otherwise transaction costs are expensed in the statement of profit and loss. Any off-market financial guarantees, issued in relation to obligations of subsidiaries, are initially recognised at fair value (as part of the cost of the investment in the subsidiary).

II. Subsequent measurement - financial assets

The subsequent measurement of the non-derivative financial assets depends on their classification as follows:

i. Financial assets measured at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost using the effective-interest rate ('EIR') method (if the impact of discounting / any transaction

(All amounts are in millions of Indian Rupee; unless stated otherwise)

costs is significant). Interest income from these financial assets is included in finance income.

ii. Financial assets at fair value through profit or loss ('FVTPL')

All financial assets that do not meet the criteria for amortised cost are measured at FVTPL. Interest (basis EIR method) and dividend income from financial assets at FVTPL is recognised in the statement of profit and loss within finance income / finance costs separately from the other gains / losses arising from changes in the fair value.

Impairment

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, twelve month, expected credit loss (ECL) is used to provide for impairment loss, otherwise lifetime ECL is used.

However, only in case of trade receivables, the Company applies the simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

III. Subsequent measurement - financial liabilities

Any off-market financial guarantees are amortised over the life of the guarantee and are measured at each reporting date at the higher of (i) the remaining unamortised balance of the amount at initial recognition and (ii) the best estimate of expenditure required to settle the obligation at the end of the reporting period. Other financial liabilities are subsequently measured at amortised cost using the EIR method (if the impact of discounting / any transaction costs is significant).

c. Measurement - derivative financial instruments

Derivative financial instruments, including separated embedded derivatives are classified as financial instruments at fair value through profit or loss - Held for trading. Such derivative financial instruments are initially recognised at fair value. They are subsequently measured at their fair value, with changes in fair value being recognised in the statement of profit and loss within finance income / finance costs.

d. Derecognition

The financial liabilities are de-recognised from the balance sheet when the under-lying obligations are extinguished, discharged, lapsed, cancelled, expires or legally released. The financial assets are de-recognised from the balance sheet when the rights to receive cash flows from the financial assets have expired, or have been transferred and the Company has transferred substantially all risks and rewards of ownership. The difference in the carrying amount is recognised in the statement of profit and loss.

2.11 Leases

The determination of whether an arrangement is a lease is based on whether fulfillment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Leases where the lessor transfers substantially all the risks and rewards of ownership of the leased asset are classified as finance lease and other leases are classified as operating lease.

Operating lease receipts / payments are recognised as an income / expense on a straight-line basis over the lease term unless the lease payments increase in line with expected general inflation.

a. Company as a lessee

Assets acquired under finance leases are capitalised at the lease inception at lower of the fair value of the leased asset and the present value of the minimum lease payments. Lease payments are apportioned between finance charges (recognised in the statement of profit and loss) and reduction of the lease liability so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period.

b. Company as a lessor

Assets leased to others under finance lease are recognised as receivables at an amount equal to the net investment in the leased assets. Finance lease income is allocated to periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the finance lease.

Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised in statement of profit and loss on a straight-line basis over the lease term.

The Company enters into 'Indefeasible right to use' ('IRU') arrangement wherein the assets are given on lease over the substantial part of the asset life. However, the title to the assets and significant risk associated with the operation and maintenance of these assets remains with the Company. Hence, such arrangements are recognised as operating lease. The contracted price is recognised as revenue during the tenure of the agreement. Unearned IRU revenue received in advance is presented as deferred revenue within liabilities in the balance sheet.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

2.12 Taxes

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

a. Current tax

The current tax is calculated on the basis of the tax rates, laws and regulations, which have been enacted or substantively enacted as at the reporting date. The payment made in excess / (shortfall) of the Company's income tax obligation for the period are recognised in the balance sheet under non-current assets as income tax assets / under current liabilities as current tax liabilities.

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

b. Deferred tax

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. However, deferred tax are not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

The unrecognised deferred tax assets / carrying amount of deferred tax assets are reviewed at each reporting date for recoverability and adjusted appropriately.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

2.13 Inventories

Inventories are stated at the lower of cost (determined using the first-in-first-out method) and net realisable value. The costs comprise its purchase price and any directly attributable cost of bringing to its present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated variable costs necessary to make the sale.

2.14 Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances and any deposits with original maturities of three months or less (that are readily convertible to known amounts of cash and cash equivalents and subject to an insignificant risk of changes in value). However, for the purpose of the statement of cash flows, in addition to above items, any bank overdrafts / cash credits that are integral part of the Company's cash management, are also included as a component of cash and cash equivalents.

2.15 Share capital / securities premium account

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

2.16 Employee benefits

The Company's employee benefits mainly include wages, salaries, bonuses, defined contribution to plans, defined benefits plans, compensated absences, deferred compensation and share-based payments. The employee benefits are recognised in the year in which the associated services are rendered by the Company employees.

i. Defined Contribution plans

The contributions to defined contribution plans are recognised in profit or loss as and when the services are rendered by employees. The Company has no further obligations under these plans beyond its periodic contributions.

ii. Defined benefits plans

In accordance with the local laws and regulations, all the employees in India are entitled for the Gratuity plan. The said plan requires a lump-sum payment to eligible employees (meeting the required vesting service condition) at retirement or termination of employment, based on a pre-defined formula.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The Company provides for the liability towards the said plans on the basis of actuarial valuation carried out quarterly as at the reporting date, by an independent qualified actuary using the projected-unit-credit method.

The obligation towards the said benefits is recognised in the balance sheet, at the present value of the defined benefits obligations. The present value of the said obligation is determined by discounting the estimated future cash outflows, using interest rates of government bonds.

The interest expenses are calculated by applying the above mentioned discount rate to defined benefits obligations. The interest expenses on the defined benefits obligations are recognised in the statement of profit and loss. However, the related re-measurements of the defined benefits obligations are recognised directly in the other comprehensive income in the period in which they arise. The said re-measurements comprise of actuarial gains and losses (arising from experience adjustments and changes in actuarial assumptions). Re-measurements are not re-classified to the statement of profit and loss in any of the subsequent periods.

iii. Other long-term employee benefits

The employees of the Company are entitled to compensated absences as well as other long-term benefits. Compensated absences benefits comprises of encashment and availment of leave balances that were earned by the employees over the period of past employment.

The Company provides for the liability towards the said benefits on the basis of actuarial valuation carried out quarterly as at the reporting date, by an independent qualified actuary using the projected-unit-credit method. The related re-measurements are recognised in the statement of profit and loss in the period in which they arise.

iv. Share-based payments

The Company operates equity-settled and cashsettled, employee share-based compensation plans, under which the Company receives services from employees as consideration for stock options either towards shares of the Company / cash settled units.

In case of equity-settled awards, the fair value is recognised as an expense in the statement of profit and loss within employee benefits as employee share-based payment expenses, with a corresponding increase in share-based payment reserve (a component of equity). However, in case of cash-settled awards, the credit is recognised as a liability within other non-financial liabilities. Subsequently, at each reporting period, until the liability is settled, and at the date of settlement, liability is re-measured at fair value through statement of profit and loss.

The total amount so expensed is determined by reference to the grant date fair value of the stock options granted, which includes the impact of any market performance conditions and non-vesting conditions but excludes the impact of any service and non-market performance vesting conditions. However, the non-market performance vesting and service conditions are considered in the assumption as to the number of options that are expected to vest. The forfeitures are estimated at the time of grant and reduce the said expense rateably over the vesting period.

The expense so determined is recognised over the requisite vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. As at each reporting date, the Company revises its estimates of the number of options that are expected to vest, if required.

It recognises the impact of any revision to original estimates in the period of change. Accordingly, no expense is recognised for awards that do not ultimately vest, except for which vesting is conditional upon a market performance / non-vesting condition. These are treated as vesting irrespective of whether or not the market / non-vesting condition is satisfied, provided that service conditions and all other non-market performance are satisfied.

Where the terms of an award are modified, in addition to the expense pertaining to the original award, an incremental expense is recognised for any modification that results in additional fair value, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled (including due to non-vesting conditions not being met), it is treated as if it is vested thereon, and any un-recognised expense for the award is recognised immediately.

2.17 Provisions

a. General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a

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past event, it is probable that an outflow of resources will be required to settle the said obligation, and the amounts of the said obligation can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the relevant obligation, using a pre-tax rate that reflects current market assessments of the time value of money (if the impact of discounting is significant) and the risks specific to the obligation. The increase in the provision due to un-winding of discount over passage of time is recognised within finance costs.

b. Asset retirement obligations ('ARO')

ARO are recognised for those operating lease arrangements where the Company has an obligation at the end of the lease period to restore the leased premises in a condition similar to inception of lease. ARO are provided at the present value of expected costs to settle the obligation and are recognised as part of the cost of that particular asset. The estimated future costs of decommissioning are reviewed annually and any changes in the estimated future costs or in the discount rate applied are adjusted from the cost of the asset.

2.18 Contingencies

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

2.19 Revenue recognition

Effective April 1, 2018 the Company has adopted Ind AS 115, 'Revenue from Contracts with Customers.' Further during the quarter ended March 31, 2019, the Company has finalised the transition method as the fully retrospective method applied retrospectively. The effect on adoption of the said standard is insignificant on these financial and hence the comparative has not been restated.

Revenue is recognised upon transfer of control of promised products or services to the customer at the consideration which the Company has received or expects to receive in exchange of those products or services, net of any taxes / duties, discounts and process waivers. When determining the consideration to which the Company is entitled for providing promised products or services via intermediaries, the Company assesses whether it is primarily responsible for fulfilling the performance obligation and whether it controls the promised service before transfer to customers. To the extent that the intermediary is considered a principal, the consideration to which the Company is entitled is determined to be that received from the intermediary. Revenue is recognised when, or as, each distinct performance obligation is satisfied. The main categories of revenue and the basis of recognition are as follows:

a. Service revenue

Service revenues mainly pertain to usage, subscription and customer onboarding charges for voice, data, messaging and value added services. It also includes revenue from interconnection / roaming charges for usage of the Company's network by other operators for voice, data, messaging and signaling services.

Telecommunication services (comprising voice, data and SMS) are considered to represent a single performance obligation as all are provided over the Company's network and transmitted as data representing a digital signal on the network. The transmission consumes network bandwidth and therefore, irrespective of the nature of the communication, the customer ultimately receives access to the network and the right to consume network bandwidth.

The Company recognises revenue from these services as they are provided. Revenue is recognised based on actual units of telecommunication services provided during the reporting period as a proportion of the total units of telecommunication services to be provided. Subscription charges are recognised over the subscription pack validity period. Customer onboarding revenue and associated cost is recognised upon successful onboarding of customer i.e. upfront. Revenues in excess of invoicing are classified as unbilled revenue while invoicing / collection in excess of revenue are classified as deferred revenue / advance from customers.

Service revenues also includes revenue from interconnection / roaming charges for usage of the Company's network by other operators for voice, data, messaging and signaling services. These are recognised upon transfer of control of services being transferred over time.

Certain business services revenues include revenue from registration and installation, which are amortised over the period of agreement since the date of activation of service.

Revenues from long distance operations comprise of voice services and bandwidth services (including installation), which are recognised on provision of services and over the period of respective arrangements.

b. Multiple element arrangements

The Company has entered into certain multiple-element revenue arrangements which involve the delivery or

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performance of multiple products, services or rights to use assets. At the inception of the arrangement, all the deliverables therein are evaluated to determine whether they represent distinct performance obligations, and if so, they are accounted for separately. Total consideration related to the multiple element arrangements is allocated to each performance obligation based on their standalone selling prices. The stand-alone selling prices are determined based on the list prices at which the Company sells equipment and network services separately.

c. Equipment sales

Equipment sales mainly pertain to sale of telecommunication equipment and related accessories for which revenue is recognised when the control of equipment is transferred to the customer, i.e. transferred at a point in time. However, in case of equipment sale forming part of multiple-element revenue arrangements which is not a distinct performance obligation, revenue is recognised over the customer relationship period.

d. Interest income

The interest income is recognised using the EIR method. For further details, refer note 2.9.

e. Dividend income

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

2.20 Borrowing costs

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

2.21 Exceptional items

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

2.22 Non-operating expense

Non-operating expense comprises regulatory levies applicable to finance income.

2.23 Dividends paid

Dividend to shareholders is recognised as a liability and deducted from equity, in the year in which the dividends are

approved by the shareholders. However, interim dividends declared by the Board of directors, which does not need shareholders' approval, are recognised as a liability and deducted from retained earnings, in the year in which the dividends are so declared.

2.24 Earnings per share ('EPS')

The Company presents the Basic and Diluted EPS data.

Basic EPS is computed by dividing the profit for the period attributable to the shareholders of the Company by the weighted average number of shares outstanding during the period.

Diluted EPS is computed by adjusting, the profit for the year attributable to the shareholders and the weighted average number of shares considered for deriving Basic EPS, for the effects of all the shares that could have been issued upon conversion of all dilutive potential shares. The dilutive potential shares are adjusted for the proceeds receivable had the shares been actually issued at fair value. Further, the dilutive potential shares are deemed converted as at beginning of the period, unless issued at a later date during the period.

3. Critical accounting estimates, assumptions and judgements

The estimates and judgements used in the preparation of the said financial statements are continuously evaluated by the Company, and are based on historical experience and various other assumptions and factors (including expectations of future events), that the Company believes to be reasonable under the existing circumstances. The said estimates and judgements are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

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

3.1 Critical accounting estimates and assumptions

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

a. Impairment reviews

PPE (including CWIP) and intangible assets with definite lives, are reviewed for impairment, whenever

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events or changes in circumstances indicate that their carrying values may not be recoverable. Similarly, intangible assets under development is tested for impairment, at-least annually and whenever circumstances indicate that it may be impaired. For details as to the impairment policy, refer note 2.9. Accordingly the Company has performed impairment reviews for the above assets. However, the said reviews did not result in any impairment charge.

In calculating the value in use, the Company is required to make significant judgements, estimates and assumptions inter-alia concerning the earnings before interest, taxes, depreciation and amortization ('EBITDA') margins, capital expenditure, long-term growth rates and discount rates to reflect the risks involved.

The Company operates in developing market and in such market, the plan for shorter duration is not indicative of the long-term future performance. Considering this and the consistent use of such robust ten year information for management reporting purpose, the Company uses ten year plans for the purpose of impairment testing.

The Company conducts impairment reviews of investments in subsidiaries / associates/ joint arrangements whenever events or changes in circumstances indicate that their carrying amounts maynot be recoverable. Determining whether an asset

is impaired requires an estimation of the recoverable amount, which requires the Company to estimate the value in use which base on future cash flows, after taking into account past experience management's best estimate about future developments. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

b. Taxes

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

c. Property, plant and equipment

Refer note 2.7 and 6 for the estimated useful life and carrying value of property, plant and equipment respectively.

During the year ended March 31, 2019, the Company has reassessed useful life of certain categories of network assets based on internal assessment and technical evaluation, and accordingly has revised the estimate of its useful life from 18 years to 25 years in respect of those assets. The impact of above change on the depreciation charge for the current and future years are as follows:

	For the Year Ended March 31, 2019	For the Year Ended March 31, 2020	For the Year Ended March 31, 2021	For the Year Ended March 31, 2022	Future period till end of life
Impact on depreciation	(2,538)	(2,477)	(2,122)	(1,689)	8,826

d. Allowance for impairment of trade receivables

The expected credit loss is mainly based on the ageing of the receivable balances and historical experience. The receivables are assessed on an individual basis or grouped into homogeneous groups and assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a caseto-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances

e. Contingent liabilities and provisions

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

(All amounts are in millions of Indian Rupee; unless stated otherwise)

4. Standards issued but not effective until the date of authorisation for issuance of the said financial statements

The new significant standards, amendments to Standards that are issued but not yet effective until the date of authorisation for issuance of the said financial statements are discussed below. The Company has not early adopted these amendments and intends to adopt when they become effective.

Ind AS 116, 'Leases'

In March 2019, MCA has notified the Ind AS 116, Leases. It will replace the existing leases Standard, Ind AS 17 'Leases', and related interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. It introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. A lease is required to recognise a right-of-use asset representing its right to use and the underlying leased assets and a lease liability representing its obligation to make lease payments.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The Company is in the process of evaluating its impact on the financial statements.

The following pronouncements, which are potentially relevant to the Company, have been issued and are effective for annual periods beginning on or after April 1, 2019.

- Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The Company does not expect that the adoption of the said amendment will have any significant impact on the financial Statements.
- Amendment to Ind AS 12 Income taxes : The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity accordingly to where the entity originally recognised those past transactions or events whereas hitherto it was being recognised in equity.

5. Significant transactions / new developments

- Subsequent to the balance sheet date, on May 03, 2019, the Company has launched a rights issue of approximately 1,134 Mn fully paid up equity shares (face value ₹ 5 each) at a price of ₹ 220/- per share aggregating to ₹ 249,390. The right issue will close on May 17, 2019. The rights entitlement is determined as 19 equity shares for every 67 equity shares held.
- ii. During the year ended March 31, 2019, the Company has transferred its 16.76% equity stake of Bharti Infratel Limited to Nettle Infrastructure Investments Limited, against a consideration of ₹ 100,526. Accordingly the deficit of cost of investments over the proceeds amounting to ₹ 13,069 has been recognised in other equity.
- iii. During the year ended March 31, 2017, the Company had entered into a scheme of amalgamation for the merger of Telenor (India) Communications Private Limited with the Company. Further, during the year ended March 31, 2019, as the closing conditions for the said merger have been fulfilled, the said transaction is consummated. The difference of 5,315 between the purchase consideration (issuance of five equity shares and working capital adjustments) and fair value of net assets has been recognised as capital reserve, a component of equity.

The fair values of the assets and liabilities recognised at the date of acquisition are as follows:

Non-current assets	
Property, plant and equipment	4,264
(including capital-work-in-progress	
of₹94)	
Other intangible assets	17,684
Indemnification assets	8,835
Others	6,309
Current assets	
Cash and cash equivalents	6,931
Others	7,661
Non-current liabilities	
Borrowings	14,842
Others	955
Current liabilities	
Borrowings	1,229
Trade payables	17,301
Others	12,592
Net assets acquired	4,765

iv. During the year ended March 31, 2019, the Company's Board of Directors at its meeting held on October 25, 2018, has paid interim dividend for the financial year 2018-19 of ₹ 2.50/- per equity share (face value : ₹ 5/- each).

(All amounts are in millions of Indian Rupee; unless stated otherwise)

- v. During the year ended March 31, 2019, the Company has invested ₹ 2,382 in non-cumulative 0.0001% Compulsorily Convertible Preference Shares ('CCPS') of Airtel Payment Bank Limited ('APBL', a subsidiary of the Company) having face value of ₹ 10 each at par. The said CCPS carries discretionary dividend and each CCPS is convertible into one equity share any time after April 1, 2021 but no later than March 31, 2022. The CCPS being equity instrument is considered as addition to Company's existing investments in APBL and hence will be carried at cost.
- vi. During the year ended March 31, 2019, the Company has transferred its 100% equity stake in Bharti Airtel (USA) Limited to Bharti International (Singapore) Pte. Limited ('BISPL'), an indirect subsidiary of the Company against a consideration of ₹ 2,726. Accordingly, the excess of cost of investments over the proceeds amounting to ₹ 729 has been recognised in other equity.
- vii. During the year ended March 31, 2019, the Company has transferred its operations pertaining to passive infrastructure at the core locations to Nxtra Data Limited, a wholly owned subsidiary, against a consideration of ₹ 3,245. Accordingly, the excess of cost of net assets over the proceeds amounting to ₹ 189 has been recognised in retained earnings.
- viii. During the year ended March 31, 2018, the Company had transferred its 100% equity stake in Bharti Airtel (Hong Kong) Limited and 37.03% equity stake in Bharti Airtel (UK) Limited to Bharti International (Singapore) Pte. Limited ('BISPL'), an indirect subsidiary of the Company against a consideration of ₹ 429 and ₹ 1,806 respectively and 44% stake in Bharti Telemedia Limited, a subsidiary of the Company to Nettle Infrastructure Investments Limited, another subsidiary of the Company, against a consideration of ₹ 47,632. Accordingly the excess of cost of investments

over the proceeds amounting to ₹ 28,498 has been recognised in other equity.

- ix. During the year ended March 31, 2018, the Company had increased its equity investment in Indo Teleports Limited from 95% to 100% for a consideration of ₹ 23.
- x. During the year ended March 31, 2018, an understanding for demerger of consumer mobile businesses of Tata Teleservices Limited and Tata Teleservices Maharashtra Limited into the Company was entered into. Further, the board of directors have approved the scheme(s) of arrangement under section 230 to section 232 of the Companies Act, 2013 for the said demerger. The said transaction is subject to requisite regulatory approvals.
- xi. During the year ended March 31, 2018, the Board of Directors approved a scheme of arrangement, under section 230 to section 232 of the Companies Act, 2013, for the transfer of the optical fiber cable business to the Telesonic Networks Limited, a wholly owned subsidiary of the Company. The said transaction is subject to requisite regulatory approvals.
- xii. During the year ended March 31, 2018, the Company had completed the acquisition of 100% equity stake and compulsorily convertible debentures of Tikona Digital Networks Private Limited ('TDNPL') as all necessary closing conditions have been fulfilled and filed an application under section 230 to section 232 of the Companies Act, 2013 before the Delhi bench of the National Company Law Tribunal for the merger of TDNPL with the Company.
- xiii. During the year ended March 31, 2017, the Company had entered into an agreement to sell the investment in subsidiary BISPL and to its wholly owned subsidiary Network i2i Limited. Further, during the year ended March 31, 2018, as the closing conditions for consummation of the transaction have been fulfilled, the said transaction is consummated.

	Leasehold improvement	Building	Land	Plant and equipment	Furniture & fixture	Vehicles	Office equipment	Computers & servers	Total
Gross carrying value									
As of April 1, 2017	4,894	6,346	1,810	854,365	1,799	281	4,729	26,004	900,228
Additions / capitalisation	242	46	66	172,815	209	40	315	7,252	180,985
Disposals / adjustments	(12)	(29)	(22)	(22,652)	(14)	(22)	(38)	(61)	(22,850)
As of March 31, 2018	5,124	6,363	1,854	1,004,528	1,994	299	5,006	33,195	1,058,363
Additions / capitalisation	733	'	1	183,192	72	Q	352	2,430	186,784
Acquisition through business combinations@			'	4,056	26		9	82	4,170
Transfer under common control ^A	(419)	(714)	'	(7,806)	(86)		(819)	(43)	(9,887)
Disposals / adjustments	(22)	(40)	(26)	(6,421)	(2)	(44)	(34)	(2,479)	(9,101)
As of March 31, 2019	5,383	5,609	1,828	1,177,549	2,004	260	4,511	33,185	1,230,329
Accumulated depreciation									
As of April 1, 2017	4,014	2,746	45	484,586	1,542	224	3,445	22,450	519,052
- Charge*	286	248	4	77,148	124	21	565	2,843	81,239
Disposals / adjustments	(9)	(6)	(6)	(18,732)	(11)	(13)	(22)	(37)	(18,839)
As of March 31, 2018	4,294	2,985	40	543,002	1,655	232	3,988	25,256	581,452
- Charge*	238	276	IJ	93,624	124	21	409	3,544	98,241
Transfer under common control^	(322)	(247)	'	(4,915)	(82)		(686)	(34)	(6,322)
Disposals / adjustments	(4)	0)	'	(6,007)	(1)	(31)	(13)	(2, 441)	(8,497)
As of March 31, 2019	4,173	3,014	45	625,704	1,693	222	3,698	26,325	664,874
Net carrying value									
As of March 31, 2018	830	3,378	1,814	461,526	339	67	1,018	7,939	476,911
As of March 31, 2019	1,210	2,595	1,783	551,845	311	38	813	6,860	565,455
*It includes exceptional items of ₹2,924 and ₹1,176 for the year ended March 31, 2019 ^ Refer note 5 (vii)	9 and 2018 with respect to plant and equipment (refer note 31 (i) a and (ii) a, b, c)	spect to plant a	and equipn	nent (refer note 3.	l (i) a and (ii) a,	b, c).			

All amounts are in millions of Indian Rupee; unless stated otherwise)

6. Property, plant and equipment ('PPE')

The following table presents the reconciliation of changes in the carrying value of PPE for the year ended March 31, 2019 and 2018:

Refer note 23 (ii) (a) for assets given on operating lease

@ Refer note 5 (iii)

The carrying value of capital work-in-progress as at March 31, 2019 and 2018 is ₹52,970 and ₹27,387 respectively, which mainly pertains to plant and equipment. The Company has capitalised borrowing cost of₹ 836 and Nil during the year ended March 31, 2019 and 2018 respectively.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

7. Intangible assets

The following table presents the reconciliation of changes in the carrying value of intangible assets for the year ended March 31, 2019 and 2018:

	Software	Bandwidth	Licenses (including spectrum)	Others	Total
Gross carrying value					
As of April 1, 2017	16,333	28,413	812,101	7,538	864,385
Additions / capitalisation	3,472	2,960	59,122	-	65,554
Disposals / adjustments	(21)	-	-	-	(21)
As of March 31, 2018	19,784	31,373	871,223	7,538	929,918
Additions / capitalisation	2,600	9,685	28,945	-	41,230
Acquisition through business combinations@	-	-	15,821	1,208	17,029
Disposals / adjustments	2	79	-	(22)	59
As of March 31, 2019	22,386	41,137	915,989	8,724	988,236
Accumulated amortisation					
As of April 1, 2017	12,496	12,558	102,655	2,624	130,333
Charge	2,567	1,505	44,393	1,958	50,423
Disposals / adjustments	(21)	-		-	(21)
As of March 31, 2018	15,042	14,063	147,048	4,582	180,735
Charge	2,471	2,302	48,860	1,926	55,559
Disposals / adjustments		79		(22)	57
As of March 31, 2019	17,513	16,444	195,908	6,486	236,351
Net carrying value					
As of March 31, 2018	4,742	17,310	724,175	2,956	749,183
As of March 31, 2019	4,873	24,693	720,081	2,238	751,885

@ Refer note 5 (iii)

Weighted average remaining amortisation period of licenses as of March 31, 2019 and March 31, 2018 is 15.13 and 16.03 years respectively.

The carrying value of intangible assets under development as at March 31, 2019 and March 31, 2018 is ₹ 2,703 and ₹ 28,040, which pertains to bandwidth and spectrum respectively.

During the year ended March 31, 2019 and 2018 the Company has capitalised borrowing cost of ₹179 and ₹2,992 respectively.

8. Investments

Non-current

Detail of investments in subsidiaries, joint ventures, associate and other investments are as below:

	As of March 31, 2019	As of March 31, 2018
Investment in subsidiaries		
Bharti Infratel Limited: (quoted) 620,898,728 equity shares of ₹ 10 each	227,516	341,111
(March 31, 2018 - 930,898,728 equity shares of ₹ 10 each		
Network i2i Limited : 1,267,427,896 equity shares of USD 1 each	87,909	87,909
Bharti Telemedia Limited : 260,202,000 equity shares of ₹ 10 each	22,183	22,183
Bharti Digital Networks Private Limited 2,103,023 equity shares of ₹ 10 each	8,970	8,970
Airtel Payments Bank Limited : Nil equity shares of ₹ 10 each	-	8,050
(March 31, 2018 - 805,025,128 equity shares of ₹ 10 each)		
Bharti Hexacom Limited : 175,000,000 equity shares of ₹ 10 each	5,718	5,718
Bharti Airtel Lanka (Private) Limited : 50,200,221,771 equity shares of SLR 10 each - net of provision	4,527	4,527

(All amounts are in millions of Indian Rupee; unless stated otherwise)

8. Investments (contd..)

	As of March 31, 2019	As of March 31, 2018
Bharti Airtel (USA) Limited : Nil equity shares of USD .0001 each (March 31, 2018 - 300 equity shares of USD .0001 each)	-	1,997
Nxtra Data Limited : 5,050,000 equity shares of ₹ 10 each	309	309
Indo Teleports Limited :22,998,995 equity shares of ₹ 10 each	308	308
Telesonic Networks Limited : 89,230,796 equity shares of ₹ 10 each	91	91
Bharti Airtel Services Limited : 100,000 equity shares of ₹ 10 each	1	1
Wynk Limited : 50,000 equity shares of ₹ 10 each	1	1
Bharti Airtel International (Netherlands) B.V. : 1 equity shares of EURO 1 each	0	0
Nettle Infrastructure Investments Limited : 45,000 equity shares of ₹ 10 each	0	0
-	357,533	481,175
Investment in associates		
Airtel Payments Bank Limited : 805,025,128 equity shares of ₹ 10 each (March 31, 2018 - Nil equity shares of ₹ 10 each)	8,050	-
Airtel Payments Bank Limited : Non-cumulative 0.0001% compulsorily convertible preference shares 238,150,000 (March 31, 2018 - Nil equity shares of ₹ 10 each)	2,382	
	10,432	-
Investment in joint ventures		
Bridge Mobile PTE Limited : 800,000 equity shares of USD 1 each	34	34
Firefly Networks Limited : 1,000,000 equity shares of ₹ 10 each	10	10
	44	44
Investment in subsidiaries, associates and joint venture	368,009	481,219
Other Investments (FVTPL)		
Equity instruments	61	61
National Savings Certificates	2	2
	63	63

Current

	As of March 31, 2019	As of March 31, 2018
Investment at FVTPL		
Mutual funds (quoted)	16,696	-
	16,696	-
Aggregate book value of unquoted investments	140,556	140,171
Aggregate book value of quoted investments	244,212	341,111
Aggregate market value of quoted investments	211,285	313,015

Detail of significant investments in subsidiaries are as below:

S. No	Name of the Subsidiaries	Place of incorporation	Principal activities	March 31, 2019 March 3 % of shareholding	1, 2018
1.	Bharti Infratel Limited	India	Infrastructure sharing services	33.57	50.30
2.	Bharti Telemedia Limited	India	Direct to home services	51.00	51.00
З.	Bharti Hexacom Limited	India	Telecommunication services	70.00	70.00
4.	Network i2i Limited	Mauritius	Submarine cable system	100	100
5.	Airtel Payments Bank Limited	India	Mobile commerce services	-	80.10
6.	Bharti Digital Networks Private	India	Telecommunication services	100	100
	Limited				

(All amounts are in millions of Indian Rupee; unless stated otherwise)

9. Derivative financial instruments

The details of derivative financial instruments are as follows:-

	As of March 31, 2019	As of March 31, 2018
Assets		
Currency swaps, forward and option contracts	72	195
Interest swaps	-	80
	72	275
Liabilities		
Currency swaps, forward and option contracts	1,775	352
	1,775	352
Non-current derivative financial assets	4	80
Current derivative financial assets	68	195
Non-current derivative financial liabilities	(320)	(124)
Current derivative financial liabilities	(1,455)	(228)
	(1,703)	(77)

10. Loans and security deposits

	As of March 31, 2019	As of March 31, 2018
Unsecured, considered good		
Non - current		
Loans to related parties (refer note 34)	140,630	57,349
Security deposits *	10,402	9,598
	151,032	66,947
Current		
Loans to related parties (refer note 34)	21,244	15,839

*Security deposits (net of provisions) primarily includes deposits given towards rented premises, cell sites and interconnect ports.

11. Financial assets – others

Non-current

	As of March 31, 2019	As of March 31, 2018
Finance lease receivable	-	65
Rent equalisation	57	55
Others	13	140
	70	260

Current

	As of March 31, 2019	As of March 31, 2018
Unbilled revenue	12,072	11,160
Claims recoverable	500	474
Interest accrued on investments	15	25
Finance lease receivables	84	178
	12,671	11,837

(All amounts are in millions of Indian Rupee; unless stated otherwise)

12. Income taxes

The major components of income tax credit are:

-	29
-	20
	29
15	(2,233)
15	(2,204)
(24,923)	(4,737)
-	425
(8,839)	(1,088)
(33,762)	(5,400)
(33,747)	(7,604)
-	15 (24,923) - (8,839) (33,762)

*Mainly pertain to positive outcome with respect to unrecognised tax benefits

	For the year ended March 31, 2019	For the year ended March 31, 2018
Statement of Other Comprehensive Income		
Deferred tax related to items charged or credited to Other Comprehensive Income		
during the year:		
- Re-measurement losses on defined benefit plans	(52)	(30)
Deferred Tax charged to Other Comprehensive Income	(52)	(30)

The reconciliation between the amount computed by applying the statutory income tax rate to the (loss) / profit before tax and income tax (credit) / expense is summarised below:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Loss before tax	(52,037)	(6,812)
Enacted tax rates in India	34.94%	34.61%
Tax expense @ 34.944% / 34.608%	(18,184)	(2,358)
Effect of:		
Tax holiday	(184)	(251)
Effect of changes in tax rate	-	425
Adjustments in respect to previous years	(8,822)	(3,321)
Tax for which no credit is allowed	-	472
(Income) / expense not (taxable) / deductible (net)	(6,557)	(2,600)
Others	-	29
Income tax (credit)	(33,747)	(7,604)

The analysis of deferred tax assets / (liabilities) is as follows:

	As of March 31, 2019	As of March 31, 2018
Deferred tax asset / (liability)		
Provision for impairment of debtors / advances	8,630	13,669
Carry forward losses	65,993	20,301
Employee benefits	1,062	1,073

(All amounts are in millions of Indian Rupee; unless stated otherwise)

12. Income taxes (contd..)

	As of March 31, 2019	As of March 31, 2018
Minimum tax credit	60,092	57,429
Lease rent equalization	6,426	6,608
Fair valuation of financial instruments and exchange differences	614	6,647
Depreciation / amortisation on PPE / intangible assets	(92,039)	(92,961)
Rates and taxes	477	1,431
Others	257	47
Net deferred tax asset	51,512	14,244

	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferred tax income		
Provision for impairment of debtors / advances	(5,186)	3,149
Carry forward losses	45,692	18,726
Employee benefits	2	58
Minimum tax credit	2,823	(68)
Lease rent equalization	(182)	130
Fair valuation of financial instruments and exchange differences	(6,034)	857
Depreciation / amortisation on PPE / intangible assets	(2,344)	(16,387)
Rates and taxes	(955)	(96)
Others	(54)	(969)
Net deferred tax income	33,762	5,400

The movement in deferred tax assets / (liabilities) during the year is as follows:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening balance	14,244	8,808
Tax credit recognised in profit or loss	33,762	5,400
Tax expense recognised in OCI	(52)	(30)
Deferred taxes acquired in business combination	3,717	-
Others	(159)	66
Closing Balance	51,512	14,244

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and carry forward tax losses / credits (including capital losses) can be utilised. Accordingly, the company has not recognised deferred tax assets in respect of carry forward of capital tax losses / credits of ₹ 324,335 and ₹ 330,358 as of March 31, 2019 and March 31, 2018, respectively as it is not probable that capital taxable profits will be available in future.

The expiry schedule of the above capital tax losses is as follows:

Expiry date	March 31, 2019	March 31, 2018
Above five years	324,335	330,358

13. Other non-financial assets

Non-Current

	As of March 31, 2019	As of March 31, 2018
Advances (net)#	28,343	24,404
Prepaid expenses	1,323	1,156

(All amounts are in millions of Indian Rupee; unless stated otherwise)

13. Other non-financial assets (contd..)

	As of March 31, 2019	As of March 31, 2018
Taxes recoverable	19,325	-
Capital advances	114	600
Others*	18,782	982
	67,887	27,142

#Advances represent payments made to various Government authorities under protest and are disclosed net of provision (refer note 20). *It mainly includes advances and indemnity assets pertain to the acquisitions.

Current

	As of March 31, 2019	As of March 31, 2018
Taxes recoverable#	93,127	65,218
Advances to suppliers (net)@	15,755	12,200
Prepaid expenses	2,874	2,365
Others*	2,075	1,938
	113,831	81,721

* It mainly includes security deposits given towards rented premises, cell sites, interconnect ports and other miscellaneous deposits.

Taxes recoverable primarily pertains to goods & service tax ('GST') and customs duty.

@ Advances to suppliers are disclosed net of provision of ₹ 1,577 and ₹ 1,683 as of March 31, 2019 and March 31, 2018 respectively.

14. Trade receivables

	As of March 31, 2019	As of March 31, 2018
	57,604	76,786
Less: Allowances for doubtful receivables	(19,114)	(33,590)
	38,490	43,196

*It includes amount due from related parties (refer note 34). Refer note 35 (iv) for credit risk

The movement in allowances for doubtful debts is as follows:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening balance	33,590	25,530
Additions	8,750	8,773
Write off (net of recovery)	(23,226)	(713)
	19,114	33,590

15. Cash and bank balances

Cash and cash equivalents ('C&CE')

	As of March 31, 2019	As of March 31, 2018
Balances with banks		
- On current accounts	1,439	2,491
- Bank deposits with original maturity of 3 months or less	360	2,000
Cheques on hand	43	66
Cash on hand	34	69
	1,876	4,626

(All amounts are in millions of Indian Rupee; unless stated otherwise)

15. Cash and bank balances (contd..)

	As of March 31, 2019	As of March 31, 2018
Other bank balances		
Earmarked bank balances - unpaid dividend	110	70
Term deposits with bank	126	105
Margin money deposits*	97	675
	333	850
Interest accured but not due (refer note 11)	(13)	(25)
	320	825

For the purpose of statement of cash flows, C&CE comprise of following:

	As of March 31, 2019	As of March 31, 2018
C & CE as per balance sheet	1,876	4,626
Bank overdraft (refer note 18)	(154)	-
	1,722	4,626

*Margin money deposits represents amount given as collateral for legal cases and / or bank guarantees for disputed matters.

16. Share capital

	As of March 31, 2019	As of March 31, 2018
Authorised shares		
29,506,000,000 (March 31, 2018 - 5,500,000,000)		
equity shares of ₹ 5 each	147,530	27,500
Issued, Subscribed and fully paid-up shares		
3,997,400,107 (March 31, 2018 - 3,997,400,102)		
equity shares of ₹ 5 each	19,987	19,987
	19,987	19,987

a. Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 5 per share. Each holder of equity shares is entitled to cast one vote per share.

b. Details of shareholders (as per the register of shareholders) holding more than 5% shares in the company

	As of March	31, 2019	As of March 31, 2018		
	No. of shares '000	% holding		% holding	
Equity shares of ₹ 5 each fully paid up					
Bharti Telecom Limited	2,002,818	50.10%	2,002,818	50.10%	
Pastel Limited	591,319	14.79%	591,319	14.79%	

(All amounts are in millions of Indian Rupee; unless stated otherwise)

16. Share capital (contd..)

c. Shares held by Bharti Airtel Welfare Trust against employee share-based payment plans (face value : ₹ 5 each)

	As of March 3	1, 2019	As of March 31, 2018		
	shares '000	Amount	shares '000	Amount	
Opening balance	1,719	642	1,345	367	
Purchased during the year	700	248	906	424	
Exercised during the year	(927)	(336)	(532)	(149)	
	1,492	554	1,719	642	

d. Dividend

	For the year ended March 31, 2019	For the year ended March 31, 2018
Declared and paid during the year		
Interim dividend for 2018-19 : ₹ 2.50 per share (2017-18 : ₹ 2.84 per share)	12,048	13,664
((including dividend distribution tax 2018-19 @ 20.56% of ₹ 2,054) (2017-18 @		
20.36% of ₹ 2,311))*		
Final dividend for 2017-18 : ₹ 2.50 per share (2016-17 : ₹ 1.00 per share)	12,048	4,811
((including dividend distribution tax @ 20.56% of ₹ 2,054) (2016-17 @20.36%		
of₹814))		
	24,096	18,475
Proposed dividend		
Final dividend 2017-18 : ₹ 2.50 per share	-	9,993
Dividend distribution tax (2017-18 @ 20.56%)	-	2,055
	-	12,048

The proposed dividend being subject to approval at respective annual general meetings, accordingly no corresponding liability has been recognised in the respective financial years.

*However, against this the Company has availed credit of ₹ 4,108 and ₹ 3,125 during the year ended March 31, 2019 and March 31, 2018 respectively, on account of dividend distribution tax on dividend received from subsidiary companies.

17. Reserves and surplus

- **a. Retained earnings:** Retained earnings represent the amount of accumulated earnings of the Company, re-measurement differences on defined benefits plans, gains / (losses) on common control transactions and any transfer from general reserve.
- **b.** General reserve: The Company has transferred a portion of its profit before declaring dividend in respective prior years to general reserve, as stipulated under the erstwhile Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013 ('Act').

Further, on exercise of the stock options, the difference between the consideration (i.e. the exercise price and the related amount of share-based payment reserve) and the cost (viz. related amount of loan provided to Bharti Airtel Welfare Trust) of the corresponding stock options, is transferred to general reserve.

The difference between the share capital and the carrying values of the investment pursuant to the scheme of arrangement under sections 391 to 394 of the Companies Act, 1956 with respect to the amalgamation of Augere Wireless Broadband Private Limited has been recognised in general reserve.

c. Business restructuring reserve: It represents mainly the excess of the fair values over the original book values of the assets transferred to one of its subsidiary Bharti Infratel Limited pursuant to the scheme of arrangement under sections 391 to 394 of the Companies Act, 1956.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

17. Reserves and surplus (contd..)

- d. Debenture redemption reserve: Pursuant to the provisions of the Act, the Company is required to create debenture redemption reserve out of the profits and is to be utilised for the purpose of redemption of debentures. On redemption of the debentures, the related amount of this reserve gets transferred to retained earnings.
- e. Capital reserve: It pertains to capital reserve acquired pursuant to the scheme of arrangement under the Companies Act accounted under pooling of interest method and excess of purchase consideration over fair value of net assets (for certain business combinations).

18. Borrowings

Non-current

	As of March 31, 2019	As of March 31, 2018
Secured		
Vehicle loans*	10	29
	10	29
Less: Current portion (A)	(7)	(15)
	3	14
Unsecured		
Term loans	69,272	45,587
Non-convertible debentures**	32,322	30,069
Non-convertible bonds	69,515	65,413
Deferred payment liabilities ***	466,191	455,602
Finance lease obligations	374	391
	637,674	597,062
Less : Interest accured but not due (refer note 19)	(28,968)	(23,613)
Less: Current portion (B)	(22,215)	(28,782)
	586,491	544,667
	586,494	544,681
Current maturities of long-term borrowings (A+B)	22,222	28,797

*These loans are secured by hypothecation of the vehicles.

**During the year ended March 31, 2018, the Company had issued 30,000 listed, unsecured, rated, redeemable, Non - Convertible Debentures ('NCDs'), Series I and series II of face value of ₹ 10 Lakhs each, at par aggregating to ₹ 30,000 on private placement basis, carrying interest rates 8.25% p.a. and 8.35% p.a. (payable annually) and principal repayable in year 2020 and 2021 respectively.

*** During the year ended March 31, 2018, the Government of India had provided one time option to elect higher number of annual instalments prospectively (upto a maximum of 16 instalments) towards the repayment of spectrum liability vis-a-vis earlier allowed 10 instalments. Accordingly, the Company had then exercised the option to increase the remaining number of instalments by 6 annual instalments, for all its existing deferred payment liabilities.

Current

	As of March 31, 2019	As of March 31, 2018
Unsecured		
Term loans	142,903	51,654
Commercial papers	86,379	29,094
Bank overdraft	154	-
	229,436	80,748
Less : Interest accured but not due (refer note 19)	(253)	(68)
	229,183	80,680

Analysis of borrowings

The details given below are gross of debt origination cost.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

18.1.1 Repayment terms of borrowings

The table below summarises the details of the Company's borrowings based on contractual undiscounted payments.

	As of March 31, 2019						
	Interest rate (range)	Frequency of installments	Number of installments outstanding per facility (range)*	Within one year	Between one and two years	Between two and five years	Over five years
Vehicle loans	7.9% - 9.5%	Monthly	3 - 22	8	3	-	-
Term loans	0.7% - 4.0%	Halfyearly	3 - 9	1,426	1,426	8,265	2,350
	0.9% - 4.0%	One time	1	-	7,063	14,765	-
	8.4%	Quarterly	13	5,336	5,336	9,328	-
	8.6%	Halfyearly	2	-	14,000	-	-
	7.95% - 9.5%	One time	1	142,650	-	-	-
Commercial papers	7.7% - 8.5%	One time	1	86,411	-	-	-
Non-convertible bonds	4.4%	One time	1	-	-	-	68,832
Non-convertible debentures	8.3% - 8.4%	One time	1	-	15,000	15,000	-
Deferred payment liabilities	9.3% - 10.0%	Annual	12 - 16	15,244	16,750	60,851	348,007
Finance lease obligations	10.2% - 12.0%	Monthly /	1/2	370	4	-	-
		Annual					
Bank Overdraft	8.1% - 12.3%	On demand	NA	154	-	-	-
				251,599	59,582	108,209	419,189

	As of March 31, 2018						
	Interest rate (range)	Frequency of installments	Number of installments outstanding per facility (range)*	Within one year	Between one and two years	Between two and five years	Over five years
Vehicle loans	7.9% - 9.5%	Monthly	6 - 33	15	11	3	-
Term loans	2.6%-3.2%	Halfyearly	11 - 14	4,290	4,359	13,078	4,499
	7.7% - 7.9%	One time	1	51,600	-	-	-
	8.4%	Quaterly	15	-	5,336	14,664	-
Commercial papers	8.1%	One time	1	29,094	-	-	-
Non-convertible bonds	4.4%	One time	1	-	-	-	64,829
Non-convertible debentures	8.2% - 8.3%	One time	1	-	-	30,000	-
Deferred payment liabilities	9.3% - 10.0%	Annual	13 - 16	24,511	12,217	51,543	345,023
Finance lease obligations	10.3%	Monthly / Annual	8 - 21 / 2	253	134	4	-
				109,763	22,057	109,292	414,351

*The instalments amount due are equal / equated per se.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

18.1.2 Interest rate and currency of borrowings

	Weighted average rate of Interest	Total Borrowings	Floating Rate Borrowings	Fixed Rate Borrowings
INR	9.3%	734,452	161,054	573,398
USD	4.3%	89,228	20,396	68,832
EURO	0.9%	7,850	7,850	-
JPY	0.8%	7,049	7,049	-
March 31, 2019		838,579	196,349	642,230
INR	9.5%	564,407	71,600	492,807
USD	3.9%	91,055	26,226	64,829
March 31, 2018		655,462	97,826	557,636

18.1.3 Unused lines of credit*

The below table provides the details of un-drawn credit facilities that are available to the Company.

	As of March 31, 2019	As of March 31, 2018
Unsecured*	116,030	150,071

*Excludes non-fund based facilities

19. Financial liabilities - others

Non-current

	As of March 31, 2019	As of March 31, 2018
Equipment supply payable	14,486	-
Lease rent equalisation	18,405	19,288
Others	29	66
	32.920	19.354

Current

	As of March 31, 2019	As of March 31, 2018
Payables against capital expenditure	69,576	53,197
Interest accrued but not due	29,221	23,681
Security deposits*	2,402	3,284
Employee payables	1,641	2,034
Payable against business / asset acquisitions@	4,104	9,739
Others#	1,006	594
	107.950	92.529

*It includes deposits received from subscriber / channel partners which are repayable on disconnection after adjusting the outstanding amount thereby, if any. @Payable to Qualcomm Asia Pacific Pte. Limited of ₹ 4,104 towards purchase of balance equity shares upon satisfaction of certain conditions as per the share purchase agreement for acquisition and other acquisitions.

#It mainly includes non-interest bearing advance received from customers / international operators and liability towards cash settled employee share based plan.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

20. Provisions

Non-current

	As of March 31, 2019	As of March 31, 2018
Asset retirement obligations	530	410
Gratuity	1,280	1,344
Other employee benefit plans	117	76
	1,927	1,830

Current

	As of March 31, 2019	As of March 31, 2018
Gratuity	422	513
Other employee benefit plans	666	749
	1,088	1,262

The movement of provision towards asset retirement obligations is as below:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening balance	410	921
Net additions / (reversal)	88	(362)
Net interest costs	32	(149)
	530	410

Refer note 26 for movement of provision towards various employee benefits.

The movement of provision towards subjudice matters is as below:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening balance	116,068	94,820
Net (reversal) / additions	(16,405)	21,248
	99,663	116,068

The said provision has been disclosed under:

	As of March 31, 2019	As of March 31, 2018
Other non-financial assets - non-current (refer note 13)	48,423	45,539
Other non-financial liabilities - current (refer note 21)	694	683
Trade payables (refer note 22)	50,546	69,846
	99,663	116,068

The said provisions pertain to payable / paid under protest for spectrum usage charges / licence fees (trade payable / other non-financial assets) and payable for certain levies (other non-financial liabilities).

(All amounts are in millions of Indian Rupee; unless stated otherwise)

21. Other non-financial liabilities

	As of March 31, 2019	As of March 31, 2018
Current		
Taxes payable	21,962	23,200
Others	33	29
	21,995	23,229

Taxes payable mainly pertains to GST and provision towards sub judice matters (refer note 20).

22. Trade payables

	As of March 31, 2019	As of March 31, 2018
Due to micro and small enterprises	31	16
Others*	191,657	176,974
	191,688	176,990

*It includes amount due to related parties (refer note 34) and provision towards sub judice matters (refer note 20).

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

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

Sr No	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
1	Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	31	16
2	Amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	117	140
3	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
4	Amount of interest accrued and remaining unpaid at the end of each accounting year	-	0
5	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006		

23. Contingent liabilities and commitments

I. Contingent liabilities

Claims against the Company not acknowledged as debt:

Particulars	As of March 31, 2019	As of March 31, 2018
(i) Taxes, duties and other demands (under adjudication / appeal / dispute)		
-Sales Tax and Service Tax	8,032	8,738
-Income Tax	9,950	9,951
-Customs Duty	4,883	4,883
-Entry Tax	6,169	6,010
-Stamp Duty	404	404
-Municipal Taxes	121	121

(All amounts are in millions of Indian Rupee; unless stated otherwise)

23. Contingent liabilities and commitments (contd..)

Particulars	As of March 31, 2019	As of March 31, 2018
-Department of Telecom ('DoT') demands	93,522	40,344
-Other miscellaneous demands	1,047	1,385
(ii) Claims under legal cases including arbitration matters		
-Access charges / Port charges	11,839	10,021
-Others	719	599
	136,686	82,456

Further, refer note f(v), f(vi) and f(vii) below for other DoT matter

The category wise detail of the contingent liability has been given below:-

a. Sales tax, Service tax and GST

The claims for sales tax comprised of cases relating to the appropriateness of declarations made by the Company under relevant sales tax legislations which were primarily procedural in nature and the applicable sales tax on disposals of certain property and equipment items. Pending final decisions, the Company has deposited amounts under protest with statutory authorities for certain cases.

The service tax demands relate to cenvat claimed on tower and related material, levy of service tax on SIM cards and employee talk time, cenvat credit disallowed for procedural lapses and usage in excess of 20% limit.

The Goods and Service Tax (GST) demand relates to procedural compliance in regard to ewaybills.

b. Income Tax demand

Income tax demands mainly include the appeals filed by the Company before various appellate authorities against the disallowance by income tax authorities of certain expenses being claimed and non-deduction of tax at source with respect to pre-paid dealers / distributor's margin.

c. Access charges / Port charges

- i. Despite the interconnect usage charges ('IUC') rates being governed by the Regulations issued by Telecom Regulatory Authority of India ('TRAI'); BSNL had raised a demand for IUC at the rates contrary to the regulations issued by TRAI in 2009. Accordingly, the Company filed a petition against the demand with the TDSAT which allowed payments by the Company based on the existing regulations. The matter was then challenged by BSNL and is currently pending with the Hon'ble Supreme Court.
- ii. The Hon'ble TDSAT allowed BSNL to recover distance based carriage charges. The private telecom operators

have jointly filed an appeal against the said order and the matter is currently pending before the Hon'ble Supreme Court.

iii. BSNL challenged before TDSAT the port charges reduction contemplated by the regulations issued by TRAI in 2007 which passed its judgment in favour of BSNL. The said judgment has been challenged by the private operators in Hon'ble Supreme Court. Pending disposal of the said appeal, in the interim, private operators were allowed to continue paying BSNL as per the revised rates i.e. TRAI regulation issued in 2007, subject to the bank guarantee being provided for the disputed amount. The rates were further reduced by TRAI in 2012 which was challenged by BSNL before the Hon'ble Delhi High Court. The Hon'ble Delhi High Court, in the interim, without staying the rate revision, directed the private operators to secure the difference between TRAI regulation of 2007 and 2012 rates by way of bank guarantee pending final disposal of appeal.

d. Customs Duty

The custom authorities, in some states, demanded custom duty for the imports of special software on the ground that this would form part of the hardware on which it was pre-loaded at the time of import. The view of the Company is that such imports should not be subject to any custom duty as it is operating software exempt from any custom duty. In response to the application filed by the Company, the Hon'ble Central Excise and Service Tax Appellate Tribunal ('CESTAT') has passed an order in favour of the custom authorities. The Company has filed an appeal with Hon'ble Supreme Court against the CESTAT order.

e. Entry Tax

In certain states, an entry tax is levied on receipt of import from outside the state. This position has been challenged by the Company in the respective states, on the grounds that the specific entry tax is ultra vires the Constitution. Classification issues has also been raised, whereby, in view of the Company, the material proposed to be taxed is not covered under the specific category.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

23. Contingent liabilities and commitments (contd..)

During the year ended March 31, 2017, the Hon'ble Supreme Court of India upheld the constitutional validity of entry tax levied by few States. However, Supreme Court did not conclude certain aspects such as present levies in each State is discriminatory in nature or not, leaving them open to be decided by regular benches of the Courts. Pending disposition by the regular benches, the Company has decided to maintain status-quo on its position and hence continues to disclose it as contingent liability.

f. DoT demands

- i. Demand for license fees pertaining to computation of Adjusted Gross Revenue ('AGR') and the interest thereon, due to difference in its interpretation. The definition of AGR is sub-judice and under dispute since 2005 before the TDSAT. TDSAT had pronounced its judgment in 2015, quashed all demands raised by DoT and directed DoT to rework the demands basis the principles enunciated in its judgment. Subsequently, the Union of India ('UOI') and the Company along with various other operators have filed appeals / cross appeals before the Hon'ble Supreme Court of India against the TDSAT judgment. In 2016, all the appeals were tagged together and Hon'ble Supreme Court has permitted DOT to raise demands with a direction not to enforce any demand till the final adjudication of the matter by Hon'ble Supreme Court. Accordingly, DoT has raised the demand basis special audit done by DoT and Comptroller and Auditor General of India. The contingent liability includes such demand and interest thereto (excluding certain contentious matters, penalty and interest thereto) for the financial year for which demands have been received by the Company.
- ii. DoT had enhanced the microwave rates by introducing slab-wise rates based on the number of carriers vide circulars issued in 2006 and 2008 from erstwhile basis being allocated frequency. The Company had challenged the matter in TDSAT wherein TDSAT set aside the circular. In 2010, DOT had challenged the order of TDSAT before the Hon'ble Supreme Court which is yet to be listed for hearing. Further, TDSAT pronounced its judgment in March 2019 in relation to Unified Licenses which provides for manner of determination of such levies and dates from which such levies can be made applicable.

The Company had made a provision of ₹ 20,522 until December 2018 for the period from FY 2007-08 to FY 2018-19 (refer note 31). Subsequently, basis the recent judgment and external legal opinion the matter has now been assessed to be a contingent liability.

- iii. Demands for the contentious matters in respect of subscriber verification norms and regulations including validity of certain documents allowed as proof of address / identity.
- iv. Penalty for alleged failure to meet certain procedural requirements for EMF radiation self-certification compliance.

The matters stated above are being contested by the Company and based on legal advice, the Company believes that it has complied with all license related regulations and does not expect any financial impact due to these matters.

In addition to the amounts disclosed in the table above, the contingent liability on DoT matters includes the following:

- v. Post the Hon'ble Supreme Court judgment in 2011, on components of AGR for computation of license fee, based on the legal advice, the Company believes that the foreign exchange gain should not be included in AGR for computation of license fee thereon. Further as per TDSAT judgement in 2015, foreign exchange fluctuation does not have any bearing on the license fees. Accordingly, the license fee on foreign exchange gain has not been provided in the financial statements. Also, due to ambiguity of interpretation of 'foreign exchange differences', the license fee impact on such exchange differences is not quantifiable. The matter is currently pending adjudication by Hon'ble Kerala High Court and Hon'ble Supreme Court.
- vi. On January 8, 2013, DoT issued a demand on the Company for ₹ 51,353 towards levy of one time spectrum charge, which was further revised on June 27, 2018 to ₹ 79,403. The revised demand includes a retrospective charge of ₹ 8,940 for holding GSM spectrum beyond 6.2 MHz for the period from July 1, 2008 to December 31, 2012 and also a prospective charge of ₹ 70,463 for GSM spectrum held beyond 4.4 MHz for the period from January 1, 2013, till the expiry of the initial terms of the respective licenses.

In the opinion of the Company, inter-alia, the above demand amounts to alteration of financial terms of the licenses issued in the past. Based on a petition filed by the Company, the Hon'ble High Court of Bombay, vide its order dated January 28, 2013, has directed the DoT to respond and not to take any coercive action until the next date of hearing. The DoT has filed its reply and the matter is currently pending with Hon'ble High Court of Bombay. The Company, based on independent legal opinions, till date has not given any effect to the above demand.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

23. Contingent liabilities and commitments (contd..)

vii. DoT had issued notices to the Company (as well as other telecom service providers) to stop provision of services (under 3G Intra Circle Roaming ('ICR') arrangements) in the service areas where such service providers had not been allocated 3G spectrum and levied a financial penalty of ₹ 3,500 on the Company. The Company contested the notices in response to which TDSAT in 2014 held 3G ICR arrangements to be competent and compliant with the licensing conditions and quashed the notice imposing penalty. The DoT has challenged the order of TDSAT before the Hon'ble Supreme Court which is yet to be listed for hearing.

Guarantees:

Guarantees outstanding as of March 31, 2019 and March 31, 2018 amounting to ₹ 103,610 and ₹ 123,796 respectively have been issued by banks and financial institutions on behalf of the Company. These guarantees includes certain financial bank guarantees which have been given for subjudice matters / compliance with licensing requirements, the amount with respect to these have been disclosed under capital commitments, contingencies and liabilities, as applicable, in compliance with the applicable accounting standards.

II. Commitments

Capital commitments

The Company has contractual commitments towards capital expenditure (net of related advances) of ₹ 56,840 and ₹ 105,618 as of March 31, 2019 and March 31, 2018 respectively.

Lease commitments

a. Operating lease

The future minimum lease payments ('FMLP') obligations are as follows:-

As Lessee

	As of March 31, 2019	As of March 31, 2018
Not later than one year	87,347	77,510
Later than one year but not later than five years	265,477	273,717
Later than five years	96,812	58,971
	449,636	410,198
Lease rentals (excluding lease equalisation adjustments)	78,255	66,386

The above lease arrangements are mainly pertaining to passive infrastructure. Certain of these lease agreements have escalation clause upto 18% and includes option of renewal from 1 to 15 years.

As lessor

- i. Company has entered into non-cancellable lease arrangements to provide dark fiber on indefeasible right of use ('IRU') basis. Due to the nature of the transaction, it is not possible to compute gross carrying amount, depreciation for the year and accumulated depreciation of the asset given on operating lease as of March 31, 2019 and accordingly, the related disclosures are not provided.
- ii. The FMLP receivables against assets (other than above IRU assets) are as follows:

As Lessor

	As of March 31, 2019	As of March 31, 2018
Not later than one year	237	208
Later than one year but not later than five years Later than five years	932 8	984 114
	1,177	1,306

The above lease arrangements are mainly pertaining to premises given to group companies.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

23. Contingent liabilities and commitments (contd..)

b. Finance lease

As lessee

Finance lease obligation of the Company as of March 31, 2019 is as follows:-

	Future minimum lease payments	Interest	Present value
Not later than one year	247	6	241
Later than one year but not later than five years	-	-	-
	247	6	241

Finance lease obligation of the Company as of March 31, 2018 is as follows:

	Future minimum lease payments	Interest	Present value
Not later than one year	282	29	253
Later than one year but not later than five years	148	10	138
	430	39	391

The above lease arrangements are mainly pertaining to various items of plant and equipment.

As lessor

The future minimum lease payments receivable of the Company as of March 31, 2019 is ₹ Nil.

The future minimum lease payments receivable of the Company as of March 31, 2018 is as follows:-

	Future minimum lease payments	Interest	Present value
Not later than one year	176	16	160
Later than one year but not later than five years	89	6	83
	265	22	243

The above lease arrangements are mainly pertaining to various network equipment.

24. Revenue from operations

	For the year ended March 31, 2019	For the year ended March 31, 2018
Service revenue	495,895	536,287
Sale of products	185	343
	496,080	536,630

Disaggregation of Revenue

Revenue is disaggregated by geographical market, major products / service lines and timing of revenue recognition are as follows:

	Mobile S	Services	Airtel B	usiness	Homes Services		To	Total	
Particulars	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	· · · · · ·	March 31, 2018	March 31, 2019	March 31, 2018	
Geographical Markets									
India	376,633	417,985	51,909	49,979	21,758	24,523	450,300	492,487	
Others	2,193	2,223	43,587	41,920	-	-	45,780	44,143	
	378,826	420,208	95,496	91,899	21,758	24,523	496,080	536,630	
Major Product/ Services lines									
Data and Voice Services	348,175	373,737	78,322	81,623	20,736	23,490	447,233	478,850	

(All amounts are in millions of Indian Rupee; unless stated otherwise)

24. Revenue from operations (contd..)

	Mobile S	Services	Airtel B	usiness	Homes S	Services	To	tal
Particulars	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Others	30,651	46,471	17,174	10,276	1,022	1,033	48,847	57,780
Timing of Revenue Recognition Products and services transferred at a point in time	378,826 401	420,208 82	95,496 187	91,899 344	21,758 39	24,523 21	496,080 627	536,630 447
Products and services transferred over time	378,425	420,126	95,309	91,555	21,719	24,502	495,453	536,183
	378,826	420,208	95,496	91,899	21,758	24,523	496,080	536,630

Contract Balances

The following table provides information about unbilled revenue and deferred revenue from contract with customers

	As of March 31, 2019	As of March 31, 2018
Unbilled Revenue	12,072	11,160
Deferred Revenue	43,772	48,612

Significant changes in the unbilled revenue and deferred revenue balances during the year are as follows:

	For the year ended March 31, 2019		
	Unbilled Revenue	Deferred Revenue	
Revenue recognised that was included in deferred revenue at the beginning of the year	-	30,242	
Increases due to cash received, excluding amounts recognised as revenue during the year	-	25,401	
Transfers from unbilled revenue recognised at the beginning of the year to receivables	11,160	-	

25. Network Operating expenses

	For the year ended March 31, 2019	For the year ended March 31, 2018
Passive infrastructure charges	72,565	64,410
Power and fuel	46,847	45,647
Repair and maintenance	18,691	16,227
Internet bandwidth and leasedline charges	10,326	7,061
Others*	12,818	6,167
	161,247	139,512

*It includes charges towards managed services, installation, insurance and security.

26. Employee benefits expense

	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries and bonus	12,182	14,844
Contribution to provident and other funds	733	668

(All amounts are in millions of Indian Rupee; unless stated otherwise)

26. Employee benefits expense (contd..)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Staff welfare expenses	635	542
Defined benefit plan / other long-term benefits	448	448
Share based payment expense		
- Equity-settled plans	314	337
- Cash-settled plans	24	12
Others*	374	358
	14,710	17,209

*It mainly includes recruitment and training expenses.

26.1 Share-based payment plans

The following table provides an overview of all existing share option plans of the Company:

Scheme	Plan	Vesting period (years)	Contractual term (years)
Equity settled Plans			
Scheme I	2006 Plan	1 - 5	7
Scheme 2005	Performance Share Plan	3 - 4	7
	(PSP) 2009 Plan		
Scheme 2005	Special ESOP & Restricted	1 - 5	7
	Share Units (RSU) Plan		
Scheme 2005	Long Term Incentive (LTI) Plan	1 - 3	7
Cash settled Plans			
Performance Unit Plan (PUP)	PUP 2013 - PUP 2015	1 - 4	3-5

The stock options vesting are subject to service and certain performance conditions mainly pertaining to certain financial parameters.

The movement in the number of stock options and the related weighted average exercise prices are as follows:

	For the year ende	d March 31, 2019	For the year ende	d March 31, 2018
	Number of share options ('000)	Weighted average exercise price (₹)	Number of share options ('000)	Weighted average exercise price (₹)
2006 Plan				
Outstanding at beginning of year	115	5.00	205	5.00
Granted	-	-	-	-
Exercised	(50)	5.00	(90)	5.00
Forfeited / expired	-	-	-	-
Outstanding at end of year	65	5.00	115	5.00
Exercisable at end of year	8	5.00	2	5.00
PSP 2009 Plan				
Outstanding at beginning of year	-	-	6	5.00
Granted	-	-	-	-
Exercised	-	-	(3)	5.00
Forfeited / expired	-	-	(3)	5.00
Outstanding at end of year	-	-	-	-
Exercisable at end of year	-	-	-	-

(All amounts are in millions of Indian Rupee; unless stated otherwise)

26.1 Share-based payment plans (contd..)

	For the year ended	d March 31, 2019	For the year ended	d March 31, 2018
	Number of share options ('000)	Weighted average exercise price (₹)	Number of share options ('000)	Weighted average exercise price (₹)
Special ESOP & RSU Plan				
Outstanding at beginning of year	-	-	34	5.00
Granted	-	-	-	-
Exercised	-	-	(33)	5.00
Forfeited / expired	-	-	(1)	5.00
Outstanding at end of year	-	-	-	-
Exercisable at end of year	-	-	-	-
LTI Plans				
Outstanding at beginning of year	2,978	5.00	2,002	5.00
Granted	2,274	-	1,571	-
Exercised	(877)	5.00	(406)	5.00
Forfeited / expired	(963)	5.00	(189)	5.00
Outstanding at end of year	3,413	5.00	2,978	5.00
Exercisable at end of year	478	5.00	567	5.00
Performance Unit Plans				
Outstanding at beginning of year	398	-	1,401	-
Granted	-	-	(0)	-
Exercised	(200)	-	(966)	-
Forfeited / expired	(63)	-	(37)	-
Outstanding at end of year	135	-	398	-
Exercisable at end of year	<u> </u>	-		-

The details of weighted average remaining contractual life, weighted average fair value and weighted average share price for the options are as follows:

Weighted average	March 31, 2019	March 31, 2018
Remaining contractual life for the options outstanding as of (years)	0.35 to 6.40	0.35 to 6.37
Fair value for the options granted during the year ended $({f {R}})$	338.18 to 409.73	338.54 to 409.76
Share price for the options exercised during the year ended $(\overline{\mathbf{x}})$	303.64 to 370.37	367.14 to 457.41

The carrying value of cash settled plans liability is ₹ 22 and ₹ 66 as of March 31, 2019 and March 31, 2018 respectively.

The fair value of options is measured using Black-Scholes valuation model. The key inputs used in the measurement of the grant date fair valuation of equity settled plans and fair value of cash settled plans are given in the table below:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Risk free interest rates	6.31% to 7.87%	6.3% to 6.78%
Expected life	4 to 60 months	10 to 60 months
Volatility	31.90% to 34.54%	25.91% to 30.16%
Dividend yield	0.74% to 0.75%	0.24% to 0.25%
Wtd average exercise price (₹)	0-5	0-5

The expected life of the stock options is based on the Company's expectations and is not necessarily indicative of exercise patterns that may actually occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the expected life of the options is indicative of future trends, which may not necessarily be the actual outcome. Further, the expected volatility is based on the weighted average volatility of the comparable benchmark companies.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

26.2 Employee benefits

The details of significant employee benefits are as follows:

	For the year ended March 31, 2019		For the year ended	d March 31, 2018
	Gratuity	Compensated absences	Gratuity	Compensated absences
Obligation:				
Balance as at beginning of the year	1857	749	1,827	789
Current service cost	232	136	244	138
Interest cost	146	59	135	58
Benefits paid	(392)	(162)	(241)	(106)
Transfers	7	26	(21)	(3)
Remeasurements	(148)	(142)	(87)	(127)
Present value of obligation	1,702	666	1,857	749
Current portion	422	666	513	749
Non-current portion	1,280	-	1,344	-

The expected contribution for the year ended March 31, 2019 and 2018 for gratuity plan is ₹ 379 and ₹ 391 respectively.

Amount recognised in other comprehensive income

	For the year ended March 31, 2019	For the year ended March 31, 2018
Experience gains	(80)	(15)
Losses from change in demographic assumptions	35	15
Gains from change in financial assumptions	(103)	(87)
Remeasurements on liability	(148)	(87)

Due to its defined benefits plans, the Company is exposed to the following significant risks:

Changes in bond yields - A decrease in bond yields will increase plan liability.

Salary risk - The present value of the defined benefits plans liability is calculated by reference to the future salaries of the plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The financial (per annum rates) and demographic assumptions used to determine defined benefits obligations are as follows:

	As of March 31, 2019	As of March 31, 2018
Discount rate	7.65%	7.85%
Rate of return on plan assets	N.A.	N.A.
Rate of salary increase	7.00%	9.00%
Rate of attrition	14% to 27%	20% to 24%
Retirement age	58	58

Sensitivity analysis

The Company regularly assesses these assumptions with the projected long-term plans and prevalent industry standards.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

26.2 Employee benefits (contd..)

The impact of sensitivity due to changes in the significant actuarial assumptions on the defined benefits obligations is given in the table below:

	Change in	As of March 31, 2019		As of March 31, 2018	
	Change in assumption	Gratuity	Compensated absences	Gratuity	Compensated absences
Discount Rate	+1%	(72)	(35)	(61)	(32)
	-1%	79	38	67	34
Salary Growth Rate	+1%	79	38	65	34
	-1%	(73)	(35)	(61)	(32)

The above sensitivity analysis is determined based on a method that extrapolates the impact on the net defined benefits obligations, as a result of reasonable possible changes in the significant actuarial assumptions. Further, the above sensitivity analysis is based on a reasonably possible change in a particular under-lying actuarial assumption, while assuming all other assumptions to be constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

The table below summarises the maturity profile and duration of the gratuity liability:

	As of March 31, 2019	As of March 31, 2018
Within one year	422	513
Within one - three years	376	535
Within three - five years	263	318
Above five years	641	489
Weighted average duration (in years)	5.27	3.82

27. Sales and marketing expenses

	For the year ended March 31, 2019	For the year ended March 31, 2018
Sales commission and distribution	17,615	22,211
Advertisement and marketing	5,609	5,787
Business promotion	1,407	1,516
Other ancillary expenses	988	1,005
	25,619	30,519

28. Other expenses

	For the year ended March 31, 2019	For the year ended March 31, 2018
Content costs	7,492	5,698
Customer care expenses	3,566	4,668
IT expenses	1,992	3,764
Collection and recovery expenses	2,778	3,690
Legal and professional fees^	3,433	2,653
Provision for doubtful debts	(14,758)	8,060

(All amounts are in millions of Indian Rupee; unless stated otherwise)

28. Other expenses (contd..)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Travelling and conveyance	927	888
Bad debts written off	23,226	713
Cost of good sold	141	277
Charity and donation*	496	278
Others#	9,101	5,432
	38,394	36,171

* As per the requirements of section 135 of the Companies Act, 2013, the Company was required to spend an amount of ₹ 1,118 and ₹ 2,146 for the year ended March 31, 2019 and 2018 on corporate social responsibility expenditure. During the year ended March 31, 2019 and 2018, the Company has spent in cash an amount of ₹ 458 and ₹ 245 towards education and sanitation respectively.

It includes rent, printing and stationary, security, repairs and maintenance expenses etc. Further, it includes political contributions amounting to ₹412 and ₹250 made under Section 182 of the Companies Act, 2013 during the year ended March 31, 2019 and 2018 respectively.

^Details of Auditor's remuneration included in legal and professional fees:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Audit fee*	66	66
Reimbursement of expenses	5	5
Other services*	23	13
	94	84

*Excluding goods and service tax

29. Depreciation and amortisation

	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation	95,317	80,063
Amortisation	55,559	50,423
	150,876	130,486

30. Finance costs and income

	For the year ended March 31, 2019	For the year ended March 31, 2018
Finance costs		
Interest expense	64,361	47,553
Net loss on derivative financial instruments	-	1,959
Net exchange loss	5,790	-
Other finance charges*	8,286	9,595
	78,437	59,107
Finance income		
Dividend income	20,014	4,200
Interest income	3,141	3,360
Net gain on FVTPL investments	476	35
Net gain on derivative financial instruments	73	-
Net exchange gain	-	822
	23,704	8,417

*It includes bank charges, trade finance charges, charges relating to derivative instruments and interest charges towards sub judice matters.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

31. Exceptional items

Exceptional items comprise of the following:

- i. For the year ended March 31, 2019:
 - a. Charge of ₹ 3,422 towards operating costs on network re-farming and up-gradation program
 - b. Credit of ₹ 32,955 pertaining to re-assessment of levies, based on a recent pronouncement related to the manner of determination of such levies.
 - c. Charge of ₹ 1,368 mainly due to levies and taxes pertaining to internal restructuring
- ii. For the year ended March 31, 2018:
 - a. Charge of ₹ 1,572 towards operating costs on network re-farming and up-gradation program
 - b. Provision of ₹ 720 towards one major delinquent receivable balance
 - c. Charge of ₹ 3,749 mainly due to levies and taxes pertaining to internal restructuring

Tax expense include:

Net charge of ₹9,842 and benefit of ₹2,129 for the year ended March 31, 2019 and 2018 respectively, on the said exceptional items.

32. Earnings per share ('EPS')

The details used in the computation of basic and diluted EPS:

	As of	As of
	March 31, 2019	March 31, 2018
Weighted average shares outstanding ('000) for basic / diluted EPS	3,997,400	3,997,400
(Loss) / profit for the year	(18,290)	792

33. Segment reporting

The Company's operating segments are organised and managed separately through the respective business managers, according to the nature of products and services provided with each segment representing a strategic business unit. These business units are reviewed by the Chairman of the Company (Chief Operating Decision Maker - 'CODM').

The amounts reported to CODM are based on the accounting principles used in the preparation of financial statements as per Ind AS. Segment's performance is evaluated based on segment revenue and segment result viz. profit or loss from operating activities before exceptional items and tax. Accordingly, finance costs / income, non-operating income / expenses and exceptional items are not allocated to individual segment.

Inter-segment pricing and terms are reviewed and changed by the management to reflect changes in market conditions and changes to such terms are reflected in the period in which the changes occur. Inter-segment revenues are eliminated upon consolidation of segments and reflected in the 'Eliminations' column.

Segment assets / liabilities comprise assets / liabilities directly managed by each segment. Segment assets primarily includes receivables, property, plant and equipment, capital work-in-progress, intangibles assets, intangible assets under development, noncurrent investments, inventories and cash and cash equivalents. Segment liabilities primarily includes operating liabilities. Segment capital expenditure comprises of additions to PPE, CWIP, intangible assets, intangible assets under development, and capital advances.

The reporting segments of the Company are as below:

Mobile Services: These services cover voice and data telecom services provided through wireless technology (2G / 3G / 4G) in India. This includes the captive national long distance networks which primarily provide connectivity to the mobile services business in India. This also includes intra-city fibre networks.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

33. Segment reporting (contd..)

Airtel Business: These services cover end-to-end telecom solutions being provided to large Indian and global corporations by serving as a single point of contact for all telecommunication needs across data and voice (domestic as well as international long distance), network integration and managed services.

Homes Services: These services cover voice and data communications through fixed-line network and broadband technology for homes.

Unallocated: It includes expenses / results, assets and liabilities of corporate headquarters of the Company, non-current investments, current taxes, deferred taxes, borrowings and certain financial assets and liabilities, not allocated to the operating segments.

Summary of the segmental information for the year ended and as of March 31, 2019 is as follows:

	Mobile Services	Airtel Business	Homes Services	Unallocated	Eliminations	Total
Revenue from external customers	378,826	95,496	21,758	-	-	496,080
Inter-segment revenue	20,422	8,572	161	-	(29,155)	-
Total revenues	399,248	104,068	21,919	-	(29,155)	496,080
Segment results	(47,525)	22,553	3,207	(1,698)	-	(23,463)
Less:						
Finance costs						78,437
Finance income						(23,704)
Non-operating expenses						1,890
Exceptional items (net)						(28,049)
Loss before tax						(52,037)
Other segment items						
Capital expenditure	217,217	7,841	8,493	-	(5,464)	228,087
Depreciation and amortisation	141,384	10,481	7,366	12	(8,367)	150,876
As of March 31, 2019						
Segment assets	1,535,629	100,851	44,692	612,581	(66,898)	2,226,855
Segment liabilities	383,481	39,236	21,458	865,985	(66,898)	1,243,262

Summary of the segmental information for the year ended and as of March 31, 2018 is as follow:

	Mobile Services	Airtel Business	Homes Services	Unallocated	Eliminations	Total
Revenue from external customers	420,208	91,899	24,523	-	-	536,630
Inter-segment revenue	20,947	8,655	177	-	(29,779)	-
Total revenues	441,155	100,554	24,700	-	(29,779)	536,630
Segment results	21,563	26,193	4,398	(1,639)	-	50,515
Less:						
Finance costs						59,107
Finance income						(8,417)
Non-operating expenses						596
Exceptional items (net)						6,041
Loss before tax						(6,812)
Other segment items						
Capital expenditure	188,011	7,474	10,210	6,481	(7,457)	204,719
Depreciation and amortisation	121,385	10,041	6,939	12	(7,891)	130,486
As of March 31, 2018						
Segment assets	1,356,580	101,826	43,059	617,272	(69,364)	2,049,373
Segment liabilities	303,670	38,625	20,276	727,557	(69,364)	1,020,764

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Geographical information*:

a. Revenue from external customers:

	For the year ended March 31, 2019	For the year ended March 31, 2018
India	450,300	492,486
Others	45,780	44,144
	496,080	536,630

b. Non-current assets#:

	As of March 31, 2019	As of March 31, 2018
India	1,361,810	1,269,732
Others	11,317	12,389
	1,373,127	1,282,121

*Basis location of the customers / assets

#Non-current assets for this purpose consist of PPE, CWIP, intangible assets, intangible assets under development and capital advances.

34. Related party disclosures Subsidiaries

- Indian

Bharti Airtel Services Limited Bharti Hexacom Limited Bharti Infratel Limited Bharti Telemedia Limited Bharti Digital Networks Private Limited Indo Teleports Limited Nxtra Data Limited Nxtra Data Limited Nettle Infrastructure Investments Limited Smartx Services Limited Telesonic Networks Limited Wynk Limited Airtel Payments Bank Limited (ceased to be subsidiary w.e.f October 25, 2018)

- Foreign

Africa Towers N.V. Airtel Africa Limited (incorporated on July 12, 2018) Airtel Africa Mauritius Limited (incorporated on June 28, 2018) Airtel (Seychelles) Limited Airtel Congo (RDC) S.A. Airtel Congo S.A. Airtel Gabon S.A.# Airtel Madagascar S.A. Airtel Malawi Limited Airtel Mobile Commerce (Kenya) Limited Airtel Mobile Commerce (Seychelles) Limited Airtel Mobile Commerce (Tanzania) Limited Airtel Mobile Commerce B.V. Airtel Mobile Commerce Holdings B.V. Airtel Mobile Commerce Limited, Malawi Airtel Mobile Commerce Madagascar S.A. Airtel Mobile Commerce Rwanda Limited Airtel Mobile Commerce Tchad S.a.r.l.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

34. Related party disclosures (contd..)

Airtel Mobile Commerce Uganda Limited Airtel Mobile Commerce Zambia Limited Airtel Money (RDC) S.A. Airtel Money Niger S.A. Airtel Money S.A. Airtel Money Transfer Limited Airtel Money Tanzania Limited Airtel Mobile Commerce Congo B.V. (incorporated on January 29, 2019) Airtel Mobile Commerce (Seychelles) B.V. (incorporated on January 29, 2019) Airtel Mobile Commerce Madagascar B.V. (incorporated on January 29, 2019) Airtel Mobile Commerce Kenya B.V. (incorporated on January 29, 2019) Airtel Mobile Commerce Rwanda B.V. (incorporated on January 29, 2019) Airtel Mobile Commerce Malawi B.V. (incorporated on January 29, 2019) Airtel Mobile Commerce Uganda B.V. (incorporated on January 29, 2019) Airtel Mobile Commerce Tchad B.V. (incorporated on January 29, 2019)) Airtel Mobile Commerce Zambia B.V. (incorporated on January 29, 2019) Airtel Mobile Commerce Nigeria Limited Airtel Mobile Commerce Nigeria B.V. (incorporated on December 5, 2018) Airtel Networks Kenya Limited Airtel Networks Limited Airtel Networks Zambia Plc Airtel Rwanda Limited Airtel Tanzania Public Limited Company (formerly known as Airtel Tanzania Limited) Airtel Tchad S.A. Airtel Uganda Limited Bharti Airtel (France) SAS Bharti Airtel (Hong Kong) Limited Bharti Airtel (Japan) Private Limited Bharti Airtel (UK) Limited Bharti Airtel (USA) Limited Bharti Airtel Africa B.V. Bharti Airtel Chad Holdings B.V. Bharti Airtel Congo Holdings B.V. Bharti Airtel Developers Forum Limited Bharti Airtel Gabon Holdings B.V. Bharti Airtel International (Mauritius) Limited Bharti Airtel International (Mauritius) Investments Limited Bharti Airtel International (Netherlands) B.V. Airtel International LLP Bharti Airtel Kenya B.V. Bharti Airtel Kenya Holdings B.V. Bharti Airtel Lanka (Private) Limited Bharti Airtel Madagascar Holdings B.V. Bharti Airtel Malawi Holdings B.V. Bharti Airtel Mali Holdings B.V. Bharti Airtel Niger Holdings B.V. Bharti Airtel Nigeria B.V. Bharti Airtel Nigeria Holdings II B.V. Bharti Airtel RDC Holdings B.V. Bharti Airtel Rwanda Holdings Limited Bharti Airtel Services B.V. Bharti Airtel Tanzania B.V. Bharti Airtel Uganda Holdings B.V.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

34. Related party disclosures (contd..)

Bharti Airtel Zambia Holdings B.V. Bharti International (Singapore) Pte. Limited Bharti Airtel Overseas (Mauritius) Limited (incorporated on June 28, 2018) Bharti Airtel Holding (Mauritius) Limited (incorporated on June 27, 2018) Celtel (Mauritius) Holdings Limited Celtel Niger S.A. Channel Sea Management Company (Mauritius) Limited Congo RDC Towers S.A. Indian Ocean Telecom Limited Madagascar Towers S.A. Malawi Towers Limited Mobile Commerce Congo S.A. Montana International Network i2i Limited Partnership Investments S.a.r.l. Société Malgache de Téléphone Cellulaire S.A. Tanzania Towers Limited

Ultimate controlling entity (w.e.f. November 3, 2017)

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

Entity having control over the Company (w.e.f. November 3, 2017)*

-Indian Bharti Telecom Limited *Significant influence until November 2, 2017

Entities having significant influence over the Company

- Foreign

Singapore Telecommunications Limited Pastel Limited

Associates

- Indian

Airtel Payments Bank Limited (w.e.f October 25, 2018) Seynse Technologies Private Limited Juggernaut Books Private Limited

- Foreign

Seychelles Cable Systems Company Limited Robi Axiata Limited

Joint Ventures

- Indian

Indus Towers Limited FireFly Networks Limited

- Foreign

Bridge Mobile Pte Limited Bharti Airtel Ghana Holdings B.V Airtel Ghana Limited Airtel Mobile Commerce (Ghana) Limited Millicom Ghana Company Limited Mobile Financial Services Limited

(All amounts are in millions of Indian Rupee; unless stated otherwise)

34. Related party disclosures (contd..)

Other entities with whom transactions have taken place during the reporting periods

a. Fellow companies (subsidiaries / joint ventures / associates other than that of the Company)

Subsidiaries

- Indian

Bharti Enterprises Limited Bharti Axa General Insurance Company Limited Bharti Axa Life Insurance Company Limited

Associates

- Indian

Bharti Life Ventures Private Limited Bharti General Private Limited

Others related parties *

Entities where Key Management Personnel and their relatives exercise significant influence

- Indian

Bharti Foundation Bharti Airtel Employees Welfare Trust Hike Private Limited

Others

- Indian Brightstar Telecommunication India Limited Bharti Realty Holdings Limited Bharti Realty Limited Deber Technologies Private Limited Hike Messenger Limited Centum Learning Limited Fieldfresh Foods Private Limited Jersey Airtel Limited Nile Tech Limited Centum Work skills India Limited Oak Infrastructure Developers Limited Gourmet Investments Private Limited Indian School of Business Century Metal Recycling Private Limited Bharti Enterprises Limited (formerly known as Bharti Ventures Limited) Guernsey Airtel Limited

* 'Other related parties' though not 'Related Parties' as per the definition under Ind AS 24, 'Related party disclosures', have been included by way of a voluntary disclosure, following the best corporate governance practices.

i. Key Management Personnel ('KMP')

Sunil Bharti Mittal Gopal Vittal # Under liquidation

(All amounts are in millions of Indian Rupee; unless stated otherwise)

34. Related party disclosures (contd..)

The summary of significant transactions with the above mentioned parties is as follows:

		For the Year		ended March 31, 2019			For the Y	For the Year ended March 31, 2018	rch 31, 2018	
	Subsidiaries	Joint ventures	Associates	Entitys having significant influence	ORP / FC#	Subsidiaries	Joint ventures	Associates	Entitys having significant influence	ORP / FC#
Purchase of fixed assets / bandwidth	7,192	294		I	817	4,951	1		1	2,476
Sale of fixed assets / IRU given	7,081	I			ı	1,237	I	'		ı
Investments	2,382	ı	'			42,912	ı	'		ı
Sale of investments	115,591	I			ı	47,632	I	'		ı
Rendering of services	36,185	79	102	940	132	30,643	37	2	666	296
Receiving of services	70,711	41,247	263	212	2,844	56,019	38,142	50		3,263
Fund transferred / expenses incurred	2,106	4	148	0	c	2,451	00			,
on behalf of others										
Donation		ı	ı		92		ı	'		202
Security deposit given/Advances paid	26	154	,		139	14	74			14
Refund of security deposit taken	520	ı			ı			'		,
Advance received/Refund of Security	731		I			10	44	,		ı
deposit given										
Loans given	124,791				248	71,993	C	'		273
Repayment of loans given	36,105	1	,		335	71,512	,	'		
Reimbursement of energy expenses	16,601	23,075	1		1	13,680	25,317	'		,
Guarantees and collaterals given	135,293	I	ı	,	ı	24,767		,		ı
Dividend paid			·	13,013	414	'		'	9,809	501
Dividend income	20,014		I			4,200			1	I
# Other related parties / fellow companies										

Given the imminent merger of the Company and its wholly owned subsidiary Bharti Digital Networks Private Limited (Tikona); no cross-charge has been applied for the use of spectrum and assets.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

34. Related party disclosures (contd..)

The significant related party transactions are summarised below:

		For the year ended March 31, 2019	For the year ended March 31, 2018
(i)	Rendering of services		
	Subsidiaries		
	Bharti Hexacom Limited	18,042	17,414
	Bharti Airtel (UK) Ltd.	13,714	9,559
(ii)	Receiving of services		
	Subsidiaries		
	Bharti Hexacom Limited	6,628	8,709
	Bharti Infratel Limited	23,151	20,404
	Bharti Airtel (UK) Limited	16,134	11,481
	Telesonic Networks Limited	4,685	3,781
	Nxtra Data Limited	7,833	1,959
	Wynk Limited	6,348	2,897
	Joint venture		
	Indus Towers Limited	41,133	38,046
(iii)	Reimbursement of energy expenses		
	Subsidiary		10.000
	Bharti Infratel Limited	16,601	13,680
	Joint Venture	00.075	05.04.5
	Indus Towers Limited	23,075	25,317
(IV)	Fund transferred / expenses incurred on behalf of others		
	Subsidiary	0.41	1 0 0 0
6.5	Bharti Hexacom Limited	841	1,292
(v)	Loans given		
	Subsidiaries	100.000	E0.604
	Nettle Infrastructure Investments Limited Bharti Digital Networks Private Limited	100,828	50,604
	Bharti Airtel (Services) Limited	4,201 6,398	10,538 5,658
	Nxtra Data Limited	6,731	2,966
()	Wynk Limited Repayment of loans given	6,089	1,948
(1)	Subsidiaries		
	Bharti Airtel (Services) Limited	6,054	4,883
	Nettle Infrastructure Investments Limited	17,504	4,003
	Nxtra Data Limited	2,403	2,185
	Wynk Limited	5,447	2,103
	Bharti Digital Networks Private Limited	4,310	2,140
(vii)Purchase of investments	4,010	
	Subsidiaries		
	Network i2i Limited	-	29,159
(vii	i) Sale of investment		20,100
	Subsidiaries		
	Bharti Infratel Limited	113,594	-
	Bharti Telemedia Ltd.		47,632
	Bharti Airtel (USA) Limited	1,997	
(ix)	Dividend income	-,	
	Subsidiaries		
	Bharti Hexacom Limited	-	476
	Bharti Infratel Limited	20,014	3,724
		,0	-,

(All amounts are in millions of Indian Rupee; unless stated otherwise)

34. Related party disclosures (contd..)

	For the year ended March 31, 2019	For the year ended March 31, 2018
(x) Dividend paid		
Entities having control over the Company / entities having significan	it	
influence over the Company		
Bharti Telecom Limited	10,014	7,506
Pastel Limited	2,957	2,271
(xi) Guarantees and collaterals given		
Subsidiary		
Network i2i Limited	135,163	24,767

The outstanding balances of the above mentioned related parties are as follows:

	Subsidiaries	Joint ventures	Associates	Entitys having significant influence	ORP / FC#
As of March 31, 2019					
Trade payables	(12,430)	(19,466)	(52)	(33)	(190)
Trade receivables	8,026	0	358	0	43
Loans (including accrued interest)	161,866	8	0	0	538
Security deposit	1,932	4,388	0	0	1,083
Guarantees and collaterals given	712,286	0	0	0	0
(including perormance guarantees)					
Unutilised facilities	109,914	-	-	-	-
As of March 31, 2018					
Trade payables	(10,108)	(10,353)	(22)	0	(194)
Trade receivables	1,592	0	0	31	77
Loans (including accrued interest)	73,180	8	0	0	625
Security deposit	2,606	3,746	0	0	944
Guarantees and collaterals given	729,881	0	0	0	0
(including perormance guarantees)					
Unutilised facilities	123,600	-	-	-	-

Other related parties / fellow companies

Outstanding balances at period end are un-secured and settlement occurs in cash.

The Company has agreed to ensure appropriate financial support only if and to the extent required by its subsidiaries (namely, Bharti Hexacom Limited, Bharti Airtel Services Limited, Bharti Teleports Limited, Nxtra Data Limited, Wynk Limited, Nettle Infrastructure Investments Limited, Bharti Airtel Lanka (Private) Limited, Network i2i Limited, Bharti International (Singapore) Pte Limited, Airtel Africa Limited and associate Airtel Payment Bank Limited.

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director, whether executive or otherwise. Remuneration to key management personnel were as follows:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Short-Term employee benefits	273	263
Performance linked Incentive ('PLI')#	144	150
Post-employment benefit	28	28
Share-based payment	56	62
	501	503

Value of PLI considered above represents incentive at 100% performance level. However, same will be paid on the basis of actual performance parameters in next year. Additional provision of Nil and ₹21 has been recorded in the books towards PLI for the year ended March 31, 2019 and March 31, 2018 respectively. During the year ended March 31, 2019 and 2018, PLI of ₹150 and ₹143 respectively, pertaining to previous year has been paid.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

34. Related party disclosures (contd..)

The remuneration accrued / paid by the Company to its Chairman and Managing Director & CEO (India and South Asia) for the year ended March 31, 2019 is in excess by ₹ 300.66 Mn. vis-à-vis the limits specified in Section 197 of Companies Act, 2013 ('the Act') read with Schedule V thereto, as the Company does not have profits. The Company is in the process of complying with the prescribed statutory requirements to regularize such excess payments, including seeking approval of shareholders, as necessary. Until then, the said excess amount is held in trust by the Chairman and Managing Director & CEO (India and South Asia).

As the liabilities for the gratuity and compensated absences are provided on an actuarial basis and calculated for the Company as a whole rather than each of the individual employees the said liabilities pertaining specifically to KMP are not known and hence, not included in the above table.

In addition to above, ₹ 1,888 thousand and ₹ 1,122 thousand have been paid as dividend to key management personnel during the year ended March 31, 2019 and March 31, 2018 respectively.

The details of loans and advances as required by schedule V of SEBI (listing obligation and disclosure requirement Regulation, 2015 are given in the table below.

	March 3	1, 2019	March 31, 2018		
Name of the Company	Outstanding balance	Maximum amount outstanding during the year	Outstanding balance	Maximum amount outstanding during the year	
Subsidiaries					
Bharti Telemedia Limited	200	200	-	-	
Indo Teleports Limited	649	736	692	730	
Bharti International (Singapore) Pte Limited	-	-	-	-	
Nxtra Data Limited	8,268	8,451	3,941	4,323	
Bharti Airtel Services limited	1,664	2,052	1,320	1,717	
Airtel Broadband Services Private Limited	-	-	-	-	
Wynk Limited	675	898	33	525	
Augere Wireless Broadband India Private Limited	-	-	-	-	
Nettle Infrastructure Investment Limited	139,981	139,981	56,657	68,140	
Bharti Digital Networks Private Limited	10,429	10,538	10,538	10,538	
Joint Venture					
FireFly Networks Limited	8	8	8	8	
	161,874	162,864	73,189	85,981	

35. Financial and capital risk

1. Financial risk

The business activities of the Company expose it to a variety of financial risks, namely market risks (that is, foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's risk management strategies focus on the unpredictability of these elements and seek to minimise the potential adverse effects on its financial performance. Further, the Company uses certain derivative financial instruments to mitigate some of these risk exposures (as discussed below in this note).

The financial risk management for the Company is driven by the Company's senior management ('CSM'), in close co-ordination with the operating entities and internal / external experts subject to necessary supervision. The Company does not undertake any speculative transactions either through derivatives or otherwise. The CSM are accountable to the Board of Directors and Audit Committee. They ensure that the Company's financial risk-taking activities are governed by appropriate financial risk governance frame work, policies and procedures. The BoD of the respective operating entities periodically reviews the exposures to financial risks, and the measures taken for risk mitigation and the results thereof.

i. Foreign currency risk

Foreign exchange risk arises on all recognised monetary assets and liabilities, and any highly probable forecasted transactions, which are denominated in a currency other than the functional currency of the Company. The Company has foreign currency

(All amounts are in millions of Indian Rupee; unless stated otherwise)

35. Financial and capital risk (contd..)

trade payables, receivables and borrowings. However, foreign exchange exposure mainly arises from borrowings and trade payables denominated in foreign currencies.

The foreign exchange risk management policy of the Company requires it to manage the foreign exchange risk by transacting as far as possible in the functional currency. Moreover, the Company monitors the movements in currencies in which the borrowings / capex vendors are payable and manage any related foreign exchange risk, which inter-alia include entering into foreign exchange derivative contracts - as considered appropriate and whenever necessary. For further details as to foreign currency borrowings, refer note 18. Further, for the details as to the fair value of various outstanding derivative financial instruments, refer note 36.

Foreign currency sensitivity

The impact of foreign exchange sensitivity on profit for the year and other comprehensive income is given in the table below:

	Change in currency exchange rate	Effect on profit before tax	Effect on equity (OCI)
For the year ended March 31, 2019			
US Dollars	+5%	(4,555)	-
	-5%	4,555	-
Others	+5%	(703)	-
	-5%	703	-
For the year ended March 31, 2018			
US Dollars	+5%	(5,013)	-
	-5%	5,013	-
Others	+5%	15	-
	-5%	(15)	-

The sensitivity disclosed in the above table is mainly attributable to, in case of to foreign exchange gains / (losses) on translation of USD denominated borrowings, derivative financial instruments, trade payables, and trade receivables.

The above sensitivity analysis is based on a reasonably possible change in the under-lying foreign currency against the respective functional currency while assuming all other variables to be constant.

Based on the movements in the foreign exchange rates historically and the prevailing market conditions as at the reporting date, the Company's management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

ii. Interest rate risk

As the Company does not have exposure to any floating-interest bearing assets, or any significant long-term fixed-interest bearing assets, its interest income and related cash inflows are not affected by changes in market interest rates. Consequently, the Company's interest rate risk arises mainly from borrowings.

Borrowings

Borrowings with floating and fixed interest rates expose the Company to cash flow and fair value interest rate risk respectively. However, the short-term borrowings of the Company do not have a significant fair value or cash flow interest rate risk due to their short tenure. Accordingly, the components of the debt portfolio are determined by the CSM in a manner which enables the Company to achieve an optimum debt-mix basis its overall objectives and future market expectations.

The Company monitors the interest rate movement and manages the interest rate risk based on its risk management policies, which inter-alia include entering into interest swaps contracts - as considered appropriate and whenever necessary.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

35. Financial and capital risk (contd..)

Interest rate sensitivity of borrowings

The impact of the interest rate sensitivity on profit before tax is given in the table below:

Interest rate sensitivity	Increase / decrease (basis points)	Effect on profit before tax
For the year ended March 31, 2019		
INR - borrowings	+100	(1,611)
	-100	1,611
US Dollar -borrowings	+25	(51)
	-25	51
Other Currency - borrowings	+25	(37)
	-25	37
For the year ended March 31, 2018		
INR - borrowings	+100	(716)
	-100	716
US Dollar -borrowings	+25	(66)
	-25	66

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

The above sensitivity analysis is based on a reasonably possible change in the under-lying interest rate of the Company's borrowings in INR, USD (being the significant currencies in which it has borrowed funds), while assuming all other variables (in particular foreign currency rates) to be constant.

Based on the movements in the interest rates historically and the prevailing market conditions as at the reporting date, the Company's management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

iii. Price risk

The Company invests its surplus funds in various mutual funds (debt fund, equity fund, liquid schemes and income funds etc.), short term debt funds, government securities and fixed deposits. In order to manage its price risk arising from investments, the Company diversifies its portfolio in accordance with the limits set by the risk management policies.

iv. Credit risk

Credit risk refers to the risk of default on its obligation by the counter-party, the risk of deterioration of credit-worthiness of the counter-party as well as concentration risks of financial assets, and thereby exposing the Company to potential financial losses.

The Company is exposed to credit risk mainly with respect to trade receivables, investment in bank deposits / debt securities / mutual funds and derivative financial instruments.

Trade receivables

The Trade receivables of the Company are typically non-interest bearing un-secured and derived from sales made to a large number of independent customers. As the customer base is widely distributed both economically and geographically, there is no concentration of credit risk.

As there is no independent credit rating of the customers available with the Company, the management reviews the creditworthiness of its customers based on their financial position, past experience and other factors. The credit risk related to the trade receivables is managed / mitigated by each business unit, basis the Company's established policy and procedures, by setting appropriate payment terms and credit period, and by setting and monitoring internal limits on exposure to individual customers. The credit period provided by the Company to its customers generally ranges from 14-30 days except Airtel business segment wherein it ranges from 7-90 days.

The Company uses a provision matrix to measure the expected credit loss of trade receivables, which comprise a very large numbers of small balances. Refer note 14 for details on the impairment of trade receivables. Based on the industry practices and the business environment in which the entity operates, management considers that the trade receivables are credit impaired if the payments are more than 90 days past due.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

35. Financial and capital risk (contd..)

The ageing analysis of trade receivables as of the reporting date is as follows:

	Neither		Past due but	not impaired		
	past due nor impaired	Less Than 30 days	30 to 60 days	60 to 90 days	Above 90 days	Total
March 31, 2019 March 31, 2018	14,692 18,320	10,154 14,119	3,727 5,207	3,504 4,052	6,413 1,498	38,490 43,196

The Company performs on-going credit evaluations of its customers' financial condition and monitors the credit-worthiness of its customers to which it grants credit in its ordinary course of business. The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amount due. Where the financial asset has been written-off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit and loss.

Financial instruments and cash deposits

The Company's treasury, in accordance with the board approved policy, maintains its cash and cash equivalents, deposits and investment in mutual funds and enters into derivative financial instruments - with banks, financial and other institutions, having good reputation and past track record, and high credit rating. Similarly, counter-parties of the Company's other receivables carry either no or very minimal credit risk. Further, the Company reviews the credit-worthiness of the counter-parties (on the basis of its ratings, credit spreads and financial strength) of all the above assets on an on-going basis, and if required, takes necessary mitigation measures.

v. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. Accordingly, as a prudent liquidity risk management measure, the Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including bilateral loans, debt, and overdraft from both domestic and international banks at an optimised cost. It also enjoys strong access to domestic and international capital markets across debt and equity.

Moreover, the Company's senior management regularly monitors the rolling forecasts of the entities' liquidity reserve (comprising of the amount of available un-drawn credit facilities and cash and cash equivalents) and the related requirements, to ensure they have sufficient cash on an on-going basis to meet operational needs while maintaining sufficient headroom at all times on its available un-drawn committed credit facilities, so that there is no breach of borrowing limits or relevant covenants on any of its borrowings. For details as to the Borrowings, refer note 18.

Based on past performance and current expectations, the Company believes that the cash and cash equivalents, cash generated from operations and available un-drawn credit facilities, will satisfy its working capital needs, capital expenditure, investment requirements, commitments and other liquidity requirements associated with its existing operations, through at least the next twelve months.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual

			As of N	/larch 31 , 2	2019		
	Carrying	On	Less than	6 to 12	1 to 2	> 2	Total
	amount	Demand	6 months	months	years	years	iotai
Interest bearing borrowings*#	867,120	154	245,989	92,495	108,502	863,206	1,310,346
Other financial liabilities*	111,649	2,402	66,463	9,461	13,378	19,945	111,649
Trade payables#	191,688	-	191,688	-	-	-	191,688
Financial liabilities	1,170,457	2,556	504,140	101,956	121,880	883,151	1,613,683
(excluding derivatives)							
Derivative assets	72	-	50	18	4	1	72
Derivative liabilities	(1,775)	-	(1,189)	(265)	(149)	(172)	(1,775)
Net derivatives	(1,703)	-	(1,139)	(247)	(145)	(171)	(1,703)

(All amounts are in millions of Indian Rupee; unless stated otherwise)

35. Financial and capital risk (contd..)

	As of March 31 , 2018						
	Carrying	On	Less than	6 to 12	1 to 2	> 2	Total
	amount	Demand	6 months	months	years	years	TOLAT
Interest bearing borrowings*#	677,839	0	111,946	55,395	72,856	910,420	1,150,617
Other financial liabilities*	88,202	3,284	65,564	-	-	19,354	88,202
Trade payables#	176,990	-	176,990	-	-	-	176,990
Financial liabilities	943,031	3,284	354,500	55,395	72,856	929,774	1,415,809
(excluding derivatives)							
Derivative assets	275	-	152	43	80	-	275
Derivative liabilities	(352)	-	(83)	(145)	(107)	(17)	(352)
Net derivatives	(77)	-	69	(102)	(27)	(17)	(77)

*It includes contractual interest payment based on interest rate prevailing at the end of the reporting period after adjustment for the impact of interest swaps, over the tenor of the borrowings.

#Interest accrued but not due has been included in interest bearing borrowings and excluded from other financial liabilities.

The Company from time to time in its usual course of business guarantees certain indebtedness of its subsidiaries. Accordingly, as of March 31, 2019 and March 31, 2018 Company has issued corporate guarantee against debt / advance aggregating to ₹ 285,503 and ₹ 353,114 respectively. The outflow in respect of these guarantees arises only on any default / non-performance of the subsidiary with respect to the guaranteed debt / advance and substantial amount of such loans are due for payment after two years from the reporting date.

vi. Reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities in the statement of cash flows:

					Non	-cash change	S	
Balance sheet caption	Statement of cash flows line item	April 1, 2018	Cash flows	Interest capitalised	Interest expense	Foreign exchange movement	Others	March 31, 2019
Borrowings*	Proceeds / repayments of borrowings (including short-term)	220,473	166,307	-	-	5,437	4,300	396,517
Interest accrued but not due / derivative instruments	Interest and other finance charges paid	23,758	(52,307)	838	72,542	25	(13,932)	30,924

*It does not include deferred payment liabilities, finance lease obligations and bank overdraft.

2. Capital risk

The Company's objective while managing capital is to safeguard its ability to continue as a going concern (so that it is enabled to provide returns and create value for its shareholders, and benefits for other stakeholders), support business stability and growth, ensure adherence to the covenants and restrictions imposed by lenders and / or relevant laws and regulations, and maintain an optimal and efficient capital structure so as to reduce the cost of capital. However, the key objective of the Company's capital management is to, ensure that it maintains a stable capital structure with the focus on total equity, uphold investor; creditor and customer confidence, and ensure future development of its business activities. In order to maintain or adjust the capital structure, the Company may issue new shares, declare dividends, return capital to shareholders, etc.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements.

The Company monitors capital using a gearing ratio calculated as below:

	As of March 31, 2019	As of March 31, 2018
Borrowings	837,899	654,158
Less: Cash and cash equivalents	1,876	4,626
Less: Term deposits with bank	126	105
Net debt	835,897	649,427

(All amounts are in millions of Indian Rupee; unless stated otherwise)

35. Financial and capital risk (contd..)

	As of	As of
	March 31, 2019	March 31, 2018
Equity	983,593	1,028,609
Total capital	983,593	1,028,609
Capital and Net Debt	1,819,490	1,678,036
Gearing Ratio	45.94%	38.70%

36. Fair value of financial assets and liabilities

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

		Carrying V	alue as of	Fair Valu	ue as of
	Level	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Financial Assets					
Fair value through profit or loss					
Derivatives					
- Currency swaps, forward and option	Level 2	72	195	72	195
contracts					
- Interest rate swaps	Level 2	-	80	-	80
Investments	Level 1	16,696	-	16,696	-
Investments	Level 2	63	63	63	63
Amortised cost					
Loans and security deposits		172,276	82,786	172,276	82,786
Trade receivables		38,490	43,196	38,490	43,196
Cash and cash equivalents		1,876	4,626	1,876	4,626
Other bank balances		320	825	320	825
Other financial assets		12,741	12,097	12,741	12,097
		242,534	143,868	242,534	143,868
Financial Liabilities					
Fair value through profit or loss					
Derivatives					
- Currency swaps, forward and option	Level 2	1,775	352	1,775	352
contracts					
Amortised cost					
Borrowings- fixed rate	Level 1	68,528	64,484	67,019	63,045
Borrowings- fixed rate	Level 2	573,328	463,653	611,713	503,800
Borrowings- floating rate		196,043	126,021	196,043	126,021
Trade payables		191,688	176,990	191,688	176,990
Other financial liabilities		140,870	111,883	140,870	111,883
		1,172,232	943,383	1,209,108	982,091

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

- i. The carrying value of other bank balances, trade receivables, trade payables, short-term borrowings, floating-rate long-term borrowings, other current financial assets and liabilities approximate their fair value mainly due to the short-term maturities of these instruments / being subject to floating-rates.
- ii. The fair value of other long-term borrowings and non-current financial assets / liabilities is estimated by discounting future cash flows using current rates applicable to instruments with similar terms, currency, credit risk and remaining maturities.
- iii. The fair values of derivatives are estimated by using pricing models, wherein the inputs to those models are based on readily observable market parameters. The valuation models used by the Company reflect the contractual terms of the derivatives (including the period to maturity), and market-based parameters such as interest rates, foreign exchange rates, volatility etc. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgement and inputs thereto are readily observable.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

36. Fair value of financial assets and liabilities (contd..)

The following table describes the key inputs used in the valuation (basis discounted cash flow technique) of the Level 2 financial assets / liabilities as of March 31, 2019 and March 31, 2018:

Financial assets / liabilities	Inputs used
Derivatives	
- Currency swaps, forward and option contracts	Forward currency exchange rates, interest rates
- Interest swaps	Prevailing / forward interest rates in market, interest rates
Fixed rate borrowings	Prevailing interest rates in market, future payouts, interest rates

During the year ended March 31, 2019 and March 31, 2018, there were no transfers between Level 1 and Level 2 fair value measurements. None of the financial assets and financial liabilities are in Level 3.

37. Other matters

In 1996, the Company had obtained the permission from DoT to operate its Punjab license through one of its wholly owned subsidiary.
 However DoT cancelled the permission to operate in April, 1996 and subsequently reinstated in March, 1998. Accordingly, for the period from April 1996 to March, 1998 ('blackout period') the license fee was disputed and not paid by the Company.

Subsequently, basis the demand from DoT in 2001, the Company paid the disputed license fee of ₹ 4,856 for blackout period under protest. Consequently, the license was restored subject to arbitrator's adjudication on the dispute. The arbitrator adjudicated the matter in favour of DoT, which was challenged by the Company before Hon'ble Delhi High Court. In 2012, Hon'ble Delhi High Court passed an order setting aside the arbitrator's award, which was challenged by DoT and is pending before its division bench. Meanwhile, the Company had filed a writ petition for recovery of the disputed license fee and interest thereto. However, the single bench, despite taking the view that the Company is entitled to refund, dismissed the writ petition on the ground that the case is still pending with the larger bench. The Company therefore has filed appeal against the said order with division bench and is currently pending. DoT had also filed an appeal against the single judge order. Both these appeals are tagged together and are listed for final hearing. The Hon'ble court has directed both the parties to file comprehensive written submission.

ii. TRAI vide Telecom Interconnect Usages Charges Regulation (Eleventh Amendment) 2015 has reduced the IUC charges for mobile termination charges to 14 paisa from 20 paisa and abolished the fixed-line termination charges. The Company has challenged the said Regulation before the Hon'ble Delhi High Court and the matter is currently pending.

Consolidated Financial Statements

Independent Auditor's Report

TO THE MEMBERS OF **BHARTI AIRTEL LIMITED**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **Bharti Airtel Limited** ("the Company") and its subsidiaries, (the Company and its subsidiaries together referred to as "the Group") which includes the Group's share of profit / loss in its associates and joint ventures, which comprise the Consolidated Balance Sheet as at March 31 2019, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory notes (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of the joint ventures referred to in Other Matters section below, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31 2019, and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing

specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Emphasis of Matter

We draw attention to Note 24(i)(f)(vi) of the Consolidated Financial Statements, which describes the uncertainties related to the outcome of Department of Telecommunications demand with respect to one-time spectrum charges.

Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Key Audit Matter (CFS)	Audit Procedures to address Key Audit Matter
Revenue recognition There is an inherent risk around accuracy of revenue recorded in respect of Mobile Services, Airtel Business, Digital TV Services and Tower Infrastructure Services segments because of the complexity of the IT systems and other support systems, significance of volumes of data processed by the systems and the impact of changing pricing models (tariff structures, incentive arrangements and discounts, etc.). In addition, for Airtel Business, we considered occurrence of revenue as a risk due to the possibility that revenue may be recorded without active service links being provided to customers or for contracts that are cancelled/not renewed.	We involved our IT specialists to evaluate the design and test the operating effectiveness of the general IT controls and application specific controls within the IT system, including testing of system generated reports used in our audit of revenues. We also tested the controls within the billing systems, prepaid charging systems, capturing and recording of revenue, authorisation and input of changes to the IT systems and over reconciliations performed between the active customers base with billing system.

Key Audit Matter (CFS)	Audit Procedures to address Key Audit Matter
In addition, the Group has applied Ind AS 115 'Revenue from contracts with customers' which was effective from April 1, 2018. An adjustment on presentation of revenue for the year ended March 31, 2019 is required on transition to Ind-AS 115 from Ind- AS 18. The Group has applied full retrospective method. Refer note 2.19 "Revenue recognition" for accounting policies and notes related to implementation of Ind AS-115 and note 25 on disclosures related to Revenue in the consolidated financial	We performed substantive procedures, which included verifying the accuracy of customer invoices and tracing receipts to customer invoices, comparing the number of links/connection as per the active customer base to the billing system, testing reconciliations between billing system and the general ledger (including validation of relevant journal entries), making test calls and testing whether they are rated correctly and analytical procedures for relevant segment revenue.
statements.	With regard to the estimated impact of the initial adoption of Ind AS 115, we assessed the impact analysis and the accounting estimates and judgements made in respect of the revenue transactions of the Group and the appropriateness of the methods used in such analysis.
	We also evaluated and verified the retrospective application of Ind AS 115.
	We verified the appropriateness of the accounting policies, notes related to implementation of Ind AS-115 and the disclosure related to Revenue in notes 2.19 and 25 respectively in the consolidated financial statements and the consistency of the recorded revenue with the Group's accounting policies.
Evaluation of Impairment Assessment of Goodwill At least once a year, Management ensures that the net carrying amount of goodwill recognized as an asset amounting to	We evaluated the design and tested the operating effectiveness of internal controls related to evaluation of impairment assessment of goodwill.
amount of goodwill recognised as an asset, amounting to ₹ 332,562 million at March 31, 2019, does not exceed its recoverable amount. The impairment assessment is performed at the level of each cash generating unit ('CGU') or group of CGUs, which generally corresponds to the operating segment. The recoverable amount is determined based on value in use, which represents the present value of the estimated future cash flows expected to arise from the use of the asset group comprising each CGU or group of CGUs. The determination of recoverable amount	We involved our internal valuation specialists to test the reasonableness of key valuation assumptions like long-term growth rates and discount rates used in determining value in use. We benchmarked and challenged the key business assumptions like revenue growth rates, amount of future capital expenditure and EBIDTA margins against historical data and trends and with market data and external sources, where available, to assess their reasonableness.
of goodwill based on value-in-use is complex and subjective as estimates of future cash flows and determination of value in use involves management's estimates and judgement in determining the variables such as the revenue growth rates, EBITDA margins, amount of future capital expenditure, discount rates applied to estimated cash flows and long-term growth rate.	We tested the sensitivity assessment of value in use to a change in the valuation assumptions and tested the mathematical accuracy of the cash flow models. We verified management's assessment of alternatives approaches to allocate Mobile services Africa goodwill based on
The carrying amount of goodwill reported in the consolidated financial statements is significant and is sensitive to the assumptions made by the Management.	relative fair value, the rationale for the selected option to allocate goodwill to the three group of CGUs and the appropriateness thereof, the related workings for allocation of goodwill to three group of CGUs and the impairment assessment at the revised
In March 2019, for internal management purposes, the Group has reorganised its reporting structure basis which goodwill in respect of 'Mobile Services Africa' is monitored at three group of CGUs, which is lower than the Mobile Services Africa segment level, and which requires further allocation of goodwill to the three group of CGUs.	three group of CGUs post allocation of goodwill. We verified the appropriateness of the accounting policies, critical accounting estimates and assumptions and disclosures related to impairment review of goodwill in notes 2.9(a), 3.1(a) and 7 respectively in the consolidated financial statements.

Key Audit Matter (CFS)	Audit Procedures to address Key Audit Matter
Allocation of goodwill to three group of CGUs necessitated fresh assessment of whether goodwill at the three CGUs level is impaired. This involves judgement with respect to identifying the most appropriate relative fair value approach or any other appropriate method for allocation of goodwill and the valuation assumptions like discount rates and long term growth rates that need to be applied to the future cash flows to determine the fair value of three group of CGUs. Refer note 2.9(a) for policy on "Impairment of non-financial assets"- Goodwill, note 3.1(a) on "Critical accounting estimates and assumptions" related to impairment reviews and note 7 "Intangible assets" for disclosures related to Impairment review of goodwill in the consolidated financial statements.	
Recoverability of deferred tax assets (DTA) recognized on tax loss carry-forwards and Minimum Alternate Tax (MAT) credit DTA on tax loss carry forwards and MAT credit recognised as at March 31, 2019 amounts to ₹152,447 million. Significant judgement is required in assessing the recoverability of DTA and MAT credit, particularly in respect of tax losses and MAT credit in India and tax losses in Nigeria amounting to ₹126,085 million and ₹20,148 million respectively. Recoverability of DTA on tax losses and MAT credit is sensitive to the assumptions used by management in projecting the ten year business plan and to expiry of losses and restriction on utilization of MAT credit after the period specified in tax statute of respective countries. Refer notes 2.12" Taxes" for accounting policies, 3.1.b on "Critical accounting estimates and assumptions" related to taxes and note 14" Income tax" for disclosures related to taxes in the consolidated financial statements.	We evaluated the design and tested the operating effectiveness of internal controls related to the assessment of recoverability of DTA on carry forward tax losses and MAT credit. We benchmarked and challenged the key business assumptions like revenue growth rates, amount of future capital expenditure and EBIDTA margins in the ten year business plans against historical data and trends and with market data and external sources, where available, to assess their reasonableness. We verified the tax computation for the ten year forecast period and considered whether the tax losses and MAT credit would expire in accordance with the tax statute of respective countries. We also performed sensitivity assessment to evaluate whether it is probable that the tax losses and MAT credit would expire within the period specified in the tax statute of respective countries and tested the mathematical accuracy of the business plans and tax computation for the forecast period. We verified that recognition of DTA is consistent with Group's accounting guidelines for recognition of deferred tax on loss carry forward and MAT credit. We verified the appropriateness of disclosures in accounting policies, critical accounting estimates and assumptions and disclosures related to Income tax in notes 2.12, 3.1.b and 14 respectively in the consolidated financial statements.
Evaluation of uncertain positions related to tax and regulatory matters The Group has material uncertain positions related to regulatory matters and direct and indirect tax matters under dispute that involves significant judgment to determine the possible outcome of these disputes, provisions required, if any, and/or write back of provision in respect of such matters. Refer notes 2.18 "Contingencies" for accounting policies, note 22 "Provisions" for disclosure related to provisions for subjudice matters and notes 24(i) in respect of details of Contingent liabilities in the consolidated financial statements.	We evaluated the design and tested the operating effectiveness of internal controls related to the assessment of the likely outcome of uncertain positions related to the regulatory and tax matters, the provision made, if any, and/or write back of provision. We discussed significant open matters and developments with the Group's regulatory and tax team. We involved our internal tax experts to understand and evaluate the status of tax matters, review legal precedence and external expert opinions, if any, obtained by the management to evaluate whether the tax position is appropriate and has taken into account recent developments, if any. We challenged management's underlying assumptions in estimating tax and regulatory provisions and/or write back of provisions and assessed management evaluations and conclusions by understanding precedence, if any, set in similar matters and performed substantive procedures on the underlying calculation supporting the provisions required and/or write back of provisions. We verified the appropriateness of the accounting policies, disclosures related to provisions for subjudice matters and details of contingent liabilities in notes 2.18, 22 and 24(i) respectively in the consolidated financial statements.

Information other than the financial statements and auditor's report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Management Discussion and Analysis, Board's Report including Annexures to the Board's Report, Business Responsibility Report, Corporate Governance and Integrated Report, but does not include the Consolidated Financial Statements and our auditor's report thereon.

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

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

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

Management's responsibility for the consolidated financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its Associates and joint ventures in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and its joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the

purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's responsibility for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group and its associates and joint ventures to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Conmsolidated Financial Statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance of the Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matters

The Consolidated Financial Statements include the Group's share of net profit of ₹ 3625 Million and total comprehensive income of ₹ 3623 Million for the year ended March 31, 2019, as considered in the Consolidated Financial Statements, in respect of two joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these joint ventures and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint ventures is based solely on the reports of the other auditors.

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

Report on other legal and regulatory requirements

- As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on the separate financial statements of the joint ventures referred to in the Other Matters section above we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

- In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Company as on March 31, 2019 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture companies incorporated in India, none of the directors of the Group companies, its associate companies and joint venture companies incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"** which is based on the auditors' reports of the Company, subsidiary companies, associate companies and joint venture companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to explanation given to us, the remuneration paid / accrued by the Company to its Chairman and Managing Director & CEO (India and South Asia) for the year ended March 31, 2019 is in excess by ₹ 300.66 Million vis-à-vis the limits specified in section 197 of Companies Act, 2013 ('the Act') read with

Schedule V thereto as the Company does not have profits. The Company has represented to us that it is in the process of complying with the prescribed statutory requirements to regularize such excess payments, including seeking approval of shareholders, as necessary.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014,as amended in our opinion and to the best of our information and according to the explanations given to us:
 - The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures.
 - Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies, associate companies and joint venture companies incorporated in India.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants (Firm's Registration No. 117366W/W-100018)

Shyamak R Tata

Place: New Delhi Date: May 06, 2019 Partner (Membership No. 38320)

Annexure "A" to the **Independent Auditor's Report**

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Bharti Airtel Limited of even date)

Report on the internal financial controls over financial reporting under clause (i) of sub-section 3 of section 143 of the companies act, 2013 ("the act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Bharti Airtel Limited ("the Company") and its subsidiary companies, its associate companies and joint venture companies, which are companies incorporated in India, as of that date.

Management's responsibility for internal financial controls

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

Auditor's responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company, its subsidiary companies, its associate companies and joint venture companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial controls over financial reporting was established

and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the auditor of the joint venture company which is incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of Company, its subsidiary companies, its associate companies and its joint venture companies, which are companies incorporated in India.

Meaning of internal financial controls over financial reporting

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

Inherent limitations of internal financial controls over financial reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor referred to in the Other Matters paragraph below, the Company, its subsidiary companies, its associate companies and joint venture companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to a joint venture, which is a company incorporated in India, is based solely on the corresponding report of the auditor of such company incorporated in India.

Our opinion is not modified in respect of the above matter.

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

Place: New Delhi Date: May 06, 2019 Shyamak R Tata Partner (Membership No. 38320)

Consolidated Balance Sheet

as at 31st March 2019

		(All amounts are in	millions of Indian Rupee)
	Note No.	As of March 31, 2019	As of March 31, 2018
	110.	Maron 01, 2010	1111111111111
Assets			
Non-current assets	e	01E 000	706 070
Property, plant and equipment Capital work-in-progress	6 6	815,228 88,433	706,079 52,089
Goodwill	7	332,562	328,070
Other intangible assets	7	860,525	837,855
Intangible assets under development	7	7,909	45,423
Investment in joint ventures and associates	8	88,937	86,839
Financial assets	0	00,007	00,000
- Investments	10	21,941	5,769
- Derivative instruments	11	3,105	2,031
- Security deposits	12	16,452	9,703
- Others	13	3,227	5,814
Income tax assets (net)		17,694	25,505
Deferred tax assets (net)	14	89,379	29,330
Other non-current assets	15	77,526	36,319
		2,422,918	2,170,826
Current assets			
Inventories		884	693
Financial assets	10	46.000	60.070
- Investments	10	46,232 426	68,978 8,941
- Derivative instruments	11 16		58,830
- Trade receivables - Cash and cash equivalents	10	43,006 62,121	49,552
- Other bank balances	17	18,934	17,154
- Others	13	20,343	27,462
Other current assets	15	137,111	103,380
	10	329,057	334,990
Total assets		2,751,975	2,505,817
Equity and Liabilities			
Equity	10	10.087	10.007
Share capital	18	19,987	19,987
Other equity Equity attributable to owners of the Parent		694,235 714,222	675,357 695,344
Non-controlling interests		135,258	88,139
	_	849,480	783,483
Non-current liabilities			,
Financial liabilities			
- Borrowings	20	872,454	849,420
- Derivative instruments	11	826	5,409
- Others	21	62,131	44,547
Deferred revenue		17,986	22,117
Provisions	22	6,823	7,212
Deferred tax liabilities (net)	14	11,297	10,606
Other non-current liabilities	23	429	623
Current liabilities		971,946	939,934
Financial liabilities			
- Borrowings	20	310,097	129,569
- Current maturities of long-term borrowings	20	71,732	134,346
- Derivative instruments	11	12,742	283
- Trade payables	± ±	280,031	268,536
- Others	21	159,806	140,605
Deferred revenue		43,993	48,666
Provisions	22	2,197	2,384
Current tax liabilities (net)		8,228	11,058
Other current liabilities	23	41,723	46,952
		930,549	782,399
Total liabilities		1,902,495	1,722,333

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

As per our report of even date

For Deloitte Haskins & Sells LLP

Chartered Accountants

(Firm's Registration No: 117366W / W-100018)

Shyamak R Tata

Partner Membership No: 38320

Place: New Delhi Date: May 6, 2019

Sunil Bharti Mittal

Chairman DIN: 00042491

Gopal Vittal

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

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

Badal Bagri

Chief Financial Officer

Pankaj Tewari Company Secretary

Consolidated Statement of Profit and Loss

for the year ended 31st March 2019

	Note	For the year ended	For the year ended
	No.	March 31, 2019	March 31, 2018
ncome			
Revenue	25	807,802	826,388
Dther income	20	2,912	2,488
		810,714	828,876
xpenses			
Network operating expenses	26	223,900	197,520
Access charges		93,521	90,446
icense fee / spectrum charges		69,426	75,558
Employee benefits expense	27	37,975	39,771
Sales and marketing expenses	28	41,277	45,275
Other expenses	30	83,514	77,027
		549,613	525,597
Profit from operating activities before depreciation, amortisation and exceptional items		261,101	303,279
Depreciation and amortisation	29	213,475	192,431
inance costs	31	110,134	93,255
Finance income	31	(14,240)	(12,540)
Non-operating expenses (net)		1,894	141
Share of profit of associates and joint ventures (net)	8	(3,556)	(10,609)
(Loss) / profit before exceptional items and tax		(46,606)	40,601
Exceptional items (net)	32	(29,288)	7,931
(Loss)/ profit before tax		(17,318)	32,670
Tax expense / (credit)	_		,
Current tax	14	19,391	18,230
Deferred tax	14	(53,584)	(7.395)
Profit for the year		16,875	21,835
Other comprehensive income ('OCI')	_		,,
tems to be reclassified subsequently to profit or loss :			
Net losses due to foreign currency translation differences		(15,739)	(7,181)
Net losses on net investment hedge		(1,754)	(8,024)
Net (losses) / gains on cash flow hedge		(833)	809
Net (losses) / gains on fair value through OCI investments		(45)	129
Tax credit / (charge)	14	5,428	(122)
lax credit / (charge)	14	(12,943)	(122)
tems not to be reclassified to profit or loss :		(12,546)	(14,000)
Re-measurement gains on defined benefit plans		47	205
Tax charge		(62)	(29)
Share of OCI of associates and joint ventures	8	(12)	18
5		(27)	194
Other comprehensive loss for the year		(12,970)	(14,195)
Total comprehensive income for the year		3,905	7,640
Profit for the year attributable to :	_	16,875	21,835
Owners of the Parent		4,095	10,990
Non-controlling interests		12,780	10,845
Other comprehensive loss for the year attributable to :	_	(12,970)	(14,195)
Owners of the Parent	_	(10,216)	(13,445)
Non-controlling interests		(2,754)	(10,440)
Fotal comprehensive income for the year attributable to :		3,905	7.640
Owners of the Parent		(6,121)	(2,455)
Non-controlling interests		10,026	10,095
		10,020	10,095
Terminana menahara (Fese velus) 7 E (Leseh)			
Earnings per share (Face value: ₹ 5/- each) Basic	33	1.02	2.75

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

As per our report of even date

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

For Deloitte Haskins & Sells LLP

Chartered Accountants (Firm's Registration No: 117366W / W-100018)

Shyamak R Tata

Partner Membership No: 38320

Place: New Delhi Date: May 6, 2019

Sunil Bharti Mittal

Chairman DIN: 00042491

Badal Bagri Chief Financial Officer

Gopal Vittal

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

Pankaj Tewari Company Secretary

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l Statement
Consolidated S

					Equity attrib	Equity attributable to owners of the Parent	rs of the Pa	rent					
	Share capital	pital					Other equity	×				Non-	
	Mand				Res	Reserves and surplus	lus			Other		controlling	Total
	shares (in '000)	Amount	Securities premium	Retained earnings	General reserves	Debenture redemption reserve	Capital reserve	Share-based payment reserve	NCI	components of equity (Note 19)	Total	Interests ('NCI')	equity
As of April 01, 2017	3,997,400	19,987	123,456	483,638	27,030	•	•	4,065	77,216	(60,829)	654,576	68,750	743,313
Profit for the period			1	10,990	1	1	1	1	1	1	10,990	10,845	21,835
Other comprehensive income / (loss)				194					1	(13,639)	(13, 445)	(750)	(14,195)
Total comprehensive income / (loss)	•	•	•	11,184	•	•	•	•	•	(13,639)	(2,455)	10,095	7,640
Transaction with owners of equity													
Employee share-based payment expense		'					'	392	'		392	21	413
Purchase of treasury shares	1	1	I	1	1		ı	'	1	(424)	(424)		(424)
Exercise of share options		'	'	'	3,510	'	'	(3,675)	'	149	(16)	(13)	(29)
Transaction with NCI		'			1		1		42,625		42,625	13,812	56,437
Creation of debenture redemption reserve					(7,500)	7,500			'				
Dividend (including tax) to Company's shareholders		'	'	(18,475)			'		'		(18, 475)		(18,475)
Dividend (including tax) to NCI		'			'		'	'				(3,933)	(3,933)
Movement on account of court approved schemes		'	'	(866)	'		'				(866)	(263)	(1, 459)
As of March 31, 2018	3,997,400	19,987	123,456	475,481	23,040	7,500	1	782	119,841	(74,743)	675,357	88,139	783,483
Profit for the year				4,095					1		4,095	12,780	16,875
Other comprehensive income / (loss)		'	'	(29)	'		'			(10,187)	(10, 216)	(2,754)	(12,970)
Total comprehensive income / (loss)	1	1	1	4,066	1		1		1	(10,187)	(6,121)	10,026	3,905
Transaction with owners of equity													
lssue of equity shares (refer note 5 (c))	0	0	0								0		0
Employee share-based payment expense		'		'	'			333	'		333	12	345
Purchase of treasury shares		1	1	'	1		ı	'	1	(248)	(248)	1	(248)
Exercise of share options		1	'	'	12	•	'	(371)	'	336	(23)	(20)	(43)
Transaction with NCI		'	'	'	'		'		44,439		44,439	60,365	104,804
Business combination (refer note 5 (c))		1	'	'	'		5,315		ı		5,315		5,315
Dividend (including tax) to Company's shareholders	,		'	(24,096)	'		'				(24,096)	,	(24,096)
Dividend (including tax) to NCI	,	'	'	'	'		'		'		'	(22,638)	(22,638)
Movement on account of court approved schemes		·		(721)	'		'	'			(721)	(626)	(1,347)
As of March 31, 2019	3,997,400	19,987	123,456	454,730	23,052	7,500	5,315	744	164,280	(84,842)	694,235	135,258	849,480

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

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

As per our report of even date

For Deloitte Haskins & Sells LLP

(Firm's Registration No: 117366W / W-100018) Chartered Accountants

Shyamak R Tata

Membership No: 38320 Partner

Date: May 6, 2019 Place: New Delhi

DIN: 00042491 Chairman

Sunil Bharti Mittal

Chief Financial Officer **Badal Bagri**

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

Gopal Vittal

Company Secretary Pankaj Tewari

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Consolidated Statement of Cash Flows

	(All amounts are in m	illions of Indian Rupee)
	For the year ended	For the year ended
	March 31, 2019	March 31, 2018
Cash flows from operating activities		
(Loss) / profit before tax	(17,318)	32,670
Adjustments for :		
Depreciation and amortisation	213,475	192,431
Finance costs	110,134	93,255
Finance income	(14,240)	(12,540)
Share of results of joint ventures and associates (net)	(3,556)	(10,609)
Exceptional items	(32,792)	325
Employee share-based payment expense	345	413
(Profit) / loss on sale of property, plant and equipment	(175)	293
Other non-cash items	11,909	10,117
Operating cash flow before changes in working capital	267,782	306,355
Changes in working capital		
Trade receivables	8,427	(24,474)
Trade payables	21,580	15,122
Inventories	(191)	(202)
Provisions	(107)	154
Other financial and non-financial liabilities	(20,955)	51,205
Other financial and non-financial assets	(66,950)	(35,899)
Net cash generated from operations before tax	209,586	312,261
Income tax paid	(11,706)	(13,723)
Net cash generated from operating activities (a)	197,880	298,538
Cash flows from investing activities		
Purchase of property, plant and equipment	(260,971)	(245,259)
Proceeds from sale of property, plant and equipment	1,225	5,655
Purchase of intangible assets	(33,804)	(17,749)
Payment towards spectrum - Deferred payment liability*	(11,720)	(9,909)
Net movement in current investments	18,158	(50,259)
Purchase of non-current investments	(57,067)	(00,200)
Sale of non-current investments	44,976	36,495
Consideration / advance for acquisitions, net of cash acquired	(5,083)	(19,498)
Sale of tower assets	3,051	4,869
Investment in associate	(60)	(60)
Dividend received	11,493	10,377
Interest received	4,793	5,662
Net cash used in investing activities (b)	(285,009)	(279,676)
not outh about in involuing derivities (b)	(200,003)	(273,070)

Consolidated Statement of Cash Flows

	(All amounts are in m	illions of Indian Rupee)
	For the year ended March 31, 2019	For the year ended March 31, 2018
Cash flows from financing activities		
Proceeds from borrowings	353,141	197,664
Repayment of borrowings	(345,359)	(130,717)
Net proceeds / (repayments) from short-term borrowings	98,101	(26,874)
Proceeds from sale and finance leaseback of towers	1,688	2,958
Repayment of finance lease liabilities	(5,077)	(3,932)
Purchase of treasury shares	(248)	(424)
Interest and other finance charges paid	(76,171)	(44,041)
Proceeds from exercise of share options	10	13
Dividend paid (including tax)	(46,617)	(32,652)
Proceeds from issuance of equity shares to NCI	104,341	21
Sale of interest in a subsidiary (refer Note 5 (I) & (q))	16,238	57,189
Purchase of shares from NCI (refer note 5 (j) & (k))	(5,409)	-
Net cash generated from financing activities (c)	94,638	19,205
Net increase in cash and cash equivalents during the year (a+b+c)	7,509	38,067
Effect of exchange rate on cash and cash equivalents	1,338	281
Cash and cash equivalents as at beginning of the year	28,468	(9,880)
Cash and cash equivalents as at end of the year (Note 17)	37,315	28,468

*Cash flows towards spectrum acquisitions are based on the timing of payouts to DoT (viz. upfront / deferred)

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

As per our report of even date

For Deloitte Haskins & Sells LLP

Chartered Accountants (Firm's Registration No: 117366W / W-100018)

Shyamak R Tata Partner Membership No: 38320

Place: New Delhi Date: May 6, 2019 Sunil Bharti Mittal Chairman DIN: 00042491

Badal Bagri Chief Financial Officer Gopal Vittal Managing Director & CEO (India and South Asia) DIN: 02291778

Pankaj Tewari Company Secretary

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

(All amounts are in millions of Indian Rupee; unless stated otherwise)

1. Corporate information

Bharti Airtel Limited ('the Company' or 'the Parent') is domiciled and incorporated in India as a limited liability company with its shares being listed on the National Stock Exchange and the Bombay Stock Exchange. The registered office of the Company is situated at Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase – II, New Delhi – 110070.

The Company together with its subsidiaries (hereinafter referred to as 'the Group') has presence in India, Africa and South Asia. The principal activities of the Group, its joint ventures and associates consist of provision of telecommunication services, tower infrastructure services and direct-to-home digital television services. The details as to the services provided by the Group are further provided in note 34. For details as to the Group structure, refer note 39.

2. Summary of significant accounting policies

2.1 Basis of preparation

These consolidated financial statements ('financial statements') have been prepared to comply in all material respects with the Indian Accounting Standards ('Ind AS') as notified by the Ministry of Corporate Affairs('MCA') under section 133 of the Companies Act, 2013 ('Act'), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act.

The financial statements are approved for issue by the Company's Board of Directors on May 06, 2019.

The financial statements are based on the classification provisions contained in Ind AS 1, 'Presentation of Financial Statements' and division II of schedule III of the Companies Act 2013. Further, for the purpose of clarity, various items are aggregated in the statement of profit and loss and balance sheet. Nonetheless, these items are dis-aggregated separately in the notes to the financial statements, where applicable or required.

All the amounts included in the financial statements are reported in millions of Indian Rupees ('Rupee' or ' $\overline{\epsilon}$ ') and are rounded to the nearest million, except per share data and unless stated otherwise. Further, amounts which are less than a million are appearing as '0'.

The preparation of the said financial statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Group's accounting policies. The areas where estimates are significant to the financial statements, or areas involving a higher degree of judgement or complexity, are disclosed in note 3.

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

2.2 Basis of measurement

The financial statements have been prepared on the accrual and going concern basis, and the historical cost convention except where the Ind AS requires a different accounting treatment. The principal variations from the historical cost convention relate to financial instruments classified as fair value through profit or loss or through other comprehensive income (refer note 2.10 (b)), liability for cash-settled awards (refer note 2.16), the component of carrying values of recognised liabilities that are designated in fair value hedges (refer note 2.10 (d)) - which are measured at fair value.

Fair value measurement

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

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

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

- Level 1: Quoted (unadjusted) prices for identical assets or liabilities in active markets
- Level 2: Significant inputs to the fair value measurement are directly or indirectly observable
- Level 3: Significant inputs to the fair value measurement are unobservable

2.3 Basis of consolidation

a. Subsidiaries

Subsidiaries include all the entities over which the Group has control. The Group controls an entity when it is exposed or has right to variable return from its

(All amounts are in millions of Indian Rupee; unless stated otherwise)

involvement with the entity, and has the ability to affect those returns through its power (that is, existing rights that give it the current ability to direct the relevant activities) over the entity. The Group re-assesses whether or not it controls the entity, in case the underlying facts and circumstances indicate that there are changes to above mentioned parameters that determine the existence of control.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group, and they are de-consolidated from the date that control ceases. Noncontrolling interests is the equity in a subsidiary not attributable to a parent and presented separately from the Group's equity. Non-controlling interests consist of the amount at the date of the business combination and its share of changes in equity since that date. Profit or loss and other comprehensive income are attributed to the controlling and non-controlling interests in proportion to their ownership interests, even if this results in the non-controlling interests having a deficit balance. However, in case where there are binding contractual arrangements that determine the attribution of the earnings, the attribution specified by such arrangement is considered.

The profit or loss on disposal (associated with loss of control) is recognised in the statement of profit and loss being the difference between (i) the aggregate of the fair value of consideration received and the fair value of any retained interest, and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. In addition, any amounts previously recognised in the other comprehensive income in respect of that deconsolidated entity, are accounted for as if the Group had directly disposed off the related assets or liabilities. This may mean that amounts previously recognised in the other comprehensive income are re-classified to the statement of profit and loss. Any retained interest in the entity is remeasured to its fair value with the resultant change in carrying value being recognised in statement of profit and loss.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as a transaction with equity holders. Any difference between the amount of the adjustment to noncontrolling interests and any consideration exchanged is recognised in 'NCI reserve', a component of equity.

b. Joint ventures and associates

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

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Investment in joint ventures and associates are accounted for using equity method; from the date on which Group obtains joint control over the joint venture / starts exercising significant influence over the associate. The said investments are tested atleast annually and whenever circumstances indicate that their carrying values may exceed the recoverable amount (viz. higher of the fair value less costs to sell and the value-in-use).

c. Method of consolidation

Accounting policies of the respective individual subsidiary, joint venture and associate are aligned wherever necessary, so as to ensure consistency with the accounting policies that are adopted by the Group under Ind AS.

The standalone financial statements of subsidiaries are fully consolidated on a line-by-line basis, after adjusting for business combination adjustments (refer note 2.4). Intra-group balances and transactions, and income and expenses arising from intra-group transactions, are eliminated while preparing the said financial statements. The un-realised gains resulting from intra-group transactions are also eliminated. Similarly, the un-realised losses are eliminated, unless the transaction provides evidence as to impairment of the asset transferred.

The Group's investments in its joint ventures and associates are accounted for using the equity method. Accordingly, the investments are carried at cost less any impairment losses, as adjusted for post-acquisition changes in the Group's share of the net assets of investees. Any excess of the cost over the Group's share of net assets in its joint ventures / associates at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment. The un-realised gains / losses resulting from transactions with joint ventures and associates are eliminated against the investment to the extent of the Group's interest in the investee. However, un-realised losses are eliminated only to the extent that there is no evidence of impairment.

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At each reporting date, the Group determines whether there is objective evidence that the investment is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of investment and its carrying value.

2.4 Business combinations

The Group accounts for business combinations using the acquisition method of accounting, and accordingly, the identifiable assets acquired and the liabilities assumed in the acquiree are recorded at their acquisition date fair values (except certain assets and liabilities which are required to be measured as per the applicable standard) and the non-controlling interest is initially recognised at the non-controlling interest. The consideration transferred for the acquisition of a subsidiary is aggregation of the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group in exchange for control of the acquiree.

The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is subsequently measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, along with the amount of any non-controlling interests in the acquiree and the acquisition-date fair value (with the resulting difference being recognised in statement of profit and loss) of any previous equity interest in the acquiree, over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill.

Acquisition-related costs are expensed in the period in which the costs are incurred.

If the initial accounting for a business combination is incomplete as at the reporting date in which the combination occurs, the identifiable assets and liabilities acquired in a business combination are measured at their provisional fair values at the date of acquisition. Subsequently adjustments to the provisional values are made within the measurement period, if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have resulted in the recognition of those assets and liabilities as of that date; otherwise the adjustments are recorded in the period in which they occur. A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets', or amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with Ind AS 115 "Revenue from Contracts with Customers".

2.5 Foreign currency transactions

a. Functional and presentation currency

The items included in financial statements of each of the Group's entities are measured using the currency of primary economic environment in which the entity operates (i.e. 'functional currency').

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

b. Transactions and balances

Transactions in foreign currencies are initially recorded in the relevant functional currency at the rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date with the resulting foreign exchange differences, on subsequent re-statement / settlement, recognised in the statement of profit and loss within finance costs / finance income. Non-monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rate prevalent, at the date of initial recognition (in case they are measured at historical cost) or at the date when the fair value is determined (in case they are measured at fair value) - the resulting foreign exchange difference, on subsequent re-statement / settlement, recognised in the statement of profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity.

The equity items denominated in foreign currencies are translated at historical cost.

c. Foreign operations

The assets and liabilities of foreign operations (including the goodwill and fair value adjustments arising on the acquisition of foreign entities) are translated into Rupees at the exchange rates prevailing at the reporting date whereas their statements of profit and loss are

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translated into Rupees at monthly average exchange rates and the equity is recorded at the historical rate. The resulting exchange differences arising on the translation are recognised in other comprehensive income and held in foreign currency translation reserve ('FCTR'), a component of equity. On disposal of a foreign operation (that is, disposal involving loss of control), the component of other comprehensive income relating to that particular foreign operation is reclassified to profit or loss.

2.6 Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current / non-current classification.

Deferred tax assets and liabilities, and all assets and liabilities which are not current (as discussed in the below paragraphs) are classified as non-current assets and liabilities.

An asset is classified as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period, or cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The derivatives designated in hedging relationship and separated embedded derivatives are classified basis the hedged item and host contract respectively.

2.7 Property, plant and equipment ('PPE')

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), assets retirement obligations (refer note 2.17 (b)) and any directly attributable cost of bringing the asset to its working condition and location for its intended use. Further, it includes assets installed on the premises of customers as the associated risks, rewards and control remain with the Group.

Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and any impairment losses. When significant parts of PPE are required to be replaced at regular intervals, the Group recognises such parts as separate component of assets. When an item of PPE is replaced, then its carrying amount is de-recognised from the balance sheet and cost of the new item of PPE is recognised. Further, in case the replaced part was not being depreciated separately, the cost of the replacement is used as an indication to determine the cost of the replaced part at the time it was acquired.

The expenditures that are incurred after the item of PPE has been put to use, such as repairs and maintenance, are normally charged to the statement of profit and loss in the period in which such costs are incurred. However, in situations where the said expenditure can be measured reliably, and is probable that future economic benefits associated with it will flow to the Group, it is included in the asset's carrying value or as a separate asset, as appropriate.

Depreciation on PPE is computed using the straight-line method over the estimated useful lives. Freehold land is not depreciated as it has an unlimited useful life. The Group has established the estimated range of useful lives for different categories of PPE as follows:

Categories	Years
Leasehold improvement	Period of lease or 10 -20 years, as applicable, whichever is less
Leasehold land	Period of lease
Buildings	20
Building on leased land	20
Plant and equipment	
- Network equipment	3 - 25
(including passive	
infrastructure)	
- Customer premise	3 - 5
equipment	
- Assets taken on	Period of lease or 10 years, as
finance lease	applicable, whichever is less
Other equipment,	
operating and office	
equipment	
Computer / Servers	3 - 5
Furniture & fixture and	2 - 5
Office equipment	
Vehicles	3 - 5

The useful lives, residual values and depreciation method of PPE are reviewed, and adjusted appropriately, at-least as at each financial year end so as to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets. The effect of any change in the estimated useful lives, residual values and / or depreciation method are accounted prospectively, and accordingly, the depreciation is calculated over the PPE's remaining revised useful life. The cost and the accumulated

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depreciation for PPE sold, scrapped, retired or otherwise disposed off are de-recognised from the balance sheet and the resulting gains / (losses) are included in the statement of profit and loss within other expenses / other income.

The management basis its past experience and technical assessment has estimated the useful life, which is at variance with the life prescribed in Part C of Schedule II of the Companies Act, 2013 and has accordingly, depreciated the assets over such useful life.

The cost of capital work-in-progress ('CWIP') is presented separately in the balance sheet.

2.8 Intangible assets

Identifiable intangible assets are recognised when the Group controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be measured reliably.

Goodwill represents the cost of the acquired businesses in excess of the fair value of identifiable net assets purchased (refer note 2.4). Goodwill is not amortised; however it is tested annually for impairment (refer note 2.9) and carried at cost less any accumulated impairment losses. The gains / (losses) on the disposal of a cash-generating-unit ('CGU') include the carrying amount of goodwill relating to the CGU sold (in case goodwill has been allocated to group of CGUs; it is determined on the basis of the relative fair value of the operations sold).

The intangible assets that are acquired in a business combination are recognised at its fair value there at. Other intangible assets are initially recognised at cost. These assets having finite useful life are carried at cost less accumulated amortisation and any impairment losses. Amortisation is computed using the straight-line method over the expected useful life of intangible assets.

The Group has established the estimated useful lives of different categories of intangible assets as follows:

a. Software

Software are amortised over the period of license, generally not exceeding five years.

b. Bandwidth

Bandwidth is amortised over the period of the agreement.

c. Licenses (including spectrum)

Acquired licenses and spectrum are amortised commencing from the date when the related network

is available for intended use in the relevant jurisdiction. The useful lives range from two to twenty five years.

The revenue-share based fee on licenses / spectrum is charged to the statement of profit and loss in the period such cost is incurred.

d. Other acquired intangible assets

Other acquired intangible assets include the following:

Rights acquired for unlimited license access: Over the period of the agreement which ranges upto five years

Distribution network: One year to two years

Customer base: Over the estimated life of such relationships.

Non-compete fee: Over the period of the agreement which ranges upto five years

The useful lives and amortisation method are reviewed, and adjusted appropriately, at least at each financial year end so as to ensure that the method and period of amortisation are consistent with the expected pattern of economic benefits from these assets. The effect of any change in the estimated useful lives and / or amortisation method is accounted prospectively, and accordingly, the amortisation is calculated over the remaining revised useful life.

Further, the cost of intangible assets under development includes the amount of spectrum allotted to the Group and related costs (including borrowing costs that are directly attributable to the acquisition or construction of qualifying assets) (refer note 2.20), if any, for which services are yet to be rolled out and are presented separately in the balance sheet.

2.9 Impairment of non-financial assets

a. Goodwill

Goodwill is tested for impairment, at-least annually and whenever circumstances indicate that it may be impaired. For the purpose of impairment testing, the goodwill is allocated to a cash-generating-unit ('CGU') or group of CGUs ('CGUs'), which are expected to benefit from the acquisition-related synergies and represent the lowest level within the entity at which the goodwill is monitored for internal management purposes, within an operating segment. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

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Impairment occurs when the carrying value of a CGU / CGUs including the goodwill, exceeds the estimated recoverable amount of the CGU / CGUs. The recoverable amount of a CGU / CGUs is the higher of its fair value less costs to sell and its value in use. Value-inuse is the present value of future cash flows expected to be derived from the CGU / CGUs.

The total impairment loss of a CGU / CGUs is allocated first to reduce the carrying value of Goodwill allocated to that CGU / CGUs and then to the other assets of that CGU / CGUs - on pro-rata basis of the carrying value of each asset.

b. PPE, intangible assets and intangible assets under development

PPE (including CWIP) and intangible assets with definite lives, are reviewed for impairment, whenever events or changes in circumstances indicate that their carrying values may not be recoverable. Intangible assets under development is tested for impairment, at-least annually and whenever circumstances indicate that it may be impaired.

For the purpose of impairment testing, the recoverable amount (that is, higher of the fair value less costs to sell and the value-in-use) is determined on an individual asset basis, unless the asset does not generate cash flows that are largely independent of those from other assets, in which case the recoverable amount is determined at the CGU level to which the said asset belongs. If such individual assets or CGU are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the asset / CGU exceeds their estimated recoverable amount and allocated on pro-rata basis.

Reversal of impairment losses

Impairment loss in respect of goodwill is not reversed. Other impairment losses are reversed in the statement of profit and loss and the carrying value is increased to its revised recoverable amount provided that this amount does not exceed the carrying value that would have been determined had no impairment loss been recognised for the said asset / CGU in previous years.

2.10 Financial instruments

a. Recognition, classification and presentation

The financial instruments are recognised in the balance sheet when the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial instruments at initial recognition.

The Group classifies its financial assets in the following categories: a) those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and b) those to be measured at amortised cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Group has classified all the non-derivative financial liabilities as measured at amortised cost.

The entire hybrid contract, financial assets with embedded derivatives, are considered in their entirety for determining the contractual terms of the cash flow and accordingly, the embedded derivatives are not separated. However, derivatives embedded in non-financial instrument / financial liabilities (measured at amortised cost) host contracts are classified as separate derivatives if their economic characteristics and risks are not closely related to those of the host contracts.

Financial assets and liabilities arising from different transactions are off-set against each other and the resultant net amount is presented in the balance sheet, if and only when, the Group currently has a legally enforceable right to set-off the related recognised amounts and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

b. Measurement - Non-derivative financial instruments

I. Initial measurement

At initial recognition, the Group measures the nonderivative financial instruments at its fair value plus, in the case of a financial instruments not at fair value through profit or loss, transaction costs. Otherwise transaction costs are expensed in the statement of profit and loss.

II. Subsequent measurement - financial assets

The subsequent measurement of the non-derivative financial assets depends on their classification as follows:

i. Financial assets measured at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost using the effective interest rate ('EIR') method (if the impact of discounting / any transaction costs is significant). Interest income from these financial assets is included in finance income.

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ii. Financial assets at fair value through other comprehensive income ('FVTOCI')

Equity investments which are not held for trading and for which the Group has elected to present the change in the fair value in other comprehensive income and debt instruments that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flow represent solely payment of principal and interest, are measured at FVTOCI.

The changes in fair value are taken through OCI, except for the impairment (on debt instruments), interest (basis EIR method), dividend and foreign exchange differences which are recognised in the statement of profit and loss.

When the financial asset is derecognised, the related accumulated fair value adjustments in OCI as at the date of derecognition are reclassified from equity and recognised in the statement of profit and loss. However, there is no subsequent reclassification of fair value gains and losses to statement of profit and loss in case of equity instruments.

iii. Financial assets at fair value through profit or loss ('FVTPL')

All equity instruments and financial assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. Interest (basis EIR method) and dividend income from financial assets at FVTPL is recognised in the statement of profit and loss within finance income / finance costs separately from the other gains/losses arising from changes in the fair value.

Impairment

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and debt instrument carried at FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, twelve month expected credit loss ('ECL') is used to provide for impairment loss, otherwise lifetime ECL is used.

However, only in case of trade receivables, the Company applies the simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

III. Subsequent measurement - financial liabilities

Financial liabilities are subsequently measured at amortised cost using the EIR method (if the impact of discounting / any transaction costs is significant).

c. Measurement - derivative financial instruments

Derivative financial instruments, including separated embedded derivatives, that are not designated as hedging instruments in a hedging relationship are classified as financial instruments at fair value through profit or loss -Held for trading. Such derivative financial instruments are initially recognised at fair value. They are subsequently measured at their fair value, with changes in fair value being recognised in the statement of profit and loss within finance income / finance costs.

d. Hedging activities

I. Fair value hedge

Some of the Group's entities use derivative financial instruments (e.g. interest rate / currency swaps) to manage / mitigate their exposure to the risk of change in fair value of the borrowings. The Group designates certain interest swaps to hedge the risk of changes in fair value of recognised borrowings attributable to the hedged interest rate risk. The effective and ineffective portion of changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the statement of profit and loss within finance income / finance costs, together with any changes in the fair value of the hedged liability that is attributable to the hedged risk. If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of the hedged item is amortised to the statement of profit and loss over the period to remaining maturity of the hedged item.

II. Cash flow hedge

Some of the Group's entities use derivative financial instruments (e.g. foreign currency forwards, options, swaps) to manage their exposure to foreign exchange and price risk. Further, the Group designates certain derivative financial instruments (or its components) as hedging instruments for hedging the exchange rate fluctuation risk attributable to either a recognised item or a highly probable forecast transaction ('Cash flow hedge'). The effective portion of changes in the fair value of derivative financial instruments (or its components) that are designated and qualify as cash flow hedges, are recognised in other comprehensive income and held as cash flow hedge reserve ('CFHR') – within other components of equity. Any gains / (losses) relating to the ineffective portion, are recognised immediately in

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the statement of profit and loss within finance income / finance costs. The amounts accumulated in equity are re-classified to the statement of profit and loss in the periods when the hedged item affects profit / (loss).

When a hedging instrument expires or is sold, or when a cash flow hedge no longer meets the criteria for hedge accounting, any cumulative gains / (losses) existing in equity at that time remains in equity and is recognised (on the basis as discussed in the above paragraph) when the forecast transaction is ultimately recognised in the statement of profit and loss. However, at any point of time, when a forecast transaction is no longer expected to occur, the cumulative gains / (losses) that were reported in equity is immediately transferred to the statement of profit and loss within finance income / finance costs.

III. Net investment hedge

The Group hedges its net investment in certain foreign subsidiaries. Accordingly, any foreign exchange differences on the hedging instrument (e.g. borrowings) relating to the effective portion of the hedge is recognised in other comprehensive income as foreign currency translation reserve ('FCTR') – within other components of equity, so as to offset the change in the value of the net investment being hedged. The ineffective portion of the gain or loss on these hedges is immediately recognised in the statement of profit and loss. The amounts accumulated in equity are included in the statement of profit and loss when the foreign operation is disposed or partially disposed.

e. Derecognition

The financial liabilities are de-recognised from the balance sheet when the under-lying obligations are extinguished, discharged, lapsed, cancelled, expires or legally released. The financial assets are de-recognised from the balance sheet when the rights to receive cash flows from the financial assets have expired, or have been transferred and the Group has transferred substantially all risks and rewards of ownership. The difference in the carrying amount is recognised in the statement of profit and loss.

2.11 Leases

The determination of whether an arrangement is a lease is based on whether fulfillment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

Leases where the lessor transfers substantially all the risks and rewards of ownership of the leased asset are classified as finance lease and other leases are classified as operating lease. Operating lease receipts / payments are recognised as an income / expense on a straight-line basis over the lease term unless the lease payments increase in line with expected general inflation.

Contingent rents are recognised as income / expense in the period in which they are earned / incurred.

a. Group as a lessee

Assets acquired under finance leases are capitalised at the lease inception at lower of the fair value of the leased asset and the present value of the minimum lease payments. Lease payments are apportioned between finance charges (recognised in the statement of profit and loss) and reduction of the lease liability so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period.

Sale and leaseback transaction involves the sale and the leasing back of the same asset. In case it results in a finance lease, any profit or loss is not immediately recognised, instead the asset leased back is retained at its carrying value and the amount received towards the leased back portion is recorded as a finance lease obligation. However, in case it results in an operating lease, any profit or loss is recognised immediately provided the transaction occurs at fair value.

b. Group as a lessor

Assets leased to others under finance lease are recognised as receivables at an amount equal to the net investment in the leased assets. Finance lease income is allocated to periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the finance lease.

Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised in statement of profit and loss on a stratght-line basis over the lease term.

The Group enters into 'Indefeasible right to use' ('IRU') arrangement wherein the assets are given on lease over the substantial part of the asset life. However, the title to the assets and significant risk associated with the operation and maintenance of these assets remains with the Group. Hence, such arrangements are recognised as operating lease. The contracted price is recognised as revenue during the tenure of the agreement. Unearned IRU revenue received in advance is presented as deferred revenue within liabilities in the balance sheet.

2.12 Taxes

The income tax expense comprises of current and deferred income tax. Income tax is recognised in the statement of

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profit and loss, except to the extent that it relates to items recognised in the other comprehensive income or directly in equity, in which case the related income tax is also recognised accordingly.

a. Current tax

The current tax is calculated on the basis of the tax rates, laws and regulations, which have been enacted or substantively enacted as at the reporting date in the respective countries where the group entities operate and generate taxable income. The payment made in excess / (shortfall) of the respective group entities' income tax obligation for the period are recognised in the balance sheet under non-current income tax assets / liabilities.

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

The Group periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

b. Deferred tax

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. However, deferred tax are not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Further, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Moreover, deferred tax is recognised on temporary differences arising on investments in subsidiaries, joint ventures and associates - unless the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The unrecognised deferred tax assets / carrying amount of deferred tax assets are reviewed at each reporting date for recoverability and adjusted appropriately.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

2.13 Inventories

Inventories are stated at the lower of cost (determined using the first-in-first-out method) and net realisable value. The costs comprise its purchase price and any directly attributable cost of bringing to its present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated variable costs necessary to make the sale.

2.14 Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances and any deposits with original maturities of three months or less (that are readily convertible to known amounts of cash and cash equivalents and subject to an insignificant risk of changes in value). However, for the purpose of the statement of cash flows, in addition to above items, any bank overdrafts / cash credits that are integral part of the Group's cash management, are also included as a component of cash and cash equivalents.

2.15 Share capital / Securities premium / Treasury shares

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

When the Company purchases its ordinary shares through Bharti Airtel Employees' Welfare Trust, they are treated as treasury shares, and the consideration paid is deducted from the Equity. When the treasury shares are subsequently re-issued, any difference between its carrying amount and consideration received is recognised in share-basedpayment reserve.

2.16 Employee benefits

The Group's employee benefits mainly include wages, salaries, bonuses, defined contribution to plans, defined benefit plans, compensated absences, deferred compensation and share-based payments. The employee benefits are recognised in the year in which the associated services are rendered by the group employees.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

a. Defined contribution plans

The contributions to defined contribution plans are recognised in profit or loss as and when the services are rendered by employees. The Group has no further obligations under these plans beyond its periodic contributions.

b. Defined benefit plans

In accordance with the local laws and regulations, all the employees in India are entitled for the Gratuity plan. The said plan requires a lump-sum payment to eligible employees (meeting the required vesting service condition) at retirement or termination of employment, based on a pre-defined formula.

The Group provides for the liability towards the said plans on the basis of actuarial valuation carried out quarterly as at the reporting date, by an independent qualified actuary using the projected-unit-credit method.

The obligation towards the said benefits is recognised in the balance sheet, at the present value of the defined benefit obligations less the fair value of plan assets (being the funded portion). The present value of the said obligation is determined by discounting the estimated future cash outflows, using interest rates of government bonds.

The interest income / (expense) are calculated by applying the above mentioned discount rate to the plan assets and defined benefit obligations. The net interest income / (expense) on the net defined benefit obligation is recognised in the statement of profit and loss. However, the related re-measurements of the net defined benefit obligation are recognised directly in the other comprehensive income in the period in which they arise. The said re-measurements comprise of actuarial gains and losses (arising from experience adjustments and changes in actuarial assumptions), the return on plan assets (excluding interest). Re-measurements are not re-classified to the statement of profit and loss in any of the subsequent periods.

c. Other long-term employee benefits

The employees of the Group are entitled to compensated absences as well as other long-term benefits. Compensated absences benefit comprises of encashment and availment of leave balances that were earned by the employees over the period of past employment.

The Group provides for the liability towards the said benefits on the basis of actuarial valuation carried out quarterly as at the reporting date, by an independent qualified actuary using the projected-unit-credit method. The related re-measurements are recognised in the statement of profit and loss in the period in which they arise.

d. Share-based payments

The Group operates equity-settled and cash-settled, employee share-based compensation plans, under which the Group receives services from employees as consideration for stock options either towards shares of the Company / cash settled units.

In case of equity-settled awards, the fair value is recognised as an expense in the statement of profit and loss within employee benefits as employee share-based payment expenses, with a corresponding increase in share-based payment reserve (a component of equity).

However, in case of cash-settled awards, the credit is recognised as a liability within other non-financial liabilities. Subsequently, at each reporting period, until the liability is settled, and at the date of settlement, liability is re-measured at fair value through statement of profit and loss.

The total amount so expensed is determined by reference to the grant date fair value of the stock options granted, which includes the impact of any market performance conditions and non-vesting conditions but excludes the impact of any service and non-market performance vesting conditions. However, the nonmarket performance vesting and service conditions are considered in the assumption as to the number of options that are expected to vest. The forfeitures are estimated at the time of grant and reduce the said expense rateably over the vesting period.

The expense so determined is recognised over the requisite vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. As at each reporting date, the Group revises its estimates of the number of options that are expected to vest, if required.

It recognises the impact of any revision to original estimates in the period of change. Accordingly, no expense is recognised for awards that do not ultimately vest, except for which vesting is conditional upon a market performance / non-vesting condition. These are treated as vesting irrespective of whether or not the market / non-vesting condition is satisfied, provided that service conditions and all other non-market performance are satisfied.

Where the terms of an award are modified, in addition to the expense pertaining to the original award, an

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incremental expense is recognised for any modification that results in additional fair value, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled (including due to non-vesting conditions not being met), it is treated as if it is vested thereon, and any un-recognised expense for the award is recognised immediately.

2.17 Provisions

a. General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the said obligation, and the amounts of the said obligation can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the relevant obligation, using a pre-tax rate that reflects current market assessments of the time value of money (if the impact of discounting is significant) and the risks specific to the obligation. The increase in the provision due to un-winding of discount over passage of time is recognised within finance costs.

b. Asset retirement obligations ('ARO')

ARO are recognised for those operating lease arrangements where the Group has an obligation at the end of the lease period to restore the leased premises in a condition similar to inception of lease. ARO are provided at the present value of expected costs to settle the obligation and are recognised as part of the cost of that particular asset. The estimated future costs of decommissioning are reviewed annually and any changes in the estimated future costs or in the discount rate applied are adjusted from the cost of the asset.

2.18 Contingencies

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are not recognised and disclosed only where an inflow of economic benefits is probable.

2.19 Revenue recognition

Effective April 1, 2018, the Group has adopted Ind AS 115, 'Revenue from Contracts with Customers'. Further during the quarter ended March 31, 2019, the Company has finalised the transition method as the fully retrospective method applied retrospectively and hence, the comparative information have been restated. Accordingly, certain commission charges hitherto included in Sales and marketing expenses in respect of Africa mobile operations have been netted from Revenue.

Revenue is recognised upon transfer of control of promised products or services to the customer at the consideration which the Group has received or expects to receive in exchange of those products or services, net of any taxes / duties, discounts and process waivers. When determining the consideration to which the Group is entitled for providing promised products or services via intermediaries, the Group assesses whether it is primarily responsible for fulfilling the performance obligation and whether it controls the promised service before transfer to customers. To the extent that the intermediary is considered a principal, the consideration to which the Group is entitled is determined to be that received from the intermediary.

Revenue is recognised when, or as, each distinct performance obligation is satisfied. The main categories of revenue and the basis of recognition are as follows:

a. Service revenues

Service revenues mainly pertain to usage, subscription and customer onboarding charges for voice, data, messaging, value added services and Direct to Home (DTH) services. It also includes revenue from interconnection / roaming charges for usage of the Group's network by other operators for voice, data, messaging and signaling services. Service revenues also includes rental revenue for use of sites and energy revenue for the provision of energy for operation of sites.

Telecommunication services (comprising voice, data and SMS) are considered to represent a single performance obligation as all are provided over the Group's network and transmitted as data representing a digital signal on the network. The transmission consumes network bandwidth and therefore, irrespective of the nature of the communication, the customer ultimately receives access to the network and the right to consume network bandwidth.

The Group recognises revenue from these services as they are provided. Revenue is recognised based on actual units of telecommunication services provided during the reporting period as a proportion of the total units of telecommunication services to be provided. Subscription charges are recognised over the subscription pack validity period. Customer onboarding revenue and associated cost is recognised upon successful onboarding of customer i.e. upfront. Revenues in excess of invoicing are classified

(All amounts are in millions of Indian Rupee; unless stated otherwise)

as unbilled revenue while invoicing / collection in excess of revenue are classified as deferred revenue / advance from customers. The Group collects GST on behalf of the government and therefore, it is not an economic benefit flowing to the Company, hence it is excluded from revenue.

Service revenues also includes revenue from interconnection / roaming charges for usage of the Group's network by other operators for voice, data, messaging and signaling services. These are recognised upon transfer of control of services being transferred over time.

Certain business services revenues include revenue from registration and installation, which are amortised over the period of agreement since the date of activation of service.

Revenues from long distance operations comprise of voice services and bandwidth services (including installation), which are recognised on provision of services and over the period of respective arrangements.

Rental revenue is recognized as and when services are rendered on a monthly basis as per the contractual terms prescribed under master service agreement entered with customer. The Group has ascertained that the lease payment received are structured to increase in line with expected general inflationary increase in cost and therefore not straight lined. Exit Charges are recognised when uncertainty relating to the amounts receivable on exit is resolved and it is probable that a significant reversal relating to the amounts receivable on exit will not occur. Energy revenue is recognized over the period on a monthly basis upon satisfaction of performance obligation as per contracts with the customers. The transaction price is the consideration received from customers based on prices agreed as per the contract with the customers. The determination of standalone selling prices is not required as the transaction prices are stated in the contract based on the identified performance obligation.

b. Multiple element arrangements

The Company has entered into certain multiple-element revenue arrangements which involve the delivery or performance of multiple products, services or rights to use assets. At the inception of the arrangement, all the deliverables therein are evaluated to determine whether they represent distinct performance obligations, and if so, they are accounted for separately. Total consideration related to the multiple element arrangements is allocated to each performance obligation based on their standalone selling prices. The stand-alone selling prices are determined based on the list prices at which the Company sells equipment and network services separately.

c. Equipment sales

Equipment sales mainly pertain to sale of telecommunication equipment and related accessories for which revenue is recognised when the control of equipment is transferred to the customer, i.e. transferred at a point in time. However, in case of equipment sale forming part of multiple-element revenue arrangements which is not a distinct performance obligation, revenue is recognised over the customer relationship period.

d. Interest income

The interest income is recognised using the EIR method. For further details, refer note 2.10.

e. Dividend income

Dividend income is recognised when the Company's right to receive the payment is established. For further details, refer note 2.10

2.20 Borrowing costs

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

2.21 Exceptional items

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Group.

2.22 Non-operating expense / income

Non-operating expense comprises regulatory levies applicable to finance income in some of the geographies whereas non-operating income pertains to certain fee income in one of the group entities.

2.23 Dividends paid

Dividend to shareholders is recognised as a liability and deducted from equity, in the year in which the dividends are approved by the shareholders. However, interim dividends declared by the Board of directors, which does not need shareholders' approval, are recognised as a liability and deducted from retained earnings, in the year in which the dividends are so declared.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

2.24 Earnings per share ('EPS')

The Company presents the Basic and Diluted EPS data.

Basic EPS is computed by dividing the profit for the period attributable to the shareholders of the Company by the weighted average number of shares outstanding during the period excluding the treasury shares.

Diluted EPS is computed by adjusting, the profit for the year attributable to the shareholders and the weighted average number of shares considered for deriving Basic EPS, for the effects of all the shares that could have been issued upon conversion of all dilutive potential shares. The dilutive potential shares are adjusted for the proceeds receivable had the shares been actually issued at fair value. Further, the dilutive potential shares are deemed converted as at beginning of the period, unless issued at a later date during the period.

3. Critical accounting estimates, assumptions and judgements

The estimates and judgements used in the preparation of the said financial statements are continuously evaluated by the Group, and are based on historical experience and various other assumptions and factors (including expectations of future events), that the Group believes to be reasonable under the existing circumstances. The said estimates and judgements are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

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

3.1 Critical accounting estimates and assumptions

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

a. Impairment reviews

PPE (including CWIP) and intangible assets with definite lives, are reviewed for impairment, whenever events or changes in circumstances indicate that their carrying values may not be recoverable. Similarly,

goodwill and intangible assets under development is tested for impairment, at-least annually and whenever circumstances indicate that it may be impaired. For details as to the impairment policy, refer note 2.9. Accordingly the Group has performed impairment reviews for the above assets. However, the said reviews did not result in any impairment charge.

In calculating the value in use, the Group is required to make significant judgements, estimates and assumptions inter-alia concerning the growth in earnings before interest, taxes, depreciation and amortization ('EBITDA') margins, capital expenditure, long-term growth rates and discount rates to reflect the risks involved. Also, judgement is involved in determining the CGU /grouping of CGUs for allocation of the goodwill.

The Group mainly operates in developing markets and in such markets, the plan for shorter duration is not indicative of the long-term future performance. Considering this and the consistent use of such robust ten year information for management reporting purpose, the Group uses ten year plans for the purpose of impairment testing.

b. Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of international business relationships and the longterm nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the relevant tax authority.

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

(All amounts are in millions of Indian Rupee; unless stated otherwise)

c. Property, plant and equipment

Refer note 2.7 and 6 for the estimated useful life and carrying value of property, plant and equipment respectively.

During the year ended March 31, 2019, the Group has reassessed useful life of certain categories of network

assets based on internal assessment and technical evaluation, and accordingly has revised the estimate of its useful life from 18 years to 25 years in respect of those assets. The impact of above change on the depreciation charge for the current and future years are as follows:

	For the Year Ended March 31, 2019			For the Year Ended March 31, 2022	Future
Impact on depriciation charge	(2,774)	(2,712)	(2,355)	(1,922)	9,763

d. Allowance for impairment of trade receivables

The expected credit loss is mainly based on the ageing of the receivable balances and historical experience. The receivables are assessed on an individual basis or grouped into homogeneous groups and assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a caseto-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances

e. Contingent liabilities and provisions

The Group is involved in various legal, tax and regulatory matters, the outcome of which may not be favourable to the Group. Management in consultation with the legal, tax and other advisers assess the likelihood that a pending claim will succeed. The Group has applied its judgement and has recognised liabilities based on whether additional amounts will be payable and has included contingent liabilities where economic outflows are considered possible but not probable.

3.2 Critical judgement's in applying the Group's accounting policies

The critical judgement's, which the management has made in the process of applying the Group's accounting policies and has the most significant impact on the amounts recognised in the said financial statements, is discussed below:

f. Revenue recognition and presentation

The Group assesses its revenue arrangements in order to determine if it is acting as a principal or as an agent by determining whether it has primary obligation basis pricing latitude and exposure to credit / inventory risks associated with the sale of goods / rendering of services.

In the said assessment, both the legal form and substance of the agreement are reviewed to determine each party's role in the transaction.

g. Determination of functional currency

The Group has determined the functional currency of the group entities by identifying the primary economic environment in which the entity operates - based on under-lying facts / circumstances. However, in respect of certain intermediary foreign operations of the Group, the determination of functional currency is not very obvious due to mixed indicators and the extent of autonomy enjoyed by the foreign operation. In such cases management uses its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

h. Taxes

The identification of temporary differences pertaining to the investment in subsidiaries that are expected to reverse in the foreseeable future and the determination of the related deferred income tax liabilities after considering the requisite tax credits require the Group to make significant judgements.

4. Standards issued but not effective until the date of authorisation for issuance of the said financial statements :

The new significant standards, amendments to Standards that are issued but not yet effective until the date of authorisation for issuance of the said financial statements are discussed below. The Group has not early adopted these amendments and intends to adopt when they become effective.

Ind AS 116 'Leases'

In March 2019, MCA has notified the Ind AS 116, Leases. It will replace the existing leases Standard, Ind AS 17 'Leases', and related interpretations. The Standard sets out the principles for the recognition, measurement, presentation

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and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. It introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. A lease is required to recognise a right-of-use asset representing its right to use and the underlying leased assets and a lease liability representing its obligation to make lease payments.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The Group is in the process of evaluating its impact on the financial statements.

The following pronouncements, which are potentially relevant to the Group, have been issued and are effective for annual periods beginning on or after April 1, 2019.

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : According to the appendix, Group need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the group have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The Group does not expect that the adoption of the said amendment will have any significant impact on the financial Statements.

- Amendment to Ind AS 12 – Income taxes: The amendment clarifies that an Group shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity accordingly to where the Group originally recognised those past transactions or events whereas hitherto it was being recognised in equity.

5. Significant transactions / new developments

- a) Subsequent to the balance sheet date, on May 03, 2019, the Company has launched a rights issue of approximately 1,134 Mn fully paid up equity shares (face value ₹ 5 each) at a price of ₹ 220/- per share aggregating to ₹ 249,390. The right issue will close on May 17, 2019. The rights entitlement is determined as 19 equity shares for every 67 equity shares held.
- b) In February 2019, Airtel Kenya, the Group's operating subsidiary in Kenya, entered into an agreement with Telkom Kenya Limited, the third largest mobile network operator in Kenya, to merge their respective mobile, enterprise and carrier services businesses to operate as 'Airtel-Telkom'. As at the date of this financial statements, the transaction remains subject to approval by the relevant authorities.
- c) During the year ended March 31, 2017, the Group had entered into a scheme of amalgamation for the merger of

Telenor (India) Communications Private Limited with the Company. Further, during the year ended March 31, 2019, as the closing conditions for the said merger have been fulfilled, the said transaction is consummated. The difference of ₹ 5,315 between the purchase consideration (issuance of five equity shares and working capital adjustments) and fair value of net assets has been recognised as Capital reserve, a component of equity.

The fair values of the assets and liabilities recognised at the date of acquisition are as follows:

Non-current assets	
Property, plant and equipment	4,264
(including capital-work-in-progress	
of₹94)	
Other intangible assets (including	17,684
intangible assets under	
development of ₹ 655)	
Indemnification assets	8,835
Others	6,309
Current assets	
Cash and cash equivalents	6,931
Others	7,661
Non-current liabilities	
Borrowings	14,842
Others	955
Current liabilities	
Borrowings	1,229
Trade payables	17,301
Others	12,592
Net assets acquired	4,765

- d) During the year ended March 31, 2019, Airtel Africa Limited issued to global investors 976,635,762 equity shares for an aggregate investment of USD 1,450 together with certain indemnities. These indemnities represent an obligation for adjustment of subscription amounts triggered on payouts for the indemnified contingencies. These have been recorded as derivatives measured at fair value through profit and loss and other financial liabilities initially measured at fair value and subsequently re-measured at amortised cost. The key assumptions taken into measurement of these liabilities are around the probability of the outcome on which the indemnities are based and expected settlement amount.
- e) During the year ended March 31, 2019, Bharti Airtel International (Netherlands) B.V., a subsidiary of the Group, early redeemed an amount of USD 995 from its USD 1,500 5.125% Guaranteed Senior Notes due in March 2023 at a consideration equivalent to 98.5% of the par amount of each bond plus interest accrued.
- f) During the year ended March 31, 2019, consequent to the change in shareholder rights in Airtel Payment Bank Limited ('APBL'), APBL ceased to be a subsidiary (under Ind AS, '110 Consolidated Financial Statements'). APBL has since been

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considered as an associate (under Ind AS 28, 'Investments in Associates and Joint Ventures'). Hence, in accordance with Ind AS 110, the difference between the fair value of retained interest and the previous carrying amount of the Group's share in the net assets of APBL, of ₹8,735 has been recognized as gain within exceptional items.

g) In January 2019, the Government of Tanzania ('GoT') and the Group, on a composite basis, agreed (i) to the GoT's withdrawal of certain tax claims and regulatory fines (ii) the entry into an agreement between the GoT and Airtel Tanzania ('AT') for the provision of support services to AT on a 'best efforts' basis in order to support its development; (iii) to approve the sale of towers owned by AT; (iv) to allow a defined portion of the net sale proceeds of the tower sale towards repayment of the outstanding shareholder loan granted to AT by Bharti Airtel Tanzania B.V. ('BATBV') which shall be treated as full repayment of said loan; (v) to either exempt AT from the listing obligations or to ensure that the Group's beneficial ownership of AT will not decrease below 51% at any time; and (vi) to an increase in the GOT's shareholding in AT, to 49% at zero effective cost. The said document also provided for execution of detailed agreements between GoT, AT and the Group, wherever required, to give effect to the above.

Pursuant to the above arrangement, the Group believes that the above-mentioned settlement amongst the shareholders of AT should be accounted for as an equity transaction on the consummation of the said agreements.

- h) During the year ended March 31, 2019, the Company's board of directors at its meeting held on October 25, 2018, has paid interim dividend for the financial year 2018-19 of ₹ 2.50/- per equity share (face value : ₹ 5/- each).
- During the year ended March 31, 2019, Bharti Airtel International (Netherlands) B.V., a subsidiary of the Company, has redeemed Euro 1,000 Mn 4% senior notes due in December 2018 ('Notes').
- j) During the year ended March 31, 2019, the Group has acquired 7.95% equity stake in Airtel Gabon S.A. thereby, increasing its shareholding to 97.95%. The excess of consideration paid to NCI over the carrying value of the interest acquired ₹ 1,112 has been recognised in the transaction with NCI reserve, a component of equity.
- k) During the year ended March 31, 2019, the Group has acquired 8.52% equity stake in Airtel Networks Limited thereby, increasing its shareholding to 91.77%. The excess of consideration paid to NCI over the carrying value of the interest acquired ₹ 4,684 has been recognised in the transaction with NCI reserve, a component of equity.

- I) During the year ended March 31, 2018, the Group had entered into an agreement to sell 15% equity stake in Bharti Telemedia Limited, a subsidiary of the Company. Further, during the year ended March 31, 2019, as the closing conditions for the said transaction have been fulfilled, the said transaction is consummated. Accordingly, the excess of proceeds over the NCI amounting to ₹ 19,064 has been recognised directly in NCI reserve, a component of equity.
- m) During the year ended March 31, 2018, the Group had entered into a share purchase agreement with Millicom International Cellular S.A. to acquire 100% equity interest in Tigo Rwanda Limited. The acquisition will make the Group the second largest mobile operator in Rwanda. The difference of ₹ 362 between the fair value of purchase consideration (including contingent consideration) aggregating to ₹ 3,200 and provisional fair value of net assets of ₹ 2,838 had been recognised as goodwill. The said goodwill is mainly attributable to the acquired customer base, assembled workforce and economies of scale expected from combining the operations of the Group. The initial accounting for the acquisition had only provisionally determined at the year ended March 31, 2018.

Further during the year ended March 31, 2019, the provisional accounting has been finalized and accordingly, the revised difference of $\overline{\mathbf{x}}$ 873 between the fair value of the purchase consideration aggregating to $\overline{\mathbf{x}}$ 3,377 and fair value of net assets of $\overline{\mathbf{x}}$ 2,504 has been recognised as goodwill.

Further, with effect from July 1, 2018, Tigo Rwanda Limited had merged with Airtel Rwanda Limited. Accordingly Tigo Rwanda Limited has ceased to exist.

 n) During the year ended March 31, 2018, the Group had entered into a share purchase agreement with seller of Tikona Digital Networks Private Limited ('TDNPL') to acquire 100% equity interest in TDNPL.

The difference of ₹ 739 Mn between the purchase consideration and fair value of net assets has been recognised as goodwill. The said goodwill is mainly attributable to synergies expected from the combined operation of the Group and TDNPL.

o) During the year ended March 31, 2017, the Group signed a definitive agreement to enter into 50-50 joint venture between Bharti Airtel Ghana Holdings B.V. and MIC Africa B.V. against consideration of their respective ownership interest of operations in Ghana. Further during the year ended March 31, 2018, as the closing conditions for consummation of the transaction have been fulfilled, the Group and Millicom International Cellular had formed a joint venture to combine their telecommunication operations in Ghana.

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- p) During the year ended March 31, 2018, an understanding for demerger of consumer mobile businesses of Tata Teleservices Limited and Tata Teleservices Maharashtra Limited into the Company / Bharti Hexacom Limited (subsidiary of the Company) was entered into. Further, the boards of directors have approved the scheme(s) of arrangement under section 230 to section 232 of the Companies Act, 2013 for the said demerger. The said transaction is subject to requisite regulatory approvals.
- q) During the year ended March 31, 2018, the Group has sold approx. 150.5 Mn equity shares of Bharti Infratel Limited. The excess of proceeds (net of associated transaction costs, taxes and regulatory levies) over the change in NCI amounting to ₹ 42,598 has been recognized directly in NCI reserve, a component of equity.

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(All amounts are in millions of Indian Rupee; unless stated otherwise)

6. Property, plant and equipment ('PPE')

The following table presents the reconciliation of changes in the carrying value of PPE for the year ended March 31, 2019 and 2018:

	Leasehold improvement	Building	Land	Plant and equipment	Furniture & fixture	Vehicles	Office equipment	Computers & servers	Total
Gross carrying value									
As of April 1, 2017	8,403	10,408	3,438	1,286,468	2,723	2,174	7,427	71,506	1,392,547
Additions / capitalisation	318	147	123	220,354	389	57	798	7,688	229,874
Acquisition through business combinations*	15	157	I	3,996	ı	19		510	4,697
Disposals / adjustments	229	(498)	520	(38,517)	(29)	(22)	(247)	119	(38,775)
Sale of subsidiaries^	(82)	(99)	I	(9, 184)	(145)	(4)	(114)	(1,345)	(10,940)
Exchange differences	127	6	131	(4,665)	29	00	(24)	(141)	(4,446)
As of March 31, 2018	9,010	10,157	4,212	1,458,452	2,997	2,282	7,510	78,337	1,572,957
Additions / capitalisation	849	2	211	251,349	571	24	1,111	5,988	260,105
Acquisition through business combinations*			1	4,450	27	'	Q	82	4,564
Disposals / adjustments	(24)	(23)	87	(6,091)	(130)	(146)	(582)	(1,933)	(8,875)
Sale of subsidiaries^	(4)		ı		(1)	'	(17)	(153)	(175)
Exchange differences	00	(74)	с С	(5,719)	(316)	51	20	491	(5,506)
As of March 31, 2019	9,839	10,032	4,513	1,702,441	3,148	2,211	8,074	82,812	1,823,070
Accumulated depreciation									
As of April 1, 2017	6,485	3,691	128	690,103	2,351	1,813	4,664	63,224	772,459
Charge#	533	495	18	128,189	429	176	1,028	6,154	137,022
Disposals / adjustments	228	(384)	(33)	(32,400)	(3)	(28)	(170)	119	(32,671)
Sale of subsidiaries^	(09)	(27)	'	(4,168)	(134)	(3)	(06)	(1,222)	(5,704)
Exchange differences	122	IJ	11	(4,318)	13	72	(42)	(91)	(4,228)
As of March 31, 2018	7,308	3,780	124	777,406	2,656	2,030	5,390	68,184	866,878
Charge#	490	548	19	146,611	410	112	923	5,799	154,912
Disposals / adjustments	(13)	(19)	84	(4,357)	(118)	(134)	(577)	(1,669)	(6,803)
Sale of subsidiaries^	(4)		'	ı	I		(10)	(61)	(22)
Exchange differences	Ð	(47)	2	(7, 211)	(288)	46	49	374	(7,070)
As of March 31, 2019	7,786	4,262	229	912,449	2,660	2,054	5,775	72,627	1,007,842
Net carrying value									
As of March 31, 2018	1,702	6,377	4,088	681,046	341	252	2,120	10,153	706,079
As of March 31, 2019	2,053	5,770	4,284	789,992	488	157	2,299	10,185	815,228
*Refer note 5 (c), (m) & (n)									
^Refer note 5 (f) & (o)									

#It includes ₹5,861 (March 31, 2018 ₹3,672) on account of exceptional item with respect to plant and equipment (refer note 32 (i) a & (ii) a) and ₹419 (March 31, 2018 ₹3,672) on account of court approved scheme / arrangements.

Bharti Airtel Limited

Integrated Report and Annual Financial Statements 2018-19

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The Company has capitalised borrowing cost of ₹ 930 and Nil during the year ended March 31, 2019 and 2018 respectively.

The carrying value of CWIP as at March 31, 2019 and 2018 is ₹ 88,433 and ₹ 52,089 respectively, which mainly pertains to plant and equipment.

The following table summarises the detail of the significant assets taken on finance lease:

Plant and equipment	As of March 31, 2019	As of March 31, 2018
Gross carrying value	37,077	36,453
Accumulated depreciation	22,001	19,898
Net carrying value	15,076	16,555

For details towards pledge of the above assets refer note 20.2.

7. Intangible assets

The following table presents the reconciliation of changes in the carrying value of goodwill and other intangible assets for the year ended March 31, 2019 and 2018:

			Other intar	ngible assets		
				Licenses	Other	
	Goodwill #	Software	Bandwidth	(including	acquired	Total
				spectrum)	intangibles	
Gross carrying value						
As of April 1, 2017	340,719	17,982	23,582	933,212	9,777	984,553
Additions / capitalisation	-	3,637	7,451	64,352	6	75,446
Acquisition through business combinations*	1,084	-	-	321	632	953
Disposals / adjustment@	-	(140)	138	460	(389)	69
Sale of subsidiaries^	(6,310)	-	(463)	(16,112)	-	(16,575)
Exchange differences	(4,783)	2	(71)	(2,830)	102	(2,797)
As of March 31, 2018	330,710	21,481	30,637	979,403	10,128	1,041,649
Additions / capitalisation	-	2,740	18,269	47,713	-	68,722
Acquisition through business combinations*	436	1	-	15,691	831	16,523
Disposals / adjustment@	-	(1)	319	326	(23)	621
Sale of subsidiaries^	(3)	(194)	-	-	-	(194)
Exchange differences	4,056	20	1,252	133	53	1,458
As of March 31, 2019	335,199	24,047	50,477	1,043,266	10,989	1,128,779
Accumulated amortisation						
As of April 1, 2017	-	14,064	6,620	135,302	4,386	160,372
Charge	-	2,731	1,663	52,612	2,462	59,468
Disposals / adjustments@	-	(140)	138	460	(389)	69
Sale of subsidiaries^	-	-	(53)	(14,868)	-	(14,921)
Exchange differences	-	2	(9)	(1,295)	108	(1,194)
As of March 31, 2018	-	16,657	8,359	172,211	6,567	203,794
Charge	-	2,525	2,799	57,515	2,004	64,843
Disposals / adjustments@		(1)	104	12	(22)	93
Sale of subsidiaries^	-	(75)		-	-	(75)
Exchange differences	-	20	178	(644)	45	(401)
As of March 31, 2019	-	19,126	11,440	229,094	8,594	268,254
Net carrying value						
As of March 31, 2018	328,070	4,824	22,278	807,192	3,561	837,855
As of March 31, 2019	332,562	4,921	39,037	814,172	2,395	860,525

#Net carrying value of goodwill includes accumulated impairment of ₹ 2,637.

*Refer note 5 (c), (m) & (n)

^Refer note 5 (f) & (o)

@Mainly pertains to gross block and accumulated amortisation of license (including spectrum), bandwidth and software whose useful life has expired.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The carrying value of Intangible assets under development as at March 31, 2019 and March 31, 2018 is ₹ 7,909 and ₹ 45,423 respectively, which pertains to spectrum.

During the year ended March 31, 2019 and 2018 the Group has capitalised borrowing cost of ₹ 178 and ₹ 3,037 respectively.

Weighted average remaining amortization period of licenses as of March 31, 2019 and March 31, 2018 is 15.01 years and 15.88 years respectively.

For details towards pledge of the above assets refer note 20.2.

Impairment review

The Group tests goodwill for impairment annually on December 31. During the year ended March 31, 2019, the testing did not result in any impairment in the carrying amount of goodwill.

The carrying amount of goodwill is attributable to the following CGU / group of CGUs:

	As of March 31, 2019	As of March 31, 2018
Mobile Services - Africa	285,327	281,182
Mobile Services - India	40,413	40,413
Airtel business	6,478	6,131
Homes Services	344	344
	332,562	328,070

The recoverable amount of the above CGUs are based on value-in-use, which is determined based on ten year business plans that have been approved by management for internal purposes. The said planning horizon reflects the assumptions for short-to-mid term market developments. The cash flows beyond the planning period are extrapolated using appropriate terminal growth rates. The terminal growth rates used do not exceed the long term average growth rates of the respective industry and country in which the entity operates and are consistent with the internal / external sources of information.

The key assumptions used in value-in-use calculations are as follows:

- EBITDA margins
- Discount rate
- Growth rates
- Capital expenditures

EBITDA margins: The margins have been estimated based on past experience after considering incremental revenue arising out of adoption of valued added and data services from the existing and new customers, though these benefits are partially offset by decline in tariffs in competitive scenario. Margins will be positively impacted from the efficiencies and cost rationalisation / others initiatives driven by the Group; whereas, factors like higher churn, increased cost of operations may impact the margins negatively.

Discount rate: Discount rate reflects the current market assessment of the risks specific to a CGU or group of CGUs and estimated based on the weighted average cost of capital for respective CGU / group of CGUs. Pre-tax discount rates used are 21.61% / 13.39% for Mobile Services – Africa / other CGUs respectively, for the year ended March 31, 2019 and 24.15% / 12.75% for Mobile Services – Africa / other CGUs respectively, for the year ended March 31, 2018.

Growth rates: The growth rates used are in line with the long-term average growth rates of the respective industry and country in which the entity operates and are consistent with the internal / external sources of information. The average growth rates used in extrapolating cash flows beyond the planning period ranged from 3.5% to 4.0% for March 31, 2019 and ranged from 3.5% to 4.0% for March 31, 2018.

Capital expenditures: The cash flow forecasts of capital expenditure are based on past experience after considering the additional capital expenditure required for roll out of incremental coverage and capacity requirements and to provide enhanced voice and data services.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Sensitivity to changes in assumptions

With regard to the assessment of value-in-use for Homes Services and Airtel Business, no reasonably possible change in any of the above key assumptions would have caused the carrying amount of these units to exceed their recoverable amount.

In case of Mobile Services - India CGU group, the recoverable amount exceeds the carrying amount by ₹ 3,38,681 (22.99%) as of December 31, 2017 and ₹ 3,49,671 (25.53%) as of December 31, 2017 . An increase of 1.76% (December 31, 2017: 1.78%) in pre-tax discount rate shall equate the recoverable amount with the carrying amount of the Mobile Services – India CGU group as of December 31, 2018. Further, no reasonably possible change in the terminal growth rate beyond the planning horizon would cause the carrying amount to exceed the recoverable amount.

In case of Mobile Services - Africa CGU group, the recoverable amount exceeds the carrying amount by ₹ 1,53,714 (39.39%) as of December 31, 2018 and ₹ 54,087 (15.20%) as of December 31, 2017. An increase of 5.67% (December 31, 2017: 2.37%) in pretax discount rate shall equate the recoverable amount with the carrying amount of the Mobile Services – Africa CGU group as of December 31, 2018. Further, no reasonably possible change in the terminal growth rate beyond the planning horizon would cause the carrying amount to exceed the recoverable amount.

Mobile Services Africa Segment

During March 2019, due to revision in organisational structure of Mobile Services Africa segment, goodwill has been re-allocated to the following clusters based on implicit goodwill approach as an alternative to the relative fair value method. Implicit goodwill has been determined as the difference between value in use and carrying value of each segment relative to the total implicit goodwill. This is similar to the approach used for deriving goodwill using a purchase price allocation method in the case of a business combination. At the date of implementation of the new organisational structure; goodwill allocated to the three clusters is given in the table below:

	As of March 31, 2019
Nigeria	104,063
East Africa	135,536
Rest of Africa	50,414
	290,013

On reallocation of goodwill, impairment tests by Mobile Services Africa Segment for the above clusters did not result in any impairment.

8. Investment in joint ventures and associates

Details of joint ventures:

S.		Principal		Ownershi	p interest
s. no.	Name of joint ventures	place of business	Principal activities	% As of March 31, 2019	% As of March 31, 2018
1	Indus Towers Limited*	India	Passive infrastructure services	22.49	22.49
2	Bharti Airtel Ghana Holdings B.V.\$	Netherlands	Investment company	50.00	50.00
3	Bridge Mobile Pte Limited	Singapore	Provision of regional mobile services	10.00	10.00
4	FireFly Networks Limited	India	Telecommunication services	50.00	50.00

* Bharti Infratel Limited, in which the Group has 53.51% equity interest (53.54% as of March 31, 2018), owns 42% of Indus Towers Limited.

\$ w.e.f. October 12, 2017, refer note 5(0).

Notes to Consolidated Financial Statements (All amounts are in millions of Indian Rupee; unless stated otherwise)

Details of associates:

~				Ownershi	p interest
S.	Name of associates	Principal place of business	Principal activities	% As of	% As of
no.		orbusiness		March 31, 2019	March 31, 2018
1	Seychelles Cable Systems Company Limited	Seychelles	Submarine cable system	26.00	26.00
2	Robi Axiata Limited	Bangladesh	Telecommunication services	25.00	25.00
3	Seynse Technologies Private Limited	India	Financial services	22.54	22.54
4	Juggernaut Books Private Limited (w.e.f. November 29, 2017)	India	Digital books publishing services	19.35	10.71
5	Airtel Payments Bank Limited (w.e.f. October 25, 2018)	India	Mobile commerce services	80.10	-

The amounts recognised in the balance sheet are as follows:

	As of March 31, 2019	As of March 31, 2018
Joint ventures	54,227	64,714
Associates	34,710	22,125
	88,937	86,839

The amounts recognised in the statement of profit and loss are as follows:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Recognised in profit and loss		
Joint ventures	3,630	10,715
Associates	(74)	(106)
	3,556	10,609
Recognised in other comprehensive income		
Joint ventures	(2)	1
Associates	(11)	17
	(13)	18

Notes to Consolidated Financial Statements (All amounts are in millions of Indian Rupee; unless stated otherwise)

The summarised financial information of joint venture and associate that are material to the Group are as follows:

Summarized balance sheet

				As of			
		Joint ve	entures			Associate	9
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019
	Indus Towe	rs Limited	Bharti Airi Holding		Robi Axiat	a Limited	Airtel Payment Bank Limited
Assets							
Non current assets Current assets	193,138	201,576	24,056	12,102	105,957	104,308	1,062
Cash and cash equivalents ('C&CE')	3,224	1,063	886	1,759	1,920	1,111	4,290
Other current assets (excluding 'C&CE')	47,774	33,534	3,605	2,120	8,456	8,899	7,207
Total current assets	50,998	34,597	4,491	3,879	10,376	10,010	11,497
Liabilities		· · · · · ·		· · · · ·			<u>.</u>
Non current liabilities							
Borrowings	11,223	9,556	9,705	4,122	11,509	6,078	-
Other liabilities	32,429	31,751	5,489	716	3,805	2,836	47
Total non current liabilities	43,652	41,307	15,194	4,838	15,314	8,914	47
Current liabilities							
Borrowings	44,574	30,683	1,654	869	11,071	22,177	-
Other liabilities	34,279	32,233	8,347	12,283	39,990	37,396	10,579
Total current liabilities	78,853	62,916	10,001	13,152	51,061	59,573	10,579
Equity	121,631	131,950	3,352	(2,009)	49,958	45,831	1,933
Percentage of Group's ownership interest	42.00%	42.00%	50.00%	50.00%	25.00%	25.00%	80.10%
Interest in joint venture / associate	51,085	55,419	1,676	(1,005)	12,490	11,458	1,548
Consolidation adjustment (inlcuding goodwill / accounting	1,397	2,691	-	7,548	11,396	10,162	8,735
policy alignment)							
Carrying amount of investment	52,482	58,110	1,676	6,543	23,886	21,620	10,283

Summarised information on statement of profit and loss

			For tl	ne year / per	riod ended		
		Joint ve	ntures			Associate	e
	March	March	March	March	March	March	March
	31, 2019	31, 2018	31, 2019	31, 2018	31, 2019	31, 2018	31, 2019
	Indus Towe	rs Limited	Bharti Air	tel Ghana	Robi Axiat	a Limited	Airtel Payment
			Holding	gs B.V.*			Bank Limited
Revenue	184,775	187,424	11,683	5,612	60,491	52,635	1,434
Depreciation and amortisation	27,572	27,766	3,689	1,388	15,016	11,574	45
Finance income	534	995	-	-	85	66	-
Finance cost	6,028	5,053	5,180	789	2,697	1,343	98
Income tax expense	13,078	16,593	2	3	889	1,385	-
Profit / (loss) for the year /	24,220	31,013	(9,059)	(1,092)	2,887	(1,668)	(1,541)
period							

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Summarised information on statement of profit and loss (Contd..)

			For th	ne year / per	iod ended		
		Joint ve	ntures			Associate	e
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019
	Indus Tower	rs Limited	Bharti Airt Holding		Robi Axiat	a Limited	Airtel Payment Bank Limited
OCI / loss for the year / period	(6)	3	-	-	(46)	76	1
Percentage of Group's ownership interest	42.00%	42.00%	50.00%	50.00%	25.00%	25.00%	80.10%
Group's share in profit / (loss) for the year	10,172	13,025	(4,529)	(546)	722	(417)	(1,235)
Group's share in OCI / (loss) for the year / period	(2)	1	-	-	(11)	19	1
Consolidation adjustments / accounting policy alignment	(1,294)	(1,209)	(724)	(564)	471	135	-
Group's share in profit / (loss)	8,878	11,816	(5,253)	(1,110)	1,193	(282)	(1,235)
recognised							
Dividend received from joint venture / associate	11,261	10,010	-	-	-	-	-

*Based on consolidated financial statements of the entity

The aggregate information of joint ventures that are individually immaterial is as follows:

	As of March 31, 2019	As of March 31, 2018
Carrying amount of investments	69	61

Group's share in joint ventures

	For the year ended March 31, 2019	For the year ended March 31, 2018
Net profit	4	9
Total comprehensive income	4	9

The aggregate information of associates that are individually immaterial is as follows:

	As of	As of
	March 31, 2019	March 31, 2018
Carrying amount of investments	543	505

Group's share in associates

	For the year ended March 31, 2019	For the year ended March 31, 2018
Net profit	(33)	176
Total comprehensive income	(33)	176

Refer note 24 for Group's share of joint venture's and associate's commitments and contingencies.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

9. Investments in subsidiaries

Information as to the subsidiaries which are part of the Group is as follows:

S.	Drinning activity	Drineinal place of husiness	Number of wh subsidi	•
no.	Principal activity	Principal place of business	As of March 31, 2019	As of March 31, 2018
1	Telecommunication services	India	4	4
2	Telecommunication services	Africa	7	8
3	Telecommunication services	South Asia	1	1
4	Telecommunication services	Others	6	6
5	Mobile commerce services	Africa	13	13
6	Infrastructure services	Africa	3	4
7	Submarine cable	Mauritius	1	1
8	Investment company	Netherlands	31	22
9	Investment company	Mauritius	10	7
10	Investment company	Others	3	3
11	Others	India	3	2
			82	71

S.	Principal activity	Principal place of husiness	Number of non- subsidi	
no.		Principal place of business	As of March 31, 2019	As of March 31, 2018
1	Telecommunication services	India	2	2
2	Telecommunication services	Africa	7	7
3	Mobile commerce services	India	0	1
4	Mobile commerce services	Africa	3	3
5	Infrastructure services	India	1	1
6	Infrastructure services	Africa	2	2
7	Direct to home services	India	1	1
8	Investment company	Africa	2	1
			18	18

Additionally, the Group also controls the employee stock option plan trusts as mentioned here below:

S. no.	Name of trust	Principal place of business
1	Bharti Airtel Employees' Welfare Trust	India
2	Bharti Infratel Employees' Welfare Trust	India

Notes to Consolidated Financial Statements (All amounts are in millions of Indian Rupee; unless stated otherwise)

The summarised financial information of subsidiaries (including acquisition date fair valuation and adjustments thereto, and accounting policies alignment) having material non-controlling interests is as follows:-

Summarised balance sheet

	Bharti Infratel Limited*	l Limited*	Bharti Hexacom Limited	m Limited	Airtel Africa Limited*#
	As of	As of	As of	As of	As of
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019
Assets					
Non current assets	139,923	135,827	103,402	94,539	501,388
Current assets	42,800	76,121	10,005	8,931	98,248
Liabilities					
Non current liabilities	13,033	14,613	3,237	2,628	203,033
Current liabilities	17,752	18,159	52,494	35,949	198,818
Equity	151,939	179,176	57,676	64,893	197,785
% of ownership interest held by NCI	46.49%	46.46%	30.00%	30.00%	31.69%
Accumulated NCI	70,632	83,245	17,303	19,468	62,680
Summarised statement of profit and loss					
	Bharti Infratel Limited*	l Limited*	Bharti Hexacom Limited	m Limited	Airtel Africa

					Limited*#
	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2019
Revenue	65,889	64,751	36,199	44,181	226,079
Net profit / (loss)	22,085	22,651	(7,220)	(1,119)	29,847
Other comprehensive income / (loss)	(24)	24	m	2	(17,195)
Total comprehensive income / (loss)	22,061	22,675	(7,217)	(1,117)	12,652
Profit / (loss) allocated to NCI	10,271	9,530	(2,160)	(335)	3,486

	Bharti Infratel Limited*	el Limited*	Bharti Hexacom Limited	om Limited	Airtel Africa Limited ^{*#}
	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2019
Net cash (outflow) / inflow from operating activities	31,586	34,694	4,926	9,882	64,827
Net cash (outflow) / inflow from investing activities	15,999	(18,551)	(11,657)	(14,884)	17,557
Net cash (outflow) / inflow from financing activities	(47,947)	(35,548)	5,595	2,883	(41,939)
Net cash (outflow) / inflow	(362)	(19,405)	(1,136)	(2,119)	40,445
Dividend paid to NCI (including tax)	22,286	3,411	1	246	

#ReferNote5(d)

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10. Investments

Non-current

	As of March 31, 2019	As of March 31, 2018
Investment at FVTPL		
Government securities	293	292
Equity instruments	3,175	2,672
Mutual funds	16,007	334
Preference shares	342	318
	19,817	3,616
Investment at FVTOCI		
Bonds	2,124	2,153
	2,124	2,153
	21,941	5,769

Current

	As of March 31, 2019	As of March 31, 2018
Investment at FVTPL		
Mutual funds	33,506	51,038
Government securities	11,925	11,798
Bonds	801	1,001
Non-convertible debenture	-	997
	46,232	64,834
Investment at FVTOCI		
Government securities	-	3,904
Commercial paper	-	240
	-	4,144
	46,232	68,978
Aggregate book / market value of quoted investments		· · · · ·
Non-current	18,424	2,777
Current	46,232	65,074
Aggregate book value of unquoted investments		
Non-current	3,517	2,992
Current	-	3,904

(All amounts are in millions of Indian Rupee; unless stated otherwise)

11. Derivative financial instruments

	As of March 31, 2019	As of March 31, 2018
Assets		
Currency swaps, forward and option contracts	346	8,541
Interest swaps	3,185	2,101
Embedded derivatives	-	330
	3,531	10,972
Liabilities		
Currency swaps, forward and option contracts	3,691	474
Interest swaps / others	9,579	5,210
Embedded derivatives	298	8
	13,568	5,692
Non-current derivative financial assets	3,105	2,031
Current derivative financial assets	426	8,941
Non-current derivative financial liabilities	(826)	(5,409)
Current derivative financial liabilities	(12,742)	(283)
	(10,037)	5,280

During the year ended March 31, 2019 the Company issued shares to several global investors. The shares subscription agreements included certain indemnities that are embedded derivatives not clearly and closely related to the shares and therefore have been bifurcated and presented separately as a derivative financial liability. The fair value of those embedded derivatives was ₹ 9,095 as of March 31,2019. These derivative liabilities will expire on or prior to occurrence of the date that is 12 months after the date of closing of subscription agreement and IPO Publication Date.

12. Security deposits

	As of	As of
	March 31, 2019	March 31, 2018
Considered good*	16,452	9,703
Considered doubtful	1,448	1,357
Less: provision for doubtful deposits	(1,448)	(1,357)
	16,452	9,703

Security deposits primarily include deposits given towards rented premises, cell sites and interconnect ports.

*It includes amount due from related party refer note 35.

For details towards pledge of the above assets refer note 20.

13. Financial assets – others

Non-current

	As of March 31, 2019	As of March 31, 2018
Rent equalisation	3,067	4,164
Bank deposits	13	950
Margin money deposits	147	419
Claims recoverable	-	74
Others	-	207
	3,227	5,814

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The details of interest accrued on above items (which is included within 'interest accrued on deposits' under current other financial assets) is provided in the table given below:

	As of March 31, 2019	As of March 31, 2018
Bank deposits	-	38
	-	38

Current

	As of March 31, 2019	As of March 31, 2018
Unbilled revenue	17,072	16,136
Claims recoverable	1,327	1,180
Receivable on sale of business / tower assets*	-	8,736
Interest accrued on investments / deposits	602	870
Others#	1,342	540
	20,343	27,462

*Interest accrued on tower sale receivable is ₹ Nil and ₹ 150 as of March 31,2019 and March 31,2018 respectively is included within 'interest accrued on deposits' above.

#It includes finance lease receivables and amounts due from related party (refer note 35).

For details towards pledge of the above assets refer note 20.

14. Income tax

The major components of the income tax expense are:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Current income tax		
- For the year	19,527	21,082
- Adjustments for prior periods	(136)	(2,852)
5	19,391	18,230
Deferred tax		
- Origination and reversal of temporary differences	(27,924)	(4,536)
- Effect of change in tax rate	-	411
- Adjustments for prior periods	(25,660)	(3,270)
	(53,584)	(7,395)
Income tax (credit) / expense	(34,193)	10,835

Consolidated statement of other comprehensive income

	For the year ended March 31, 2019	For the year ended March 31, 2018
Net Gains / (losses) on net investments hedge	5,428	(122)
Re-measurement losses on defined benefit plans	(62)	(29)
Deferred Tax charged/(credited) recorded in Other Comprehensive Income	5,366	(151)

(All amounts are in millions of Indian Rupee; unless stated otherwise)

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

	For the year ended March 31, 2019	For the year ended March 31, 2018
Loss / Profit before tax	(17,318)	32,672
Tax expense @ company's domestic tax rate 34.944% / 34.608% Effect of:	(6,052)	11,307
Share of profits in associates and joint ventures	(1,245)	(3,985)
Tax holiday	264	303
Adjustments in respect of previous years	(25,795)	(6,125)
Effect of changes in tax rate	-	411
Additional taxes / taxes for which no credit is allowed	3,139	2,339
Difference in overseas tax rates	(1,589)	(77)
Items subject to different tax rate	(30)	452
(Income) / expense (net) not taxable / deductible	(3,028)	(551)
Tax on undistributed retained earnings	2,286	2,434
Item for which no deferred tax asset was recognised	(24)	4,662
Settlement of various disputes	(2,229)	(395)
Others	110	60
Income tax (credit) / expense	(34,193)	10,835

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

	As of March 31, 2019	As of March 31, 2018
Deferred tax assets (net)		
a) Deferred tax liability due to		
Depreciation / amortisation on PPE / intangible assets	(89,029)	(86,565)
b) Deferred tax asset arising out of		
Provision for impairment of debtors / advances	13,023	16,291
Carry forward losses	90,952	23,424
Unearned income	559	576
Employee benefits	1,311	1,285
Minimum alternate tax ('MAT') credit	60,463	57,484
Lease rent equilisation	6,893	7,093
Fair valuation of financial instruments and exchange differences	3,068	8,210
Rates and taxes	476	1,431
Others	1,663	101
	89,379	29,330

	As of March 31, 2019	As of March 31, 2018
Deferred tax liabilities (net)		
a) Deferred tax liability due to		
Lease rent equilisation (net)	2,804	3,639
Fair valuation of financial instruments and exchange differences	136	(569)
Depreciation / amortisation on PPE / intangible assets	5,940	6,242
Undistributed retained earnings	3,367	3,541
Others	345	115
b) Deferred tax asset arising out of		
Provision for impairment of debtors / advances	(828)	(1,652)
Carry forward losses	(250)	(498)
Unearned income	8	7
Employee benefits	(225)	(219)
	11,297	10,606

(All amounts are in millions of Indian Rupee; unless stated otherwise)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferred tax expense		
Provision for impairment of debtors / advances	(4,437)	2,604
Carry forward losses	61,811	19,575
Unearned income	(43)	(497)
Employee benefits	47	162
MAT credit	3,150	(47)
Lease rent equilisation (net)	653	658
Fair valuation of financial instruments and exchange differences	(14,270)	864
Rates and taxes	(955)	(96)
Depreciation / amortisation on property, plant and equipment / intangible assets	6,039	(16,178)
Undistributed retained earnings	201	(549)
Others	1,388	899
Net deferred tax income	53,584	7,395

The movement in deferred tax assets and liabilities during the year is as follows:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening balance	18,724	16,766
Tax expense / (credit) recognised in statement of profit or loss	53,584	7,395
Tax expense on Business combination	3,717	(1,709)
Tax expense recognised in OCI:		
- on net investments hedge	5,428	(122)
- on fair value through OCI investments	(62)	(29)
Exchange differences and others	(3,309)	(3,577)
Closing balance	78,082	18,724

Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences and carry forward tax losses / credits (including capital losses) can be utilised. Accordingly, the Group has not recognised deferred tax assets in respect of deductible temporary differences and carry forward tax losses (including capital losses) of $\overline{\mathbf{x}}$ 438,813 and $\overline{\mathbf{x}}$ 509,731 as of March 31, 2019 and March 31, 2018 respectively, as it is not probable that relevant taxable profits will be available in future. The applicable tax rates for the same vary from 3% to 45%, depending on the tax jurisdiction in which the respective group entity operates. Of the above balance as of March 31, 2019 and March 31, 2019 and March 31, 2018, $\overline{\mathbf{x}}$ (3,013) and $\overline{\mathbf{x}}$ 70,508 respectively have an indefinite carry forward period and the balance amount expires, if unutilised, as follows:

	As of March 31, 2019	As of March 31, 2018
Expiry date		
Within one - three years	54,870	52,694
Within three - five years	31,994	31,265
Above five years	354,963	355,264
	441,827	439,223

Moreover, deferred tax liability has not been recognised in respect of temporary differences pertaining to the investment in its certain subsidiaries, as where Group is in a position to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The temporary differences associated with respect to such investment in subsidiaries are represented by their retained earnings and other reserves (on the basis of their standalone financial statements), aggregating to ₹ 111,421 and ₹ 130,715 as of March 31, 2019 and March 31, 2018 respectively. In case of distribution of the same as dividend, it is expected to attract tax in the range of 10% to 21% depending on the tax rates applicable as of March 31, 2019 in the relevant jurisdiction.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

15. Other non-financial assets

Non-current

	As of March 31, 2019	As of March 31, 2018
Advances (net)#	34,202	32,267
Capital advances	939	1,147
Prepaid expenses	1,787	1,600
Taxes recoverable	21,738	-
Others*	18,860	1,305
	77,526	36,319

*Advances (net) represent payments made to various government authorities under protest and are disclosed net of provision (refer note 22).

*It mainly includes advances and indemnity assets pertain to the acquisitions.

Current

	As of March 31, 2019	As of March 31, 2018
Taxes recoverable	105,603	74,004
Advances to suppliers (net)	20,436	17,642
Prepaid expenses	8,201	9,275
Others*	2,871	2,459
	137,111	103,380

*It mainly includes security deposits given towards rented premises, cell sites, interconnect ports and other miscellaneous deposits.

Taxes recoverable primarily include Goods and service tax ('GST') and customs duty.

Advance to suppliers are disclosed net of provision of ₹2,866 and ₹2,680 as of March 31, 2019 and March 31, 2018 respectively.

16. Trade receivables

	As of March 31, 2019	As of March 31, 2018
(a) Trade Receivables – Unsecured*	80,856	110,409
Less: Allowances for doubtful receivables	(37,850)	(51,579)
	43,006	58,830

*It includes amount due from related party refer note 35.

Refer note 36 (iv) for credit risk

The movement in allowances for doubtful debts is as follows:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening balance	51,579	42,258
Additions*	10,256	11,237
Write off (net of recovery)	(24,353)	(1,156)
Exchange differences	368	(780)
Closing balance	37,850	51,579

*Includes exceptional item of ₹ 1094 (refer note 32(ii)(c) for the year ended March, 2018)

For details towards pledge of the above assets refer note 20.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

17. Cash and bank balances

Cash and cash equivalents ('C&CE')

	As of March 31, 2019	As of March 31, 2018
Balances with banks		
- On current accounts	7,064	9,884
- Bank deposits with original maturity of 3 months or less	53,848	37,862
Cheques on hand	125	986
Cash on hand	1,084	820
	62,121	49,552

Other bank balances

	As of March 31, 2019	As of March 31, 2018
Restricted cash*	16,893	13,623
Earmarked bank balances - unpaid dividend	110	70
Term deposits with bank	273	2,119
Margin money deposits#	1,658	1,342
	18,934	17,154

*It represents cash received from subscriber of mobile commerce services.

#Margin money deposits represents amount given as collateral for legal cases and / or bank guarantees for disputed matters.

The details of interest accrued on above items (which is included within 'interest accrued on deposits' under current other financial assets) is as below:

	As of March 31, 2019	As of March 31, 2018
Cash and cash equivalents		
- Bank deposits with original maturity 3 months or less	106	1
	106	1
Other bank balance		
- Term deposits with bank	47	157
	47	157
	153	158

18. Share capital

	As of March 31, 2019	As of March 31, 2018
Issued, subscribed and fully paid-up shares		
3,997,400,107 (March 31,2018 - 3,997,400,102) equity shares of ₹ 5 each	19,987	19,987
	19,987	19,987

a. Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 5 per share. Each holder of equity shares is entitled to cast one vote per share.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

b. Treasury shares

		For the year ended March 31, 2019				
	No. of shares ('000')	Amount	No. of shares ('000')	Amount		
Opening balance	1,719	642	1,345	367		
Purchased during the year	700	248	906	424		
Excercised during the year	(927)	(336)	(532)	(149)		
Closing balance	1,492	554	1,719	642		

c. Dividend

The proposed dividend being subject to approval at respective annual general meetings, no related corresponding liability has been recognised in the respective financial years.

		For the year ended March 31, 2019	For the year ended March 31, 2018
A	Declared and paid during the year:		
	Interim dividend for 2018-19 : ₹ 2.50 per share (2017-18 : ₹ 2.84 per share)*	12,044	13,658
	Dividend on treasury shares*	4	6
	*((including dividend distribution tax 2018-19 @ 20.56% of ₹ 2,054) (2017-18 @ 20.36% of ₹ 2,311))		
	Final dividend for 2017-18 : ₹ 2.50 per share (2016-17 : ₹ 1.00 per share)#	12,044	4,810
	Dividend on treasury shares#	4	1
	*((including dividend distribution tax @ 20.56% of ₹ 2,054 (2016-17 @20.36% of ₹ 814))		
		24,096	18,475
В	Proposed dividend		
	Final dividend 2017-18 : ₹ 2.50 per share	-	9,993
	Dividend distribution tax for 2018-19 @ 20.56% (2017-18 @ 20.56%)	-	2,055
		-	12,048

19. Other equity

a. **Retained earnings:** Retained earnings represent the amount of accumulated earnings of the Group, re-measurement differences on defined benefit plans, any transfer from general reserve and the reserves arising due to court scheme accounting and adjustments thereto (as explained below for significant Scheme of Arrangements).

The Scheme of Arrangement under Section 391 to 394 of the Companies Act, 1956 for transfer of all assets and liabilities at their respective fair values from Bharti Infratel Ventures Limited (erstwhile subsidiary company), Vodafone Infrastructure Limited, Idea Cellular Tower Infrastructure Limited to its joint venture Indus Towers Limited, was approved by the Hon'ble High Court of Delhi vide order dated April 18, 2013 and filed with the Registrar of Companies on June 11, 2013 with appointed date April 1, 2009 and hence was accounted retrospectively with effect from April 01, 2009. Similarly, pursuant to the Scheme of Arrangement of the Company under sections 391 to 394 of the Companies Act, 1956, the telecom infrastructure undertaking of the Company was transferred to one of its subsidiary Bharti Infratel Limited during the year ended March 31, 2008.

Further, pursuant to the said schemes, mainly the excess of the fair values over the original book values of the assets transferred to them and the periodic depreciation thereto is adjusted in retained earnings.

In absence of any specific provision under Ind AS with respect to court schemes, and the fact that the court schemes are part of the law, accounting prescribed therein (as explained above) will continue to prevail even in the Ind AS financial statements of the Group after being adjusted for intra-group eliminations / equity accounting, as required.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

b. General reserve: The Company has transferred a portion of its profit before declaring dividend in respective prior years to general reserve, as stipulated under the erstwhile Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013 ('Act').

Further, on exercise of the stock options, the difference between the consideration (i.e. the exercise price and the related amount of share-based payment reserve) and the cost of the related treasury shares, is transferred to general reserve.

- c. Debenture redemption reserve: Pursuant to the provisions of the Act, the Company is required to create debenture redemption reserve out of the profits and is to be utilised for the purpose of redemption of debentures. On redemption of the debentures, the related amount of this reserve gets transferred to retained earnings.
- **d.** Capital reserve: It pertains to capital reserve acquired pursuant to the scheme of arrangement under the Companies Act accounted under pooling of interest method and excess of purchase consideration over fair value of net assets (for certain business combinations).

Other components of equity

	Foreign currency translation reserve	Cash flow hedge reserve	Fair value through OCI reserve	Treasury shares	Total
As of April 1, 2017	(60,685)	133	90	(367)	(60,829)
Net losses due to foreign currency	(7,056)	-	-	-	(7,056)
translation differences					
Net losses on net investment hedge	(7,508)	-	-	-	(7,508)
Net losses on cash flow hedge	-	810	-	-	810
Net gains on fair value through OCI	-	-	115	-	115
investments					
Purchase of treasury shares	-	-	-	(424)	(424)
Exercise of share options	-	-	-	149	149
As of March 31, 2018	(75,249)	943	205	(642)	(74,743)
Net losses due to foreign currency	(11,544)	-	-	-	(11,544)
translation differences*					
Net gains on net investment hedge	2,264	-	-	-	2,264
Net losses on cash flow hedge	-	(881)	-	-	(881)
Net losses on fair value through OCI	-	-	(26)	-	(26)
investments					
Purchase of treasury shares	-	-	-	(248)	(248)
Exercise of share options	-	-	-	336	336
As of March 31, 2019	(84,529)	62	179	(554)	(84,842)

*During the year ended March 31, 2019 and 2018, the Group has reclassified gain of ₹ Nil and gain ₹ 60 respectively, from FCTR to statement of profit and loss on sale of foreign subsidiaries (refer note 5).

(All amounts are in millions of Indian Rupee; unless stated otherwise)

20. Borrowings

Non-current

	As of March 31, 2019	As of March 31, 2018
Secured		
Term loans	1,403	16,836
Vehicle loans*	10	29
	1,413	16,865
Less: Current portion (A)	(1,386)	(14,498)
Less: Interest accrued but not due (refer note 21)	(24)	(111)
	3	2,256
Unsecured		
Term loans#	175,551	71,011
Non-convertible bonds@	253,741	389,558
Non-convertible debentures^	32,322	30,068
Deferred payment liabilities**	466,191	455,602
Finance lease obligations	47,721	48,831
	975,526	995,070
Less: Current portion (B)	(70,346)	(119,848)
Less: Interest accrued but not due (refer note 21)	(32,729)	(28,058)
	872,451	847,164
	872,454	849,420
Current maturities of long-term borrowings (A + B)	71,732	134,346

Current

	As of March 31, 2019	As of March 31, 2018
Secured		
Bank overdraft	1,682	5,060
	1,682	5,060
Unsecured		
Term loans	193,988	76,816
Commercial papers	91,826	33,507
Bank overdraft	23,124	14,358
	308,938	124,681
Less: Interest accrued but not due (refer note 21)	(523)	(172)
	310,097	129,569

*These loans are secured by hypothecation of the vehicles.

#It includes re-borrowable term loans of ₹3,847 and ₹3,331 as of March 31, 2019 and March 31, 2018 respectively which have daily prepayment flexibility.

@It includes impact of fair value hedge refers note 36 (ii).

^During the year ended March 31, 2018, the Group had issued 30,000 listed, unsecured, rated, redeemable, Non - Convertible Debentures ('NCDs'), Series I and series II of face value of ₹ 10 Lakhs each, at par aggregating to ₹ 30,000 on private placement basis, carrying interest rates 8.25% p.a. and 8.35% p.a. (payable annually) and principal repayable in year 2020 and 2021 respectively.

**During the year ended March 31, 2018, the Government of India has provided one time option to elect higher number of annual instalments prospectively (upto a maximum of 16 instalments) towards the repayment of spectrum liability vis-a-vis earlier allowed 10 instalments. Accordingly, the Company had then exercised the option to increase the remaining number of instalments by 6 annual instalments, for all its existing deferred payment liabilities.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

20.1 Analysis of borrowings

The details given below are gross of debt origination cost and fair valuation adjustments with respect to the hedged risk.

20.1.2 Repayment terms of borrowings

The table below summarises the maturity profile of the Group's borrowings:

	As of March 31, 2019						
	Interest rate (range)	Frequency of installments	Number of installments outstanding per facility (range)*	Within one year	Between one and two years	Between two and five years	Over five years
Vehicle loans	7.95% - 9.50%	Monthly	3 - 22	8	3	-	-
Term loans	15%	Monthly	60	66	77	316	-
	6.13% - 8.40%	Quarterly	1 - 13	8,556	6,289	9,335	-
	0.75% - 4.00%	Halfyearly	3 - 9	1,426	1,426	8,265	2,350
	0.45% - 5.41%	One time	1	40,527	77,120	14,765	-
	10.62% - 14.51%	Quarterly	6 - 12	1,465	44	1,139	-
	5.37% - 8.80%	Halfyearly	1 - 9	4,661	16,913	4,975	-
	8.55% - 8.65%	Annual	1	880	-	3,847	-
	7.95% - 9.70%	One time	1	162,458	-	-	-
Commercial papers	7.70% - 8.50%	One time	1	91,858	-	-	-
Non-convertible bonds	3.00% - 5.35%	One time	1	24,282	-	162,059	68,832
Non-convertible debentures	8.25% - 8.35%	One time	1	-	15,000	15,000	-
Deferred payment liabilities	9.30% - 10.00%	Annual	12 - 16	15,244	16,750	60,851	348,007
Finance lease obligations	8.05% - 12.00%	Monthly / Annual	1 - 119 / 2	5,804	6,006	22,017	13,726
Bank overdraft	4.22% - 12.30%	Payable on demand	NA	23,159	-	-	-
	15.75% - 21.00%	Payable on demand	NA	1,643	-	-	-
				382,037	139,628	302,569	432,915

*The instalments amount due are equal / equated per se.

	As of March 31, 2018						
	Interest rate (range)	Frequency of installments	Number of installments outstanding per facility (range)*	Within one year	Between one and two years	Between two and five years	Over five years
Vehicle loans	7.95% - 9.50%	Monthly	6 - 33	15	11	3	-
Term loans	3.38%	Monthly	10	2,716	-	-	-
	4.95% - 5.00%	Quaterly	10 - 11	472	472	264	-
	2.56% - 5.02%	Halfyearly	1 - 14	8,181	6,465	13,078	4,424
	2.72% - 4.32%	Annual	1	19,625	-	-	-
	6.00% - 8.98%	Quaterly	3 - 15	5,263	7,363	15,763	-
	7.85% - 8.40%	Halfyearly	3 - 9	863	2,725	11,743	-
	7.90%	Annual	2	880	880	-	-
	7.70% - 8.35%	One time	1	63,800	-	-	-
Commercial papers	7.05% - 8.05%	One time	1	33,507	-	-	-
Non-convertible bonds	3.00% - 5.35%	One time	1	80,144	23,842	157,688	129,978
Non-convertible debentures	8.25% - 8.35%	One time	1	-	-	30,000	-
Deferred payment liabilities	9.30% - 10.00%	Annual	13 - 16	24,511	12,217	51,543	345,023
Finance lease obligations	8.05% - 10.30%	Monthly / Annual	8 - 119 / 2	4,858	5,194	18,573	20,151
Bank overdraft	3.88% - 10.65%	Payable on demand	N/A	16,684	-	-	-
	14.00% - 19.00%	Payable on demand	N/A	2,734	-	-	-
				264,253	59,169	298,655	499,576

*The installments amount due are equal / equated per se.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

20.1.3 Interest rate and currency of borrowing

Currency	Weighted average rate of Interest	Total borrowings	Floating rate borrowings	Fixed rate borrowings
INR	9.23%	780,990	202,123	578,867
USD	4.66%	347,607	122,425	225,182
Euro	3.03%	71,763	13,779	57,984
CHF	3.00%	24,282	-	24,282
JPY	0.60%	14,027	14,027	-
XAF	7.40%	4,333	-	4,333
XOF	6.69%	6,251	-	6,251
Others	9.64% to	7,896	7,830	66
	20.64%			
March 31, 2019		1,257,149	360,184	896,965
INR	9.33%	603,521	106,298	497,223
USD	5.47%	337,319	58,572	278,747
Euro	3.73%	139,954	-	139,954
CHF	3.00%	23,843	-	23,843
XAF	6.61%	4,691	-	4,691
XOF	6.80%	7,047	1,421	5,626
Others	8.48% to	5,278	2,799	2,479
	19.00%			
March 31, 2018		1,121,653	169,090	952,563

20.2 Security details

The Group has taken borrowings in various countries mainly for working capital, capital expenditure and refinancing of existing borrowings. The details of security provided by the Group in various countries are as follows:

Fability	Outstanding	loan amount	Coourity dotail
Entity	March 31, 2019	March 31, 2018	Security detail
Bharti Airtel Ltd.	10	29	Hypothecation of vehicles
Bharti Airtel Africa BV and its subsidiaries	3,061	21,838	Pledge of all fixed and floating assets - Kenya, Nigeria, Tanzania, Uganda and DRC.
	3,071	21,867	

Africa operations acquisition related borrowing:

Borrowings include certain loans which have been taken to refinance the Africa acquisition related borrowing. These loan agreements prevents the Group (excluding Bharti Airtel Africa B.V, Bharti Infratel Limited, and their respective subsidiaries) to pledge any of its assets without prior written consent of the majority lenders except in certain agreed circumstances.

The USD bonds due in 2023 contains certain covenants relating to limitation on indebtedness. All bonds carry restriction on incurrence of any lien on its assets other than as permitted under the agreement, unless the bonds and guarantee are ranked pari- pasu with such indebtedness. The limitation on indebtedness covenant on the USD bonds due in 2023 is suspended as the agreed criteria for such covenants to be in force, has not been met. The debt covenants remained suspended as of the date of the authorisation of the financial statements.

These bonds along with the CHF bonds due in 2020, the Euro bonds due in 2021 and the USD bonds due in 2024 are guaranteed by Bharti Airtel Limited (intermediate parent entity). Such guarantee is considered an integral part of the bonds and therefore accounted for as part of the same unit of account.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

20.3 Unused lines of credit*

The below table provides the details of un-drawn credit facilities that are available to the Group.

	As of March 31, 2019	As of March 31, 2018
Secured	8,409	1,542
Unsecured	138,219	171,531
	146,628	173,073

*Excludes non-fund based facilities

21. Financial liabilities - others

Non-current

	As of March 31, 2019	As of March 31, 2018
Equipment suppply payable	16,921	-
Lease rent equalisation	14,859	14,496
Payable towards acquisition®	153	1,440
Security deposits	1,052	1,294
Others*	29,146	27,317
	62,131	44,547

*It includes advance amounting to ₹ 29,051 and ₹ 26,077 as on March 31, 2019 and March 31,2018 respectively received against an agreement to sell certain investment, at a future date and is subject to certain customary closing conditions.

@Refer note 5 (m)

Current

	As of March 31, 2019	As of March 31, 2018
Payables against capital expenditure	103,722	80,940
Interest accrued but not due	33,419	28,341
Payable against business / asset acquisition@	5,575	13,523
Employees payables	5,385	5,879
Security deposit^	3,917	4,372
Others#	7,788	7,550
	159,806	140,605

[®]It includes payable to Qualcomm Asia Pacific Pte. Limited for ₹ 4,104 (towards purchase of balance equity shares upon satisfaction of certain conditions as per the share purchase agreement for acquisition of erstwhile Airtel Broadband Services Private Limited) and other acquisitions.

^lt pertains to deposits received from subscriber / channel partners which are repayable on demand after adjusting the outstanding amount, if any.

[#]During the year ended March 31, 2019 the Company issued shares to several global investors. The shares subscription agreements included certain indemnities for claim under certain stipulated indemnities or for breach of agreed warranties. The liability estimated against the claims was ₹ 4,979 as of March 31,2019. It also includes non-interest bearing advance received from customers / international operators and liability towards cash settled employee share based payment plans.

22. Provisions

Non-current

	As of March 31, 2019	As of March 31, 2018
Asset retirement obligations	3,858	4,523
Gratuity	2,611	2,474
Other employee benefit plans	354	215
	6,823	7,212

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Current

	As of March 31, 2019	As of March 31, 2018
Gratuity	696	782
Other employee benefit plans	1,501	1,602
	2,197	2,384

The movement of provision towards asset retirement obligations is as below:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening balance	4,523	5,359
Net reversal	(590)	(868)
Interest cost	(75)	37
Disposal of subsidiries / tower operations (refer note 5)	-	(5)
Closing balance	3,858	4,523

Refer note 27 for movement of provision towards various employee benefits.

The movement of provision towards subjudice matters is as below:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening balance	151,799	131,061
Net (reversal) / additions	(17,667)	20,738
Closing balance	134,132	151,799

The said provision has been disclosed under:

	As of	As of March 31, 2018
	March 31, 2019	
Other non-financial assets (refer note 15)	59,330	53,910
Other non-financial liabilities (refer note 23)	4,801	4,685
Trade payables	70,001	93,204
	134,132	151,799

The said provisions pertain to payable / paid under protest spectrum usage charges / licenses fees (trade payable / other non-financial assets) and payable for certain levies (other non-financial liabilities).

23. Other non - financial liabilities

Non-current

	As of March 31, 2019	As of March 31, 2018
Deferred rent	429	623
	429	623

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Current

	As of March 31, 2019	As of March 31, 2018
Taxes payable	41,683	46,515
Others	40	437
	41,723	46,952

Taxes payable mainly pertains to GST and provision towards subjudice matters (refer note 22).

24. Contingent liabilities and commitments

(i) Contingent liabilities

Claims against the Company not acknowledged as debt:

	As of March 31, 2019	As of March 31, 2018
(i) Taxes, duties and other demands (under adjudication / appeal / dispute)		
- Sales Tax and Service Tax	13,810	31,560
- Income Tax	14,088	15,712
- Customs Duty	6,684	7,646
- Entry Tax	9,951	9,878
- Stamp Duty	596	596
- Municipal Taxes	1,663	1,488
- Department of Telecom ('DoT') demands	97,794	40,778
- Other miscellaneous demands	5,545	5,164
(ii) Claims under legal cases including arbitration matters		
- Access charges / Port charges	12,640	10,733
- Others	2,816	2,708
	165,587	126,263

Further, refer note f (v), (vi) and (vii) other DoT matter.

In addition to the above, the Group's share of joint ventures and associates contingent liabilities is ₹ 28,089 and ₹ 21,816 as of March 31, 2019 and March 31, 2018 respectively.

The category wise detail of the contingent liability has been given below:-

a) Sales and Service Tax and GST

The claims for sales tax comprised of cases relating to the appropriateness of declarations made by the Group under relevant sales tax legislations which were primarily procedural in nature and the applicable sales tax on disposals of certain property and equipment items. Pending final decisions, the Group has deposited amounts under protest with statutory authorities for certain cases.

The service tax demands relate to cenvat claimed on tower and related material, levy of service tax on SIM cards and employee talk time, cenvat credit disallowed for procedural lapses and usage in excess of 20% limit.

The Goods and Services Tax (GST) demand relates to procedural compliance in regard to ewaybills.

b) Income Tax demand

Income tax demands mainly include the appeals filed by the Group before various appellate authorities against the disallowance by income tax authorities of certain expenses being claimed and non-deduction of tax at source with respect to pre-paid dealers / distributor's margin.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

c) Access charges / Port charges

- (i) Despite the interconnect usage charges ('IUC') rates being governed by the Regulations issued by Telecom Regulatory Authority of India ('TRAI'); BSNL had raised a demand for IUC at the rates contrary to the regulations issued by TRAI in 2009. Accordingly, the Company and one of its subsidiaries filed a petition against the demand with the TDSAT which allowed payments to be on the existing regulations. The matter was then challenged by BSNL and is currently pending with the Hon'ble Supreme Court.
- (ii) The Hon'ble TDSAT allowed BSNL to recover distance based carriage charges. The private telecom operators have jointly filed an appeal against the said order and the matter is currently pending before the Hon'ble Supreme Court.
- (iii) BSNL challenged before TDSAT the port charges reduction contemplated by the regulations issued by TRAI in 2007 which passed its judgment in favour of BSNL. The said judgment has been challenged by the private operators in Hon'ble Supreme Court. Pending disposal of the said appeal, in the interim, private operators were allowed to continue paying BSNL as per the revised rates i.e. TRAI regulation issued in 2007, subject to the bank guarantee being provided for the disputed amount. The rates were further reduced by TRAI in 2012 which was challenged by BSNL before the Hon'ble Delhi High Court. The Hon'ble Delhi High Court, in the interim, without staying the rate revision, directed the private operators to secure the difference between TRAI regulation of 2007 and 2012 rates by way of bank guarantee pending final disposal of appeal.

d) Customs Duty

The custom authorities, in some states, demanded custom duty for the imports of special software on the ground that this would form part of the hardware on which it was pre-loaded at the time of import. The view of the Group is that such imports should not be subject to any custom duty as it is operating software exempt from any custom duty. In response to the application filed by the Group, the Hon'ble Central Excise and Service Tax Appellate Tribunal ('CESTAT') has passed an order in favour of the custom authorities. The Group has filed an appeal with Hon'ble Supreme Court against the CESTAT order.

e) Entry Tax

In certain states, an entry tax is levied on receipt of material from outside the state. This position has been challenged by the Group in the respective states, on the grounds that the specific entry tax is ultra vires the Constitution. Classification issues have also been raised, whereby, in view of the Group, the material proposed to be taxed is not covered under the specific category.

During the year ended March 31, 2017, the Hon'ble Supreme Court of India upheld the constitutional validity of entry tax levied by few States. However, Supreme Court did not conclude certain aspects such as present levies in each State is discriminatory in nature or not, leaving them open to be decided by regular benches of the Courts. Pending disposition by the regular benches, the Group has decided to maintain status-quo on its position and hence continues to disclose it as contingent liability.

f) DoT demands

- (i) Demand for license fees pertaining to computation of Adjusted Gross Revenue ('AGR') and the interest thereon, due to difference in its interpretation. The definition of AGR is sub-judice and under dispute since 2005 before the TDSAT. TDSAT had pronounced its judgment in 2015, quashed all demands raised by DoT and directed DoT to rework the demands basis the principles enunciated in its judgment. Subsequently, the Union of India ('UOI') and the Company and of its subsidiaries along with various other operators have filed appeals / cross appeals before the Hon'ble Supreme Court of India against the TDSAT judgment. In 2016, all the appeals were tagged together and Hon'ble Supreme Court has permitted DOT to raise demands with a direction not to enforce any demand till the final adjudication of the matter by Hon'ble Supreme Court. Accordingly, DoT has raised the demand basis special audit done by DoT and Comptroller and Auditor General of India. The contingent liability includes such demand and interest thereto (excluding certain contentious matters, penalty and interest thereto) for the financial years for which demand have been received.
- (ii) DoT had enhanced the microwave rates by introducing slab-wise rates based on the number of carriers vide circulars issued in 2006 and 2008 from erstwhile basis being allocated frequency. The Company had challenged the matter in TDSAT wherein TDSAT set aside the circular. In 2010, DOT had challenged the order of TDSAT before the Hon'ble

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Supreme Court which is yet to be listed for hearing. Further, TDSAT pronounced its judgment in March 2019 in relation to Unified Licenses which provides for manner of determination of such levies and dates from which such levies can be made applicable.

The Company and one of its subsidiaries had made a provision of ₹ 21,676 until December 2018 for the period from FY 2007-08 to FY 2018-19. Subsequently, basis the recent judgment and external legal opinion the matter has been assessed to be a contingent liability and accordingly, the said provision has been reversed.

- (iii) Demands for the contentious matters in respect of subscriber verification norms and regulations including validity of certain documents allowed as proof of address / identity.
- (iv) Penalty for alleged failure to meet certain procedural requirements for EMF radiation self-certification compliance.

The matters stated above are being contested by the Company and one of its subsidiaries and based on legal advice, the Company and one of its subsidiaries believes that it has complied with all license related regulations and does not expect any financial impact due to these matters.

In addition to the amounts disclosed in the table above, the contingent liability on DOT matters includes the following:

- (v) Post the Hon'ble Supreme Court judgment in 2011, on components of AGR for computation of license fee, based on the legal advice, the Company believes that the foreign exchange gain should not be included in AGR for computation of license fee thereon. Further as per TDSAT judgement in 2015, foreign exchange fluctuation does not have any bearing on the license fees. Accordingly, the license fee on foreign exchange gain has not been provided in the financial statements. Also, due to ambiguity of interpretation of 'foreign exchange differences', the license fee impact on such exchange differences is not quantifiable. The matter is currently pending adjudication by Hon'ble Kerala High Court, Hon'ble Tripura High Court and Hon'ble Supreme Court.
- (vi) On January 8, 2013, DoT issued a demand on the Company and one of its subsidiaries for ₹ 52,013 towards levy of one time spectrum charge which was further revised on June 27, 2018 to ₹ 84,140. The demand includes a retrospective charge of ₹ 9,090 for holding GSM spectrum beyond 6.2 MHz for the period from July 1, 2008 to December 31, 2012 and also a prospective charge of ₹ 75,050 for GSM spectrum held beyond 4.4 MHz for the period from January 1, 2013, till the expiry of the initial terms of the respective licenses.

In the opinion of the Company and one of its subsidiaries, inter-alia, the above demand amounts to alteration of financial terms of the licenses issued in the past. Based on a petition filed by the Company and one of its subsidiaries, the Hon'ble High Court of Bombay, vide its order dated January 28, 2013, has directed the DoT to respond and not to take any coercive action until the next date of hearing. The DoT has filed its reply and the matter is currently pending with Hon'ble High Court of Bombay. The Company and one of its subsidiaries, based on independent legal opinions, till date has not given any effect to the above demand.

(vii) DoT had issued notices to the Company (as well as other telecom service providers) to stop provision of services (under 3G Intra Circle Roaming ('ICR') arrangements) in the service areas where such service providers had not been allocated 3G spectrum and levied a financial penalty of ₹ 3,500 on the Company. The Company contested the notices, in response to which TDSAT in 2014 held 3G ICR arrangements to be competent and compliant with the licensing conditions and quashed the notice imposing penalty. The DoT has challenged the order of TDSAT before the Hon'ble Supreme Court which is yet to be listed for hearing.

Guarantees:

Guarantees outstanding as of March 31, 2019 and March 31, 2018 amounting to ₹ 107,689 and ₹ 129,565 respectively, have been issued by banks and financial institutions on behalf of the Group. These guarantees include certain financial bank guarantees which have been given for subjudice matters / compliance with licensing requirements, the amount with respect to these have been disclosed under capital commitments, contingencies and liabilities, as applicable, in compliance with the applicable accounting standards.

In addition to the above the Group's share of guarantees of joint ventures and associates is ₹ 901 and ₹ 891 as of March 31, 2019 and March 31, 2018 respectively.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

(ii) Commitments

Capital commitments

The Group has contractual commitments towards capital expenditure (net of related advance) of ₹ 93,336 and ₹ 137,280 as of March 31, 2019 and March 31, 2018 respectively.

In addition to the above, the Group's share of capital commitments of joint ventures and associates is ₹ 2,904 and ₹ 4,126 as of March 31, 2019 and March 31, 2018 respectively.

Lease commitments

a) Operating lease

The future minimum lease payments ('FMLP') are as follows:-

As Lessee

	As of March 31, 2019	As of March 31, 2018
Not later than one year	85,256	70,692
Later than one year but not later than five years	254,156	244,153
Later than five years	108,651	70,652
	448,063	385,497
Lease rentals (excluding lease equalisation adjustments)	80,577	70,875

The above lease arrangements are mainly pertaining to passive infrastructure and premises / land. Certain of these lease agreements have escalation clause upto 25% and include option of renewal from 1 to 15 years.

The FMLP obligation disclosed above include the below FMLP obligations payable to joint ventures, which mainly pertain to amounts payable under the agreement entered by the parent and its subsidiaries, with a joint venture of the Group.

	As of	As of
	March 31, 2019	March 31, 2018
Not later than one year	45,676	45,156
Later than one year but not later than five years	124,633	149,465
Later than five years	32,591	15,253
	202,900	209,874

As lessor

- (i) The Group has entered into non-cancellable lease arrangements to provide dark fiber on indefeasible right to use ('IRU') basis. Due to the nature of the transaction, it is not possible to compute gross carrying amount, depreciation for the year and accumulated depreciation of the asset given on operating lease as of March 31, 2018 and accordingly, the related disclosures are not provided.
- (ii) The FMLP receivables against assets (other than above IRU assets) are as follows:

	As of March 31, 2019	As of March 31, 2018
Not later than one year	15,710	21,933
Later than one year but not later than five years	54,466	68,228
Later than five years	24,803	37,574
	94,979	127,735

The above lease arrangements are mainly pertaining to passive infrastructure. Certain of these lease agreements have escalation clause upto 2.5%.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

b) Finance lease

As lessee

Finance lease obligation of the Group as of March 31, 2019 is as follows:-

	Future minimum lease payments	Interest	Present value
Not later than one year	10,357	4,675	5,682
Later than one year but not later than five years	40,404	12,384	28,020
Later than five years	15,391	1,581	13,810
	66,152	18,640	47,512

Finance lease obligation of the Group as of March 31, 2018 is as follows:

	Future minimum lease payments	Interest	Present value
Not later than one year	9,930	5,053	4,877
Later than one year but not later than five years	38,989	14,702	24,287
Later than five years	23,335	3,723	19,612
	72,254	23,478	48,776

The above lease arrangements are mainly pertaining to passive infrastructure.

As lessor

The FMLP receivable of the Group as of March 31, 2019 is ₹ Nil

The FMLP receivable of the Group as of March 31, 2018 is as follows:-

	Future minimum lease payments	Interest	Present value
Not later than one year	176	16	160
Later than one year but not later than five years	89	6	83
Later than five years	-	-	-
	265	22	243

The above lease arrangements are mainly pertaining to various network equipments.

25. Revenue

	For the year ended March 31, 2019	For the year ended March 31, 2018
Service revenue	805,002	822,528
Sale of products	2,800	3,860
	807,802	826,388

Statement	
Notes to Consolidated Financial	(All amounts are in millions of Indian Rupee; unless stated otherwise)

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Disaggregation of Revenue

Revenue is disaggregated by primary geographical market; major products/service lines and timing of revenue recognition are as follows:

Particulars	Mobile Services	ervices	Airtel Business	Isiness	Tower Infrastructure	structure	Homes Services	ervices	Digital TV	al TV	Others	ers	Total	al
					Services	ces			Services	ices				
	2018-19	2017-18	2018-19 2017-18 2018-19 2017-18	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2018-19 2017-18	2018-19	2017-18	2018-19	2017-18
Geographical Markets*														
India	394,707	394,707 441,295	82,967	80,713	31,291	33,232	22,235	25,056	40,935	37,505	867	1,199	573,002	619,000
South Asia	4,199	3,783			1				'			'	4,199	3,783
Africa	210,333	186,074	'							'		'	210,333	186,074
Others			20,268	17,531	ı				'			'	20,268	17,531
	609,239	631,152	103,235	98,244	31,291	33,232	22,235	25,056	40,935	37,505	867	1,199	807,802	826,388
Major Product/ Services lines														
Data and Voice Services	485,877	485,877 507,241	81,000	85,488			21,196	24,006		'		'	588,073	616,735
Setting up, operating and	'			'	31,291	33,232	'		ı	'			31,291	33,232
maintaining towers														
Others	123,362	123,362 123,911	22,235	12,756			1,039	1,050	40,935	37,505	867	1,199	188,438	176,421
	609,239	631,152	103,235	98,244	31,291	33,232	22,235	25,056	40,935	37,505	867	1,199	807,802	826,388
Timing of Revenue														
Recognition														
Products and services	2,896	2,675	1,748	2,379			39	21	1,232	121			5,915	5,196
transferred at a point in time														
Products and services	606,343	606,343 628,477 101,487	101,487	95,865	31,291	33,232	22,196	25,035	39,703	37,384	867	1,199	801,887	821,192
transferred over time														
	609,239	609,239 631,152 103,235		98,244	31,291	33,232	22,235	25,056	40,935	37,505	867	1,199	807,802	826,388
* Basics location of entity														

location of entity

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Contract Balances

The following table provides information about unbilled revenue and deferred revenue from contract with customers

	As of March 31, 2019	As of March 31, 2018
	March 31, 2019	March 51, 2010
Unbilled Revenue	17,072	16,136
Deferred Revenue	61,979	70,783

Significant changes in the unbilled revenue and deferred revenue balances during the year are as follows:

	For the year ende	d March 31, 2019
	Unbilled Revenue	Deferred Revenue
Revenue recognised that was included in the contract liability balance at the beginning of the period		48,666
Increases due to cash received, excluding amounts recognised as revenue during the period		39,862
Transfers from contract assets recognised at the beginning of the period to receivables	16,136	

26. Network operating expenses

	For the year ended March 31, 2019	For the year ended March 31, 2018
Passive infrastructure charges	98,667	79,636
Power and fuel	56,261	69,082
Repair and maintenance	36,419	34,667
Internet, bandwidth and leasedline charges	14,602	9,932
Others*	17,951	4,203
	223,900	197,520

*It includes charges towards managed service, installation, insurance and security.

27. Employee benefits expense

	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries	32,092	33,666
Contribution to provident and other funds	2,004	2,104
Staff welfare expenses	1,723	1,313
Defined benefit plan / other long term benefits	835	1,212
Employee share-based payment expense		
- Equity-settled plans	347	630
- Cash-settled plans	187	(36)
Others*	787	882
	37,975	39,771

*It mainly includes recruitment and training expenses.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

27.1 Share based payment plans

The following table provides an overview of all existing share option plans of the Group:

Scheme	Plan	Vesting period (years)	Contractual term (years)
Equity settled Plans			
Scheme I	2006 Plan	1 - 5	7
Scheme 2005	2008 Plan & Annual Grant Plan (AGP)	1 - 3	7
Scheme 2005	Performance Share Plan (PSP) 2009 Plan	3 - 4	7
Scheme 2005	Special ESOP & Restricted Share Units (RSU)	1 - 5	7
Infratel plan	Plan Infratel 2008 Plan	1 - 5	7
Scheme 2005	Long Term Incentive (LTI) Plan	1 - 3	7
Infratel plan	Infratel LTI Plans	1 - 3	7
Airtel Payments Bank Limited ('APBL') Plan	APBL Plan	1 - 4	8
Cash settled Plans			
Performance Unit Plan (PUP)	PUP 2013 - PUP 2017	1-5	3 - 5
Infratel plan	PUP	1 - 3	7

The stock options vesting is subject to service and certain performance conditions mainly pertaining to certain financial parameters.

The movement in the number of stock options and the related weighted average exercise prices are given in the table below:

	For the year ended March 31, 2019		For the year ended	d March 31, 2018
	Number of share options ('000)	Weighted average exercise price (₹)	Number of share options ('000)	Weighted average exercise price (₹)
2006 Plan				
Outstanding at beginning of year	115	5.00	205	5.00
Granted	-	-	-	-
Exercised	(50)	5.00	(90)	5.00
Forfeited / expired	-	-	-	-
Outstanding at end of year	65	5.00	115	5.00
Exercisable at end of year	8	5.00	2	5.00
PSP 2009 Plan				
Outstanding at beginning of year	-	-	6	5.00
Granted	-	-	-	-
Exercised	-	-	(3)	5.00
Forfeited / expired	-	-	(3)	5.00
Outstanding at end of year	-	-	-	-
Exercisable at end of year	-	-	-	5.00
Special ESOP & RSU Plan				
Outstanding at beginning of year	-	-	34	5.00
Granted	-	-	-	-
Exercised	-	-	(33)	5.00
Forfeited / expired	-	-	(1)	5.00
Outstanding at end of year	-	-	-	-
Exercisable at end of year	-	-	-	-
Infratel 2008 Plan	100	100.07	150	100.07
Outstanding at beginning of year	108	109.67	158	109.67
Granted	-	-	-	-
Exercised	(49)	109.67	(49)	109.67
Forfeited / expired	(1)	109.67	(1)	109.67
Outstanding at end of year Exercisable at end of year	58 58	109.67 109.67	108 108	109.67 109.67

(All amounts are in millions of Indian Rupee; unless stated otherwise)

27.1 Share based payment plans (Contd..)

	For the year ended	March 31, 2019	For the year ended	March 31, 2018
	Number of share options ('000)	Weighted average exercise price (₹)	Number of share options ('000)	Weighted average exercise price (₹)
LTI Plans				
Outstanding at beginning of year	2,977	5.00	2,002	5.00
Granted	2,274	-	1,571	-
Exercised	(877)	5.00	(406)	5.00
Forfeited / expired	(963)	5.00	(189)	5.00
Outstanding at end of year	3,412	5.00	2,977	5.00
Exercisable at end of year	478	5.00	567	5.00
Infratel LTI plans				
Outstanding at beginning of year	238	10.00	175	10.00
Granted	158	10.00	115	10.00
Exercised	(63)	10.00	(36)	10.00
Forfeited / expired	(38)	10.00	(15)	10.00
Outstanding at end of year	295	10.00	238	10.00
Exercisable at end of year	48	10.00	31	10.00
Airtel Payment Bank Limited Plan*				
Outstanding at beginning of year	-	-	-	-
Granted	-	-	14,063	-
Exercised	-	-	-	-
Forfeited / expired	-	-	(3,359)	-
Outstanding at end of year	-	-	10,704	-
Exercisable at end of year	-	-	-	-
Performance Unit Plans				
Outstanding at beginning of year	1,401	-	2,369	-
Granted	670	-	690	-
Exercised	(503)	-	(1,336)	-
Forfeited / expired	(280)	-	(322)	-
Outstanding at end of year	1,287	-	1,401	-
Exercisable at end of year	23	-	23	-

*The exercise period is 3 years from vesting date or 1 year from IPO listing (whichever is later). Eligible employees will be able to exercise the option at a price of 50% of fair market value (determined at the end of previous financial year) or ₹ 10 whichever, is higher. Employee can exercise the unexercised options within 3 months / 1 month from the date of retirement / resignation from the Group.

The fair value of options is measured using Black-Scholes / Binomial valuation model. The key inputs used in the measurement of the grant date fair valuation of equity settled plans and fair value of cash settled plans are given in the table below:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Risk free interest rates	6.31% to 8.03%	6.17% to 7.18%
Expected life	4 to 60 months	10 to 96 months
Volatility	29.06% to 34.54%	25.91% to 40%
Dividend yield	0.74% to 4.74%	0.24% to 3.99%

The expected life of the stock options is based on the Group's expectations and is not necessarily indicative of exercise patterns that may actually occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the expected life of the options is indicative of future trends, which may not necessarily be the actual outcome. Further, the expected volatility is based on the weighted average volatility of the comparable benchmark companies.

For details as to exercise price, refer table above.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The details of weighted average remaining contractual life, weighted average fair value and weighted average share price for the options are as follows:-

Weighted average

	March 31, 2019	March 31, 2018
Remaining contractual life for the options outstanding as of (years)	0.35 to 8.44	0.35 to 8.44
Fair value for the options granted during the year ended (₹)	258.29 to 409.73	4.36 to 409.76
Share price for the options exercised during the year ended $(\overline{\mathbf{x}})$	188.62 to 598.01	367.14 to 457.41

The carrying value of cash settled plans liability is ₹ 227 and ₹ 235 as of March 31, 2019 and March 31, 2018 respectively.

27.2 Employee benefits

The details of significant employee benefits are as follows:

	For the year ended	For the year ended March 31, 2019		March 31, 2018
	Retirement	Compensated	Retirement	Compensated
	benefits	absence	benefits	absence
Obligation:				
Balance as at beginning of the year	3,272	1,424	2,886	1,441
Current service cost	453	266	825	286
Interest cost	281	120	239	112
Benefits paid	(608)	(266)	(424)	(169)
Transfers	(45)	(5)	5	2
Remeasurements	(42)	(286)	(259)	(248)
Present value of funded obligation	3,311	1,253	3,272	1,424
Assets:				
Balance as at beginning of year	16	-	46	-
Interest income	1	-	3	-
Benefits paid	(12)	-	(32)	-
Remeasurements	(1)	-	(1)	-
Fair value of plan assets	4	-	16	-
Liability recognised in the balance sheet	3,307	1,253	3,256	1,424
Current portion	696	1,253	782	1,424
Non-current portion	2,611	-	2,474	-

The expected contribution for the year ended March 31, 2019 and 2018 for Gratuity plan is ₹ 693 and ₹ 588 respectively.

Amount recognised in other comprehensive income for the above plans

	For the year ended March 31, 2019	For the year ended March 31, 2018
Experience losses	(43)	(6)
Gains from change in demographic assumptions	(13)	22
Losses from change in financial assumptions	14	(275)
Remeasurements on Liability	(42)	(259)
Return on plan assets, excluding interest income	(1)	(1)
Remeasurements on plan assets	(1)	(1)
Net remeasurements recognised in OCI	(41)	(258)

The above mentioned plan assets are entirely represented by funds invested with LIC.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Due to its defined benefit plans, the Group is exposed to the following significant risks:

Changes in bond yields - A decrease in bond yields will increase plan liability.

Salary risk - The present value of the defined benefit plans liability is calculated by reference to the future salaries of the plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The financial (per annum rates) and demographic assumptions used to determine defined benefit obligations are as follows:

	As of March 31, 2019	As of March 31, 2018
Discount rate	9.08%	9.18%
Rate of return on plan assets	3.83%	3.93%
Rate of salary increase	5.60%	7.13%
Rate of attrition	7.49%- 27%	6.74%-24%
Retirement age	58	58

The Group regularly assesses these assumptions with the projected long-term plans and prevalent industry standards.

The impact of sensitivity due to changes in the significant actuarial assumptions on the defined benefit obligations is given in the table below:

	Change in	As of Mar	ch 31, 2019	As of Mai	rch 31, 2018
	Change in assumption	Retirement		Retirement	Compensated
		benefits	absence	benefits	absence
Discount Rate	+1%	1,288	527	1,008	503
	-1%	1,618	663	1,363	694
Salary Growth Rate	+1%	1,610	658	1,347	670
	-1%	1,276	531	994	509

The above sensitivity analysis is determined based on a method that extrapolates the impact on the net defined benefit obligations, as a result of reasonable possible changes in the significant actuarial assumptions. Further, the above sensitivity analysis is based on a reasonably possible change in a particular under-lying actuarial assumption, while assuming all other assumptions to be constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

The table below summarises the maturity profile and duration of the gratuity liability:

	As of March 31, 2019	As of March 31, 2018
Within one year	700	773
Within one-three years	609	813
Within three-five years	575	606
above five years	1,427	1,081
	3,311	3,273

28. Sales and marketing expenses

	For the year ended March 31, 2019	For the year ended March 31, 2018
Sales commission and distribution	25,811	29,943
Advertisement and marketing	10,856	10,682
Business promotion	2,479	2,587
Other ancillary expenses	2,131	2,063
	41,277	45,275

(All amounts are in millions of Indian Rupee; unless stated otherwise)

29. Depreciation and amortisation

	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation	148,632	132,963
Amortisation	64,843	59,468
	213,475	192,431

30. Other expenses

	For the year ended March 31, 2019	For the year ended March 31, 2018
Content cost	24,646	21,067
Cost of good sold	10,855	9,994
IT expenses	4,337	7,771
Customer care expenses	5,878	6,797
Legal and professional fees	4,794	5,072
Provision for doubtful debts	(14,097)	9,007
Collection and recovery expenses	2,836	3,607
Travelling and conveyance	2,236	2,113
Bad debts written off	24,353	1,156
Charity and donation	1,292	874
(Reversal of earlier provision) / provision for diminution in value of inventory	(163)	(282)
Others*	16,547	9,851
	83,514	77,027

*It includes rent, printing and stationary, security, repair and maintenance expenses etc. Further, it includes political contributions amounting to ₹ 542 and ₹ 330 made under Section 182 of the Companies Act, 2013 during the year ended March 31, 2019 and 2018 respectively

31. Finance costs and income

	ments			
Finance costs				
Interest expense	90,566	64,692		
Net loss on derivative financial instruments	-	8,506		
Net loss on FVTPL investments*	-	1,416		
Net exchange loss	5,973	1,882		
Net fair value loss on financial instruments (fair value hedges)	3,912	-		
Other finance charges#	9,683	16,759		
	110,134	93,255		
Finance income				
Dividend from mutual funds	231	367		
Interest income®	5,025	6,150		
Net gains on FVTPL investments*	3,394	-		
Net fair value gain on financial instruments (fair value hedges)	-	6,023		
Net gain on derivative financial instruments	5,590	-		
	14,240	12,540		

*Net gains / loss on fair value changes on FVTPL investments includes gains / loss of ₹ 1,804 and ₹ 1,709 pertaining to investments sold during the year ended March 31, 2019 and 2018 respectively.

#It includes bank charges, trade finance charges, charges relating to derivative instruments and interest charges towards subjudice matters. Further, it includes ₹ 152 and ₹ 143 for the years ended March 31, 2019 and 2018 respectively, towards unwinding of discount on other financial liabilities (carried at amortised cost).

©It includes ₹ 41 and ₹ 43 towards unwinding of discount on security deposits (carried at amortised cost) and ₹ 407 and ₹ 415 from investment measured at FVTOCI for the years ended March 31, 2019 and 2018 respectively.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

32. Exceptional items

Exceptional items comprise of the following:

(i) For the year ended March 31, 2019:

- a. Charge of ₹ 6,399 mainly towards operating costs on network re-farming and up-gradation program
- b. Credit of ₹ 28,568 due to re-assessment of levies, based on a recent pronouncement related to the manner of determination of such levies and settlement of litigations
- c. Charge of ₹ 1,368 mainly towards net integration related cost / reversal pertaining to the business combination
- d. Charge of ₹ 248 related to the early redemption of the USD 1,500 Mn 5.125% Guaranteed Senior Notes due in March 2023 (refer note 5 (e)).
- e. Credit of ₹ 8,735 Mn due to de-consolidation of APBL (refer note 5 (f)).

(ii) For the year ended March 31, 2018:

- a. Charge of ₹ 4,372 mainly towards operating costs on network re-farming and up-gradation program
- b. Net charge of ₹ 3,457 relating to the translation impact in Nigeria due to transition from the administered to market based exchange rate given the underlying economic changes and other developments
- c. Provision of ₹ 1,094 taken against one major delinquent receivable
- d. Charge of ₹ 3,535 due to levies and taxes pertaining to internal restructuring and litigation related assessment
- e. Gain of ₹ 4,527 mainly pertaining to one of the earlier divestments

Tax expenses include:

- (a) Net benefit of ₹9,579 and ₹2,305 during the year ended March 31, 2019 and 2018 respectively on above exceptional items
- (b) Net charge of ₹ 407 and benefit of ₹ 1,779 on account of re-assessment of tax provisions for the year ended March 31, 2019 and 2018 respectively on above exceptional items.

The net impact for non-controlling interests is charge of ₹ 579 and benefit of ₹ 878 during the year ended March 31, 2019 and 2018 respectively, relating to the above exceptional items.

33. Earnings per share ('EPS')

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

	As of	As of
	March 31, 2019	March 31, 2018
	In thousands	In thousands
Weighted average shares outstanding for basic EPS	3,995,772	3,996,067
Effect of dilution due to employee share options	2,044	1,721
Weighted average shares outstanding for diluted EPS	3,997,816	3,997,788

Profit attributable to equity holders for basic and diluted EPS is ₹ 4,095 and ₹ 10,990 for the year ended March 31, 2019 and 2018 respectively.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

34. Segment reporting

The Group's operating segments are organised and managed separately through the respective business managers, according to the nature of products and services provided and geographies in which services are provided, with each segment representing a strategic business unit. These business units are reviewed by the Chairman of the Group (Chief Operating Decision Maker - 'CODM').

The amounts reported to CODM are based on the accounting principles used in the preparation of financial statements as per Ind AS. Segment's performance is evaluated based on segment revenue and segment result viz. profit or loss from operating activities before exceptional items and tax but including share of result of joint ventures and associates. Accordingly, finance costs / income, non-operating (income) / expenses and exceptional items are not allocated to individual segment.

Inter-segment pricing and terms are reviewed and changed by the management to reflect changes in market conditions and changes to such terms are reflected in the period in which the changes occur. Inter-segment revenues are eliminated upon consolidation of segments / Group accounting policy alignments are reflected in the 'Eliminations / Adjustments' column.

Segment assets / liabilities comprise assets / liabilities directly managed by each segment. Segment assets primarily includes receivables, property, plant and equipment, capital work-in-progress, intangibles assets, intangible assets under development, noncurrent investments, inventories and cash and cash equivalents. Segment liabilities primarily include operating liabilities. Segment capital expenditure comprises of additions to PPE, CWIP, intangible assets, intangible assets under development and capital advances.

The reporting segments of the Group are as below:

Mobile Services India: These services cover voice and data telecom services provided through wireless technology (2G / 3G / 4G) in India. This includes the captive national long distance networks which primarily provide connectivity to the mobile services business in India. This also includes intra-city fibre networks.

Mobile Services Africa: These services cover provision of voice and data telecom services provided through wireless technology (2G / 3G / 4G) offered to customers in Africa. This also includes corporate headquarter costs of the Group's Africa operations.

Mobile Services South Asia: These services cover voice and data telecom services provided through wireless technology (2G / 3G) in Sri Lanka and Bangladesh.

Airtel Business: These services cover end-to-end telecom solutions being provided to large Indian and global corporations by serving as a single point of contact for all telecommunication needs across data and voice (domestic as well as international long distance), network integration and managed services.

Tower Infrastructure Services: These services include setting up, operating and maintaining wireless communication towers in India.

Homes Services: These services cover voice and data communications through fixed-line network and broadband technology for homes.

Digital TV Services: This includes digital broadcasting services provided under the direct-to-home platform.

Others: It includes certain other strategic investment in joint venture/associates, and administrative support services provided to other segments.

Unallocated: It includes expenses / results, assets and liabilities primarily of corporate headquarters of the Group, non-current investment, current taxes, deferred taxes, borrowings and certain financial assets and liabilities, not allocated to the operating segments.

Statement :	
Notes to Consolidated Financial	(All amounts are in millions of Indian Rupee; unless stated otherwise)

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	Mobile Services India	Mobile Services Africa	Mobile Services South Asia	Airtel Business	Tower Infrastructure Services	Homes Services	Digital TV Services	Others#	Unallocated	Eliminations / Adjustments	Total
Revenue from external customers	394,707	210,333	4,199	103,235	32,047	22,235	40,935	867	ı	(756)	807,802
Inter-segment revenue	20,833	4,695	237	21,302	36,138	156	66	296	ı	(83,723)	
Total revenue	415,540	215,028	4,436	124,537	68,185	22,391	41,001	1,163	•	(84,479)	807,802
Share of results of joint ventures	4	(2)	1	1	10,172	m	- 1	(5,324)	1	(1,292)	3,556
and associates#											
Segment results	(57,507)	52,100	(1,069)	27,466	31,429	3,333	7,410	(7,228)	(1,726)	(3,026)	51,182
Less:											
Finance costs											110,134
Finance income											(14, 240)
Non-operating expenses (net)											1,894
Exceptional items (net)											(29,288)
(refer note 32)											
Loss before tax											(17,318)
Other segment items										•	
Capital expenditure	235,770	50,846	1,228	18,986	9,107	8,931	8,791	41	ı	(5,769)	327,931
Depreciation and amortisation	150,991	31,234	1,196	13,014	10,658	7,453	8,275	50	11	(9,407)	213,475
As of March 31, 2019											
Segment assets	1,700,637	570,021	6,774	149,445	169,693	45,889	31,234	37,927	133,120	(92,765)	2,751,975
Segment liabilities	408,088	110,986	2,515	87,225	22,303	21,729	35,423	2,181	1,313,444	(101, 399)	1,902,495
Investment in joint ventures and	99	230	1		52,479	с С	'	36,159	I	ı	88,937
associates (included in segment											
assets above)#											
#Refer Note 5(f)											

Notes to Consolidated Financial Statements

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(All amounts are in millions of Indian Rupee; unless stated otherwise)

Summary of the segmental information for the year ended and as of March 31, 2018 is as follows:

	Mobile Services India	Mobile Services Africa	Mobile Services South Asia	Airtel Business	Tower Infrastructure Services	Homes Services	Digital TV Services	Others	Unallocated	Eliminations / Adjustments	Total
Revenue from external customers Inter-segment revenue	441,295 21,344	186,074 4,999	3,783 262	98,244 15,322	33,221 33,063	25,056 209	37,505 65	1,199 2,810	1 1	11 (78,074)	826,388 -
Total revenue	462,639	191,073	4,045	113,566	66,284	25,265	37,570	4,009		(78,063)	826,388
Share of results of joint ventures	9	205	1	1	13,025	က	1	(1, 421)	,	(1,209)	10,609
and associates Segment results	20,835	35,884	(1,268)	31,029	33,477	4,720	5,306	(4,097)	(1,679)	(2,750)	121,457
Less:											
Finance costs											93,255
Finance income											(12,540)
Non-operating expenses, (net)											141
Exceptional items (refer note 32)											7,931
Profit before tax											32,670
Other segment items											
Capital expenditure	198,280	28,366	2,066	14,263	11,307	11,129	10,277	267	6,257	(7,498)	274,714
Depreciation and amortisation	129,545	30,480	1,276	11,372	11,801	7,057	8,915	52	1	(8,070)	192,432
As of March 31, 2018											
Segment assets	1,515,169	508,049	6,839	154,920	199,273	44,251	26,120	39,261	88,578	(76,643)	2,505,817
Segment liabilities	317,043	115,039	2,622	76,378	22,400	19,866	33,964	8,328	1,210,172	(83,479)	1,722,333
Investment in joint ventures and	57	226	ı	ı	58,110	m	ı	28,443	ı	ı	86,839
associates (included in segment											
assets above)											

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

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Geographical information*:

(a) Revenue from external customers:

	For the year ended March 31, 2019	For the year ended March 31, 2018
India	573,002	619,000
Africa	210,333	186,074
Others	24,467	21,314
	807,802	826,388

(b) Non-current assets

	As of March 31, 2019	As of March 31, 2018
India	1,608,049	1,503,452
Africa	470,490	448,314
Others	27,057	18,897
	2,105,596	1,970,663

*Basis location of entity

Non-current operating assets for this purpose consist of PPE, CWIP, intangible assets, intangible assets under development, capital advances and goodwill.

35. Related party disclosures

(a) List of related parties

i. Ultimate controlling entity (w.e.f. November 3, 2017)

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

ii. Entity having control over the Company (w.e.f. November 3, 2017)*

Bharti Telecom Limited *significant influence until November 2, 2017

iii. For list of subsidiaries, joint venture and associates refer note no. 39.

iv. Other entities with whom transactions have taken place during the reporting periods

- Entities having significant influence over the Company

Pastel Limited Singapore Telecommunications Limited

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

a) Subsidiaries

Bharti Axa General Insurance Company Limited

Bharti Axa Life Insurance Company Limited

Bharti Enterprises Limited

Bharti Insurance Holdings Private Limited (Merged with Bharti Airtel Enterprises (holdings) Pvt. Ltd. w.ef. 18th Oct, 2018) Cedar support Services Limited (Merged with Bharti Airtel Enterprises (holdings) Pvt. Ltd. w.ef. 18th Oct, 2018)

(All amounts are in millions of Indian Rupee; unless stated otherwise)

b) Associates

Bharti General Ventures Private Limited Bharti Life Ventures Private Limited

Others related parties*

a) Entities where Key Management Personnel and their relatives exercise significant influence

Bharti Airtel Employees Welfare Trust Bharti Foundation Hike Private Limited (formerly known as Hike Limited)

b) Others

Bharti Land Limited Bharti Realty Holdings Limited Bharti Realty Limited Bharti Support Services Private Limited (Merged with Bharti Airtel Enterprises (Holdings) Private Limited w.ef. 18th Oct, 2018) Brightstar Telecommunication India Limited Centum Learning Limited Centum Work skills India Limited Deber Technologies Private Limited Fieldfresh Foods Private Limited Gourmet Investments Private Limited Indian Continent Investment Limited Jersey Airtel Limited

Oak Infrastructure Developers Limited

**Other related parties' though not 'Related Parties' as per the definition under Ind AS 24, Related party disclosures have been included by way of a voluntary disclosure, following the best corporate governance practices.

v. Key Management Personnel ('KMP')

Sunil Bharti Mittal Gopal Vittal Raghunath Mandava

(All amounts are in millions of Indian Rupee; unless stated otherwise)

In the ordinary course of business, there are certain transactions among the group entities. However, the intra-group transactions and balances, and the income and expenses arising from such transactions, are eliminated on consolidation. The significant transactions with balance related parties for the years ended March 31, 2019 and 2018 respectively, are described below:

(b) The summary of significant transactions with the above mentioned parties is as follows:

	For the	year ended M	larch 31, 2	019	For the	year ended M	March 31, 2	018
Relationship	Significant influence entities		Joint ventures	ORP / FC*	Significant influence entities	Associates	Joint ventures	ORP / FC*
Purchase of assets	-	-	(334)	(856)	-	-	-	(2,761)
Sale / rendering of services	983	105	121	153	1,022	-	44	343
Purchase of goods / receiving of services	(596)	(287)	(43,647)	(2,985)	(217)	(50)	(39,977)	(3,504)
Reimbursement of energy expenses	-	-	(24,764)	(1)	-	-	(26,869)	-
Dividend paid	(13,013)	-	-	(414)	(9,777)	-	-	(496)
Dividend received	-	-	(11,261)	-	-	-	10,010	-

*Other related parties / fellow companies

(c) The outstanding balances of the above mentioned related parties are as follows:

	Significant influence entities	Associates	Joint ventures	ORP / FC*
As of March 31, 2019				
Trade payables	(219)	(71)	(21,566)	(227)
Trade receivables	-	406	-	54
Security deposit	2	-	4,604	1,214
As of March 31, 2018				
Trade payables	(117)	(31)	(11,193)	(139)
Trade receivables	-	-	-	102
Security deposit	-	-	3,934	1,070

*Other related parties / fellow companies

(1) Outstanding balances at period end are un-secured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

(2) In addition to the above, ₹ 544 and ₹ 410 donation has been given to Bharti Foundation during the year ended March 31, 2019 and 2018 respectively.

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director, whether executive or otherwise. Remuneration to key management personnel were as follows:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Short-term employee benefits	339	317
Performance linked incentive ('PLI')#	211	160
Post-employment benefits	28	28
Share-based payment	55	62
	633	567

[#]Value of PLI considered above represents incentive at 100% performance level. However, same will be paid on the basis of actual performance parameters in next year. Additional provision of ₹ Nil and ₹ 21 has been recorded in the books towards PLI for the year ended March 31, 2019 and 2018 respectively. During the year ended March 31, 2019, PLI of ₹ 188 (March 31, 2018: ₹ 164) pertaining to previous year has been paid.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

In addition to above, ₹ 1,888 thousand and ₹ 1,122 thousand for the year ended March 31, 2019 and 2018 respectively have been paid as dividend to key management personnel.

As the liabilities for the gratuity and compensated absences are provided on an actuarial basis, and calculated for the Company as a whole rather than each of the individual employees, the said liabilities pertaining specifically to KMP are not known and hence, not included in the above table.

36. Financial and Capital risk

1. Financial risk

The business activities of the Group expose it to a variety of financial risks, namely market risks (that is, foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's risk management strategies focus on the un-predictability of these elements and seek to minimise the potential adverse effects on its financial performance. Further, the Group uses certain derivative financial instruments to mitigate some of these risk exposures (as discussed below in this note).

The financial risk management for the Group is driven by the Group's senior management ('GSM'), in close co-ordination with the operating entities and internal / external experts subject to necessary supervision. The Group does not undertake any speculative transactions either through derivatives or otherwise. The GSM are accountable to the Board of Directors and Audit Committee. They ensure that the Group's financial risk-taking activities are governed by appropriate financial risk governance frame work, policies and procedures. The BoD of the respective operating entities periodically reviews the exposures to financial risks, and the measures taken for risk mitigation and the results thereof.

The Group policy requires for material items to be established under effective hedge relationships by ensuring that the critical terms of the hedging instruments match with the terms of the hedged item so as maintain the hedge ratio to be 1:1. The Group uses prospective effectiveness assessment (dollar offset / hypothetical derivative method) to ensure that an economic relationship exists between the hedged item and hedging instrument.

(i) Foreign currency risk

Foreign exchange risk arises on all recognised monetary assets and liabilities, and any highly probable forecasted transactions, which are denominated in a currency other than the functional currency of the transacting group entity. The Group, through its parent entity, several intermediary entities and subsidiaries; operates across multiple geographies in the Africa and Asia continent. Accordingly, the Group is exposed to translation risk on the net investment in foreign subsidiaries. The Group has foreign currency trade payables, receivables and borrowings (internal as well as external). However, foreign exchange exposure mainly arises from borrowings and trade payables denominated in foreign currencies and certain net investment in foreign currency. Consequently, the Group is mainly exposed to foreign exchange risks related to USD / Euro vis-à-vis the functional currencies and the translation risk related to USD to INR and USD to XAF-XOF (pegged to Euro).

The foreign exchange risk management policy of the Group requires it to manage the foreign exchange risk by transacting as far as possible in the functional currency. Moreover, the Group monitors the movements in currencies in which the borrowings / capex vendors are payable and manage any related foreign exchange risk, which inter-alia include entering into foreign exchange derivative contracts - as considered appropriate and whenever necessary. For further details as to foreign currency borrowings, refer note 20. Further, for the details as to the fair value of various outstanding derivative financial instruments designated in a hedge relationship or otherwise refer note 11.

As per the Group's hedging policy certain foreign currency liability, highly probable forecast transactions and material net investment of the Group in foreign subsidiaries have been designated under cash flow hedge and net investment hedge respectively. The following table analyses the movement in the cash flow hedge reserve / net investment hedging in FCTR due to said hedges and details thereto.

Notes to Consolidated Financial Statements (All amounts are in millions of Indian Rupee; unless stated otherwise)

a) Cash flow hedge

	March 3	1, 2019	March 3	1, 2018
Currency exchange risk hedged	Euro to USD	CHF to USD	Euro to USD	CHF to USD
Nominal amount of hedging instruments	Euro 870 Mn	CHF 350 Mn	Euro 870 Mn	CHF 350 Mn
Maturity date	December 2018	March 2020	December 2018	March 2020
Weighted average forward price	1 Euro: 1.12 USD	1 CHF: 1.12 USD	1 Euro: 1.12 USD	1 CHF: 1.12 USD
Carrying value of derivative instruments (assets)	-	-	7,377	399
Carrying value of derivative instruments	-	1,806	-	60
(liabilities)				
Change in fair value during the year				
Hedged item	7,377	2,173	(6,928)	(677)
Hedging instrument	(7,377)	(2,173)	6,928	677
CFHR for continuing Hedge	-	138	410	533
Hedging (loss) / gain recognised during the year	(7,377)	(2,173)	6,928	677
Gain / (loss) reclassification during the year	6,968	1,778	(6,732)	(62)
to P&L				

b) Net investment hedge

	March 3	1, 2019	March 31, 2018		
Currency exchange risk hedged	Euro to USD	USD to INR	Euro to USD	USD to INR	
Nominal amount of hedging instruments	Euro 365 Mn	USD 1405 Mn	Euro 460 Mn	USD 1453 Mn	
Carrying value of hedging instruments	28,335	97,163	36,870	94,721	
(borrowings)					
Maturity date	May 2021	June 2025 -	May 2021	June 2025 -	
		February 2028		February 2028	
Change in fair value during the year					
Hedged item	(3,101)	4,855	4,231	3,793	
Hedging instrument	3,101	(4,855)	(4,231)	(3,793)	
FCTR (loss) / gain for continuing hedge (net of	(2,153)	(16,707)	(5,109)	(15,869)	
tax and NCI)					
Hedging gain/ (loss) recognised during the year	3,101	(4,855)	(4,231)	(3,793)	
Loss reclassification during the year to P&L	-	-	-	-	
under exceptional items					

Foreign currency sensitivity

The impact of foreign exchange sensitivity on profit for the year and other comprehensive income is given in the table below:

	Change in currency exchange rate	Effect on profit before tax	Effect on equity (OCI)
For the year ended March 31, 2019			
US Dollar	+5%	(10,269)	(9,109)
	-5%	10,269	9,109
Euro	+5%	(2,368)	(1,590)
	-5%	2,368	1,590
Others	+5%	(905)	-
	-5%	905	-
For the year ended March 31, 2018			
US Dollar	+5%	(8,823)	(8,796)
	-5%	8,823	8,796
Euro	+5%	(1,712)	(1,844)
	-5%	1,712	1,844
Others	+5%	1	-
	-5%	(1)	-

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The sensitivity disclosed in the above table is mainly attributable to, in case of to foreign exchange gains / (losses) on translation of USD / Euro / CHF denominated borrowings, derivative financial instruments, trade and other payables, and trade receivables.

The above sensitivity analysis is based on a reasonably possible change in the under-lying foreign currency against the respective functional currency while assuming all other variables to be constant.

Based on the movements in the foreign exchange rates historically and the prevailing market conditions as at the reporting date, the Group's Management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

(ii) Interest rate risk

As the Group does not have exposure to any floating-interest bearing assets, or any significant long-term fixed-interest bearing assets, its interest income and related cash inflows are not affected by changes in market interest rates. Consequently, the Group's interest rate risk arises mainly from borrowings.

Borrowings

Borrowings with floating and fixed interest rates expose the Group to cash flow and fair value interest rate risk respectively. However, the short-term borrowings of the Group do not have a significant fair value or cash flow interest rate risk due to their short tenure. Accordingly, the components of the debt portfolio are determined by the GSM in a manner which enables the Group to achieve an optimum debt-mix basis its overall objectives and future market expectations.

The Group monitors the interest rate movement and manages the interest rate risk based on its risk management policies, which inter-alia include entering into interest swaps contracts - as considered appropriate and whenever necessary.

The Group has designated the interest rate components (which is separately identifiable from other components) of certain fixed interest rate bonds under the hedge relationship since historically it accounts for substantial portions of the total fair value change of the bonds.

The following table analyses the financial impact of fair value hedge and details thereto.

	March 31, 2019		March 31, 2018		
Interest rate risk covered for currency	USD	Euro	USD	Euro	
Nominal amount of Hedging instruments	USD 2200 Mn	-	USD 2900 Mn	-	
Carrying value of hedging instruments (derivative assets)	1,468	-	19	-	
Carrying value of hedging instruments (derivative liabilities)	476	-	4,258	-	
Maturity date	March 2023	-	March 2023	-	
	- June 2025		- June 2025		
Carrying value of hedged item (borrowings)	152,141	-	189,008	-	
Change in fair value during the year					
Hedged item	(5,055)	-	5,802	-	
Hedging instrument	5,338	-	(5,025)	-	
Hedge ineffectiveness recognised in finance income/cost during the year	283	-	777	-	
Cumulative change in fair value of hedged	943	-	6,366	-	
item					
Unamortised portion of fair value hedge adjustment	735	-	-	(175)	

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Interest rate sensitivity of borrowings

The impact of the interest rate sensitivity on profit before tax is given in the table below:

Interest rate sensitivity	Increase / decrease (basis points)	Effect on profit before tax
For the year ended March 31, 2019		
INR - borrowings	+100	(2,021)
	-100	2,021
USD -borrowings	+25	(306)
	-25	306
Euro - borrowings	+25	(34)
	-25	34
Other currency -borrowings	+100	(219)
	-100	219
For the year ended March 31, 2018		
INR - borrowings	+100	(1,063)
	-100	1,063
USD -borrowings	+25	(654)
	-25	654
Other currency -borrowings	+100	(42)
	-100	42

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

The above sensitivity analysis is based on a reasonably possible change in the under-lying interest rate of the Group's borrowings in INR, USD, Euro and NGN (being the significant currencies in which it has borrowed funds), while assuming all other variables (in particular foreign currency rates) to be constant.

Based on the movements in the interest rates historically and the prevailing market conditions as at the reporting date, the Group's management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

(iii) Price risk

The Group invests its surplus funds in various fixed income products, including but not limited to debt mutual funds, short term debt funds, corporate debt, government securities and fixed deposits. In order to manage its price risk arising from investments, the Group diversifies its portfolio in accordance with the limits set by the risk management policies. The Group has exposure across debt securities, mutual fund and money market instruments.

Debt investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However due to the very short tenor of money market instruments and the underlying portfolio in liquid schemes, these do not pose any significant price risk. On the duration investment balance, an increase / decrease of 25 basis points in market yields (parallel shift of the yield curves), will result in decrease / increase in the market to market value of the investments by ₹ 147 and ₹ 176 as on March 31, 2019 and March 31, 2018 respectively.

(iv) Credit risk

Credit risk refers to the risk of default on its obligation by the counter-party, the risk of deterioration of credit-worthiness of the counter-party as well as concentration risks of financial assets, and thereby exposing the Group to potential financial losses.

The Group is exposed to credit risk mainly with respect to trade receivables, investment in bank deposits, debt securities, mutual funds and derivative financial instruments.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Trade receivables

The Trade receivables of the Group are typically non-interest bearing unsecured and derived from sales made to a large number of independent customers. As the customer base is widely distributed both economically and geographically, there is no concentration of credit risk.

As there is no independent credit rating of the customers available with the Group, the management reviews the creditworthiness of its customers based on their financial position, past experience and other factors. The credit risk related to the trade receivables is managed / mitigated by each business unit, basis the Group's established policy and procedures, by setting appropriate payment terms and credit period, and by setting and monitoring internal limits on exposure to individual customers. The credit period provided by the Group to its customers generally ranges from 14-30 days except Airtel business segment wherein it ranges from 7-90 days.

The Group uses a provision matrix to measure the expected credit loss of trade receivables, which comprise a very large numbers of small balances. Refer note 16 for details on the impairment of trade receivables. Based on the industry practices and the business environment in which the entity operates, management considers that the trade receivables are credit impaired if the payments are more than 270 days past due incase of interconnet debtors in Africa Mobile Segment and 90 days past due in all other cases.

The ageing analysis of trade receivables as of the reporting date is as follows:

	Neither past		Past due but	not impaired		
	due nor impaired	Less than 30 days	30 to 60 days	60 to 90 days	Above 90 days	Total
March 31, 2019	12,548	12,109	6,765	5,183	6,401	43,006
March 31, 2018	21,182	17,294	7,835	6,201	6,318	58,830

The Group performs on-going credit evaluations of its customers' financial condition and monitors the credit-worthiness of its customers to which it grants credit in its ordinary course of business. The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amount due. Where the financial asset has been written-off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit and loss.

Financial instruments and cash deposits

The Group's treasury, in accordance with the board approved policy, maintains its cash and cash equivalents, deposits and investment in mutual funds & debt securities, and enters into derivative financial instruments - with banks, financial and other institutions, having good reputation and past track record, and high / sovereign credit rating. Similarly, counter-parties of the Group's other receivables carry either no or very minimal credit risk. Further, the Group reviews the credit-worthiness of the counter-parties (on the basis of its ratings, credit spreads and financial strength) of all the above assets on an on-going basis, and if required, takes necessary mitigation measures.

(v) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. Accordingly, as a prudent liquidity risk management measure, the Group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including bilateral loans, debt, and overdraft from both domestic and international banks at an optimised cost. It also enjoys strong access to domestic and international capital markets across debt and equity.

Moreover, the GSM regularly monitors the rolling forecasts of the entities' liquidity reserve (comprising of the amount of available un-drawn credit facilities and cash and cash equivalents) and the related requirements, to ensure they have sufficient cash on an on-going basis to meet operational needs while maintaining sufficient headroom at all times on its available un-drawn committed credit facilities, so that there is no breach of borrowing limits or relevant covenants on any of its borrowings. For details as to the borrowings, refer note 20.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Based on past performance and current expectations, the Group believes that the cash and cash equivalents, cash generated from operations and available un-drawn credit facilities, will satisfy its working capital needs, capital expenditure, investment requirements, commitments and other liquidity requirements associated with its existing operations, through at least the next twelve months.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:-

	As of March 31, 2019						
	Carrying	On	Less than	6 to 12	1 to 2	> 2	Total
	amount	Demand	6 months	months	years	years	Total
Interest bearing borrowings*#	1,287,702	24,802	309,374	158,297	207,658	1,104,386	1,804,517
Other financial liabilities [#]	188,518	2,622	114,247	10,649	9,804	51,196	188,518
Trade payables	280,031	-	280,031	-	-	-	280,031
Financial liabilities (excluding	1,756,251	27,424	703,652	168,946	217,462	1,155,582	2,273,066
derivatives)							
Derivative assets	3,531	-	50	39	4	3,438	3,531
Derivative liabilities	(13,568)	-	(10,651)	(2,112)	(149)	(656)	(13,568)
Net derivatives	(10,037)	-	(10,601)	(2,073)	(145)	2,782	(10,037)

	As of March 31, 2018							
	Carrying	On	Less than	6 to 12	1 to 2	> 2	Total	
	amount	Demand	6 months	months	years	years	Total	
Interest bearing borrowings*#	1,141,676	19,419	152,197	176,076	126,576	1,231,162	1,705,430	
Other financial liabilities#	156,811	4,874	108,656	-	161	43,120	156,811	
Trade payables	277,675	-	277,675	-	-	-	277,675	
Financial liabilities (excluding	1,576,162	24,293	538,528	176,076	126,737	1,274,282	2,139,916	
derivatives)								
Derivative assets	10,972	-	1,333	7,608	968	1,063	10,972	
Derivative liabilities	(5,692)	-	(117)	(168)	(203)	(5,204)	(5,692)	
Net derivatives	5,280	-	1,216	7,440	765	(4,141)	5,280	

*It includes contractual interest payment based on interest rate prevailing at the end of the reporting period after adjustment for the impact of interest swaps, over the tenor of the borrowings.

*Interest accrued but not due has been included in interest bearing borrowings and excluded from other financial liabilities.

vi) Reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities in the statement of cash flows:

	Statement of cash flows	April	Cash		N	on-cash mov	ements		
Balance sheet caption	line item		1, 2018 flows	Interest expense	Foreign exchange	Fair value changes	FCTR	Others	March 31, 2019
Borrowings*	Proceeds / repayments of borrowings (including short-term)	660,206	102,494	-	(7,398)	-	22,888	10,036	788,226
Interest accrued but not due / derivative instruments	Interest and other finance charges paid	23,061	(76,171)	85,179	11,090	(5,590)	451	5,436	43,456

*It does not include deferred payment liabilities and bank overdraft but include obligations towards Africa tower sale, finance lease obligations and lease back transaction.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

2. Capital risk

The Group's objective while managing capital is to safeguard its ability to continue as a going concern (so that it is enabled to provide returns and create value for its shareholders, and benefits for other stakeholders), support business stability and growth, ensure adherence to the covenants and restrictions imposed by lenders and / or relevant laws and regulations, and maintain an optimal and efficient capital structure so as to reduce the cost of capital. However, the key objective of the Group's capital management is to, ensure that it maintains a stable capital structure with the focus on total equity, uphold investor; creditor and customer confidence, and ensure future development of its business activities. In order to maintain or adjust the capital structure, the Group may issue new shares, declare dividends, return capital to shareholders, etc.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements.

The Group monitors capital using a gearing ratio calculated as below:

	As of March 31, 2019	As of March 31, 2018
Borrowings	1,254,283	1,113,335
Less: cash and cash equivalents	62,121	49,552
Less: term deposits with bank	273	2,119
Net debt	1,191,889	1,061,664
Equity	714,222	695,344
Total capital	714,222	695,344
Capital and net debt	1,906,111	1,757,008
Gearing ratio	62.5%	60.4%

37. Fair value of financial assets and liabilities

The category wise details as to the carrying value, fair value and the level of fair value measurement hierarchy of the Group's financial instruments are as follows:

	1	Carrying v	alue as of	Fair valu	ie as of
	Level	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Financial assets					
Fair value through profit and loss					
Derivatives					
- Currency swaps, forward and option	Level 2	346	8,541	346	8,541
contracts					
- Interest swaps	Level 2	3,185	2,101	3,185	2,101
- Embedded derivatives	Level 2	-	330	-	330
Investments-quoted	Level 1	62,546	65,460	62,546	65,460
Investments-unquoted	Level 2	3,515	2,992	3,515	2,992
Fair value through other					
comprehensive income					
Investments-quoted	Level 1	2,112	2,391	2,112	2,391
Investments-unquoted	Level 2	-	3,904	-	3,904
Amortised cost					
Security deposits		16,452	9,703	16,452	9,703
Trade receivables		43,006	58,830	43,006	58,830
Cash and cash equivalents		62,121	49,552	62,121	49,552
Other bank balances		18,934	17,154	18,934	17,154
Other financial assets		23,570	33,276	23,570	33,276
		235,787	254,234	235,787	254,234

(All amounts are in millions of Indian Rupee; unless stated otherwise)

37. Fair value of financial assets and liabilities (Contd..)

		Carrying v	alue as of	Fair valu	le as of
	Level	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Financial liabilities					
Fair value through profit and loss					
Derivatives					
- Currency swaps, forward and option	Level 2	3,691	474	3,691	474
contracts					
- Interest rate swaps / others	Level 2	9,579	5,210	9,579	5,210
- Embedded derivatives	Level 2	298	8	298	8
Amortised cost					
Borrowings - fixed rate	Level 1	254,194	421,560	256,985	431,520
Borrowings - fixed rate	Level 2	625,002	457,636	663,523	488,988
Borrowings - floating rate		375,087	234,139	375,087	234,139
Trade payables		280,031	268,536	280,031	268,536
Other financial liabilities		221,937	185,152	221,937	185,152
		1,769,819	1,572,715	1,811,131	1,614,027

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

- i. The carrying value of other bank balances, trade receivables, trade payables, short-term borrowings, floating-rate long-term borrowings, other current financial assets and liabilities approximate their fair value mainly due to the short-term maturities of these instruments / being subject to floating-rates.
- ii. Fair value of quoted financial instruments is based on quoted market price at the reporting date.
- iii. The fair value of non-current financial assets, other long-term borrowings and other financial liabilities is estimated by discounting future cash flows using current rates applicable to instruments with similar terms, currency, credit risk and remaining maturities.
- iv. The fair values of derivatives are estimated by using pricing models, wherein the inputs to those models are based on readily observable market parameters. The valuation models used by the Group reflect the contractual terms of the derivatives (including the period to maturity), and market-based parameters such as interest rates, foreign exchange rates, volatility etc. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgement and inputs thereto are readily observable.

During the year ended March 31, 2019 and March 31, 2018, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

The following table describes the key inputs used in the valuation (basis discounted cash flow technique) of level 2 financial assets / liabilities as of March 31, 2019 and March 31, 2018:

Financial assets / liabilities	Inputs used
Derivatives	
- Currency swaps, forward and option contracts	Forward currency exchange rates, interest rates
- Interest swaps	Prevailing / forward interest rates in market, interest rates
- Embedded derivatives	Forward currency exchange rates, interest rates
Investments	Prevailing interest rates in market, interest rates
Fixed rate borrowings	Prevailing interest rates in market, future payouts, interest rates

Level 3 financial instruments

The following table provides the details as to changes in value of financial instruments categorised within level 3 of the fair value hierarchy:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Opening balance	-	(188)
Issuance	9,139	-
- Recognised in finance costs / finance income	-	276
Exchange difference recognised in OCI	-	(88)
Closing balance	9,139	-

(All amounts are in millions of Indian Rupee; unless stated otherwise)

As part of issue of equity shares to global investors, the Group has committed indemnities pertaining to acquisition of non-controlling interest in Group's operations and other protections. The liability for such indemnity derives its value based on the price of the shares and hence is a derivative liability. The significant input to valuation is the probability of payout of these indemnities. The liability has been valued on the basis of probability weighted amount payable for these indemnities. The significant unobservable input to the valuation, thereby resulting in the embedded derivative being classified as Level 3 in the fair value hierarchy.

Also the Group has entered into certain contracts under which payouts are linked to revenue of the period to which payout relates. The portion of the payout are payable at predetermined fixed foreign exchange rate and results in an embedded derivative. The significant inputs to the valuation model of these embedded derivatives are future revenue projections and foreign exchange forward rates over the contract period. The revenue projections, being based on the rolling ten year financial plan approved by management, constitute a significant unobservable input to the valuation, thereby resulting in the embedded derivative being classified as Level 3 in the fair value hierarchy.

The Group engages external, independent and qualified valuers to determine the fair value of the Group's embedded derivative categorized within level 3.

The value of the embedded derivative is the differential of the present value of future payouts on the reporting date, over that determined based on the forward rates prevailing at the inception of the contract. The present value is calculated using a discounted cash flow model.

Narrative description of sensitivity of fair value changes to changes in unobservable inputs

Any increase/ decrease in probability of expected payouts under non-controlling indemnity liability by 5% will result in 5% increase/ decrease in the derivative liability value.

The fair value of the embedded derivative is directly proportional to the expected future payouts to vendor (considered for the purpose of valuation of the embedded derivatives). If future payout to vendor were to increase/decrease by 5% with all the other variables held constant, the fair value of embedded derivative would increase/decrease by 5%.

38. Other matters

(i) In 1996, the Company had obtained the permission from DoT to operate its Punjab license through one of its wholly owned subsidiary. However DoT cancelled the permission to operate in April, 1996 and subsequently reinstated in March, 1998. Accordingly, for the period from April 1996 to March, 1998 ('blackout period') the license fee was disputed and not paid by the Company.

Subsequently, basis the demand from DoT in 2001, the Company paid the disputed license fee of ₹ 4,856 for blackout period under protest. Consequently, the license was restored subject to arbitrator's adjudication on the dispute. The arbitrator adjudicated the matter in favour of DoT, which was challenged by the Company before Hon'ble Delhi High Court. In 2012, Hon'ble Delhi High Court passed an order setting aside the arbitrator's award, which was challenged by DoT and is pending before its division bench. Meanwhile, the Company had filed a writ petition for recovery of the disputed license fee and interest thereto. However, the single bench, despite taking the view that the Company is entitled to refund, dismissed the writ petition on the ground that the case is still pending with the larger bench. The Company therefore has filed appeal against the said order with division bench and is currently pending. DoT had also filed an appeal against the single judge order. Both these appeals are tagged together and are listed for final hearing. The Hon'ble court has directed both the parties to file comprehensive written submission.

(ii) TRAI vide Telecom Interconnect Usages Charges Regulation (Eleventh Amendment) 2015 has reduced the IUC charges for mobile termination charges to 14 paisa from 20 paisa and abolished the fixed-line termination charges. The Company has challenged the said Regulation before the Hon'ble Delhi High Court and the matter is currently pending.

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39 Additional information as required under Schedule III of the Companies Act, 2013

Table 1 - Details pertaining to share in net assets, profit or loss and total comprehensive income.

Ś	Name of the entity / Principal activities	% of shareholding	Principal place			March 31, 2019	6		
No.		as at March 31, 2019 and 2018	of operation / country of	Net Assets ('N A'), i.e., total assets minus total liabilities	i.e., total liabilities	Share in profit or loss ('P&L')	ır loss	Share in total comprehensive income ('TCI')	prehensive CI')
		(Refer note 1 and 2)	incorporation	As % of consolidated N A	Amount	As % of consolidated P&L	Amount	As % of TCI	Amount
	Parent								
	- Telecommunication services								
Η	Bharti Airtel Limited	100%	India	115.79%	983,593	-446.67 %	(18,290)	297.23 %	(18,194)
	Subsidiaries								
	A. Indian								
	- Telecommunication services								
Ч	Bharti Hexacom Limited	70%	India	6.79 %	57,676	-176.33 %	(7,220)	117.90 %	(7,217)
0	Nxtra Data Limited	100%	India	0.06 %	469	11.56 %	473	-7.75 %	474
ო	Smartx Services Limited	53.51% (j)	India	0.00 %	(2)	-0.92 %	(37)	0.61 %	(37)
4	Telesonic Networks Limited	100%	India	% 60.0	761	3.55 %	145	-2.39 %	146
Ŋ	Wynk Limited	100%	India	0.06 %	491	-1.49 %	(61)	1.00 %	(61)
9	Bharti Digital Networks Private Limited (Formerly known	100%	India	-1.67 %	(14, 187)	-9.26 %	(379)	6.19 %	(379)
	as Tikona Digital Networks Private Limited)								
	- Direct To Home services								
Ч	Bharti Telemedia Limited	80% (ii)	India	-1.35 %	(11, 495)	329.63 %	13,498	-220.56 %	13,501
	 Infrastructure sharing services 								
Ч	Bharti Infratel Limited	53.51% (i)	India	11.71 %	99,461	323.46 %	13,245	-216.03 %	13,224
	- Investment Company								
Ч	Nettle Infrastructure Investments Limited	100%	India	-1.28 %	(10,864)	268.13 %	10,979	110.88 %	(6,787)
	- Mobile commerce services								
Ч	Airtel Payments Bank Limited (Has become associate	80.10%	India	0.00 %	1	-45.15 %	(1, 849)	30.24 %	(1, 851)
	w.e.f 25th Oct, 2018)								
	- Other								
Ч	Bharti Airtel Services Limited	100%	India	-0.03 %	(287)	0.54 %	22	-0.49 %	30
0	Airtel International LLP (incorporated w.e.f. March 27,	100%	India	% 00.0	·	0.00 %	I	0.00 %	
	2019)								
	 Uplinking channels for broadcasters 								
Ч	Indo Teleports Limited	100%	India	-0.07 %	(591)	-0.75 %	(31)	0.50 %	(31)
	B. Foreign								
	 Infrastructure sharing services 								
H	Africa Towers Services Limited #	100%	Kenya	0.00 %	0	-0.01 %	(1)	0.01 %	(1)
0	Congo RDC Towers S.A.	100%	Democratic	-0.07 %	(208)	0.03 %	-	-0.02 %	1
			Republic of Congo						
С	Gabon Towers S.A. ##	97.95%(v)	Gabon	0.00 %	(1)	00.00 %	(0)	0.00 %	(0)

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(All amounts are in millions of Indian Rupee; unless stated otherwise)

Table 1 - Details pertaining to share in net assets, profit or loss and total comprehensive income. (Contd..)

ŝ	Name of the entity / Principal activities	% of shareholding	Principal place			March 31, 2019	19		
No.		as at March 31, 2019 and 2018	of operation / country of	Net Assets ('N A'), i.e., total assets minus total liabilities	i.e., total liabilities	Share in profit or loss ('P&L')	or loss	Share in total comprehensive income ('TCI')	iprehensive 'Cl')
		(Refer note 1 and 2)	incorporation	As % of consolidated N A	Amount	As % of consolidated P&L	Amount	As % of TCI	Amount
4	Madagascar Towers S.A.	100%	Madagascar	0.07 %	591	7.96 %	326	-5.32 %	326
Ω.	Malawi Towers Limited	100%	Malawi	-0.04 %	(307)	42.52 %	1,741	-28.44 %	1,741
9	Tanzania Towers Limited	60%	Tanzania	0.00 %	(34)	-0.04 %	(1)	0.02 %	(1)
	- Investment Company								
\leftarrow	Africa Towers N.V.	100%	Netherlands	-0.06 %	(220)	-1.92 %	(62)	1.28 %	(62)
0	Airtel Mobile Commerce B.V.	100%	Netherlands	-0.01 %	(06)	-0.78 %	(32)	0.52 %	(32)
С	Airtel Mobile Commerce Holdings B.V.	100%	Netherlands	0.00 %	1	0.00 %		0.00 %	'
4	Airtel Africa Mauritius Limited (incorporated w.e.f. June	100%	Mauritius	17.33 %	147,241	-0.01 %	(1)	0.01 %	(1)
	28, 2018)								
Ŋ	Airtel Africa Limited (incorporated w.e.f. July 12, 2018)	68.31%(iii)	Kingdom	28.56 %	242,597	4.43 %	181	-2.96 %	181
U	Aistol Machilo Commorad Micario DV//incorrocrated Moch			70000				70 00 0	
C	All ter involve Continuence inigeria B.X.(incurporated w.c.). 5th December, 2018)	0600T		0.00	(0)	00.00		0.00	
7	Airtel Mobile Commerce (Seychelles) B.V. (incorporated	100%	Netherlands	0.00 %	(0)	0.00 %		0.00 %	
	w.e.f. 29th January, 2019)								
00	Airtel Mobile Commerce Congo B.V. (incorporated w.e.f. 20th January 2010)	100%	Netherlands	0.00 %	(0)	0.00 %		% 00.0	'
σ	asun sanaan y, 2013) Airtel Mahile Commerce Kenva BV (incornorated we f	100%	Natharlands	% UU U	0	% UU U			
)	29th January, 2019)								
10	Airtel Mobile Commerce Madagascar B.V. (incorporated	100%	Netherlands	0.00 %	0)	0.00 %		0.00 %	
	w.e.f. 29th January, 2019)								
11	Airtel Mobile Commerce Malawi B.V. (incorporated w.e.f.	100%	Netherlands	0.00 %	(0)	0.00 %		0.00 %	ı
	29th January, 2019)								
12	Airtel Mobile Commerce Rwanda B.V. (incorporated w.e.f. 29th January 2019)	100%	Netherlands	0.00 %	0)	0.00%	ı	% 00.0	
13	Airtel Mobile Commerce Tchad B.V. (incorporated w.e.f.	100%	Netherlands	0.00 %	(0)	0.00 %	'	0.00 %	
	29th January, 2019)								
14	Airtel Mobile Commerce Uganda B.V. (incorporated w.e.f.	100%	Netherlands	0.00 %	0)	0.00 %	'	0.00 %	
	29th January, 2019)								
15	Airtel Mobile Commerce Zambia B.V. (incorporated w.e.f.	100%	Netherlands	0.00 %	(0)	0.00 %	1	0.00 %	'
	29th January, 2019)								
16	Bharti Airtel Africa B.V.	100%	Netherlands	12.32 %	104,648	96.37 %	3,946	-64.47 %	3,946
17	Bharti Airtel Burkina Faso Holdings B.V.#	100%	Netherlands	0.00 %	(0)	-1218.86 %	(49,909)	815.35 %	(49,909)
10	Bharti Airtel Chad Holdings B.V.	100%	Netherlands	-0.03 %	(287)	10.17 %	417	-6.80 %	417
19	Bharti Airtel Congo Holdings B.V.	100%	Netherlands	0.77 %	6,561	1.83 %	75	-1.23 %	75
20	Bharti Airtel Developers Forum Limited	96.36%	Zambia			0.00 %	1	0.00 %	I
21	Bharti Airtel Holding (Mauritius) Limited (incorporated	100%	Mauritius	0.01 %	11,192	-0.01 %	(1)	0.01 %	(1)
	w.e.f. June 27, 2018)								

ncial Statement		omprehensive income. (Contd)
Notes to Consolidated Final	(All amounts are in millions of Indian Rupee; unless stated otherwise)	Table 1 - Details pertaining to share in net assets, profit or loss and total comprehensive income. (Contd.

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Ś	Name of the entity / Principal activities	% of shareholding	Principal place			March 31, 2019	61		
°N N		as at March 31, 2019 and 2018	of operation / country of	Net Assets ('N A'), i.e., total assets minus total liabilities	i.e., total liabilities	Share in profit or loss ('P&L')	or loss	Share in total comprehensive income ('TCI')	prehensive CI')
		(Refer note 1 and 2)	incorporation	As % of consolidated N A	Amount	As % of consolidated P&L	Amount	As % of TCI	Amount
22	Bharti Airtel Overseas (Mauritius) Limited (incorporated wef. June 28, 2018)	100%	Mauritius	0.01%	5,790	-0.01 %	(1)	0.01 %	(1)
23	Bharti Airtel Gabon Holdings BV	100%	Netherlands	1.07 %	9.078	1.89 %	78	-1.27 %	78
24	Bharti Airtel International (Mauritius) Limited	100%	Mauritius	1.99 %	16,945	13.60 %	557	-9.10 %	557
25	Bharti Airtel International (Netherlands) B.V.	100%	Netherlands	50.75 %	431,142	136.45 %	5,587	-91.28 %	5,587
26	Bharti Airtel Kenya B.V.	100%	Netherlands	-2.32 %	(19,667)	-69.97 %	(2,865)	46.81 %	(2,865)
27	Bharti Airtel Kenya Holdings BV.	100%	Netherlands	-0.35 %	(2,977)	-3.53 %	(144)	2.36 %	(144)
28	Bharti Airtel Madagascar Holdings B.V.	100%	Netherlands	-0.46 %	(3,926)	-25.17 %	(1,031)	16.84 %	(1,031)
29	Bharti Airtel Malawi Holdings B.V.	100%	Netherlands	0.21%	1,786	32.82 %	1,344	-21.95 %	1,344
30	Bharti Airtel Mali Holdings B.V.	100%	Netherlands	0.01 %	49	-0.57 %	(23)	0.38 %	(23)
31	Bharti Airtel Niger Holdings B.V.	100%	Netherlands	1.62 %	13,734	37.32 %	1,528	-24.97 %	1,528
32	Bharti Airtel Nigeria B.V.	100%	Netherlands	-8.96 %	(76,129)	-178.05 %	(7,291)	119.10 %	(7, 291)
33	Bharti Airtel Nigeria Holdings II B.V.	100%	Netherlands	-0.01 %	(114)	0.00 %	0)	0.00 %	0)
34	Bharti Airtel RDC Holdings B.V.	100%	Netherlands	-0.11 %	(920)	-70.07 %	(2,869)	46.87 %	(2,869)
35	Bharti Airtel Rwanda Holdings Limited	100%	Mauritius	0.00 %	(21)	-5.26 %	(215)	3.52 %	(215)
36	Bharti Airtel Services B.V.	100%	Netherlands	-0.06 %	(519)	-1.20 %	(49)	0.80 %	(49)
37	Bharti Airtel Tanzania B.V.	100%	Netherlands	-0.47 %	(4,000)	28.28 %	1,158	-18.92 %	1,158
00 00	Bharti Airtel Uganda Holdings B.V.	100%	Netherlands	-0.82 %	(6,962)	92.58 %	3,791	-61.93 %	3,791
39	Bharti Airtel Zambia Holdings B.V.	100%	Netherlands	4.02 %	34,190	77.41 %	3,170	-51.78 %	3,170
40	Celtel (Mauritius) Holdings Limited	100%	Mauritius	0.32 %	2,712	5.75 %	235	-3.85 %	235
41	Channel Sea Management Company (Mauritius)	100%	Mauritius	0.00 %	34	-0.03 %	(1)	0.02 %	(1)
	Limited								
42	Indian Ocean Telecom Limited	100%	Jersey	0.15 %	1,296	12.00 %	491	-8.03 %	491
43	Montana International	100%	Mauritius	0.00 %	(15)	-0.01 %	0)	0.01 %	0)
44	Partnership Investments Sarl	100%	Democratic			0.00 %	1	0.00 %	
			Republic of Conno						
45	Société Malgache de Téléphone Cellulaire S.A.	100%	Mauritius	0.01 %	119	-0.02 %	(1)	0.02 %	(1)
46	Bharti Airtel International (Mauritius) Investments	100%	Mauritius	0.00 %	(0)	-0.02 %	(1)	0.01 %	(1)
	Limited								
	- Mobile commerce services								
	Airtel Mobile Commerce (Kenya) Limited	100%	Kenya	0.00 %	0	0.00 %	I	0.00 %	1
	Airtel Mobile Commerce (Seychelles) Limited	100%	Seychelles	0.00 %	(34)	-0.07 %	(3)	0.04 %	(3)
С	Airtel Mobile Commerce (Tanzania) Limited	100%	Tanzania	0.00 %	0	0.00 %	ı	0.00 %	'
	Airtel Mobile Commerce Limited	100%	Malawi	0.00 %	0	0.00 %	I	0.00 %	
	Airtel Mobile Commerce Madagascar S.A.	100%	Madagascar	0.01 %	68	0.80 %	33	-0.54 %	33
	Airtel Mobile Commerce Rwanda Limited	100%	Rwanda	0.00 %	1	0.00 %	1	0.00 %	
	Airtel Mobile Commerce Tchad S.a.r.l.	100%	Chad	0.00 %	0	00.00 %		0.00 %	

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(All amounts are in millions of Indian Rupee; unless stated otherwise)

Table 1 - Details pertaining to share in net assets, profit or loss and total comprehensive income. (Contd..)

0 40 04 ω 0	Airtel Mobile Commerce Uganda Limited Airtel Mobile Commerce Uganda Limited Airtel Money (RDC) S.A. Airtel Money Niger S.A. Airtel Money Niger S.A. Airtel Money Transfer Limited Mobile Commerce Congo S.A. Airtel Money Tanzania Limited Airtel Mobile Commerce Nigeria Limited Airtel Mobile Commerce Nigeria Limited Airtel Mobile Commerce Nigeria Limited Airtel Congo (RDC) S.A.	2019 and 2018 (Refer note 1 and 2) 100% 100% 100% 100% 100% 91.77%(iv) 100%	/ country of incorporation Uganda Zambia Democratic Republic of Congo Niger Gabon Kenya Congo Brazzaville Tanzania Nigeria	assets minus total liabilities As % of Amou 0.00 % 83 0.10 % 83 0.11 % 95 0.11 % 95	Amount Amount 0 29 14 14 1 1 (0)	('P&L') As % of consolidated P&L 0.00 % 116.47 % 116.47 % 0.00 % 0.00 % 0.00 %	Amount 526 674 823 (0) -	income ('TCI') As % of TCI 0.00 % -8.59 % -11.02 %	Amo
	 I Mobile Commerce Uganda Limited I Money (RDC) S.A. I Money (RDC) S.A. I Money (RDC) S.A. I Money Transfer Limited I Money Transfer Limited I Money Tanzania Limited I Money Tanzania Limited I Mole Commerce Nigeria Limited I Mobile Commerce Nigeria Limited I Mobile Commerce System Vork i Zi Limited I Congo (RDC) S.A. 	100% 100% 90% 100% 100% 60.04% 91.77%(iv)	Uganda Zambia Democratic Republic of Congo Niger Kenya Congo Brazzaville Tanzania Nigeria	0.00% 0.00% 0.10% 0.11% 0.11% 0.00%	0 299 833 950 114 (0)	0.00 % 12.83 % 16.47 % 3.11 % 0.00 % 0.00 % 0.00 %		0.00 % -8.59 % -11.02 %	- 1
	el Mobile Commerce Zambia Limited el Money (RDC) S.A. el Money Niger S.A. el Money Transfer Limited ile Commerce Congo S.A. el Money Tanzania Limited ile Commerce Nigeria Limited bmarine Cable System vork i2i Limited ecommunication services el Congo (RDC) S.A.	100% 100% 90% 100% 100% 60.04% 91.77%(iv)	Zambia Democratic Republic of Congo Niger Congo Brazzaville Tanzania Nigeria	0.00 % 0.10 % 0.01 % 0.00 % 0.00 %	29 833 950 14 1 (0)	12.83 % 16.47 % 3.11 % 0.00 % 0.00 % 0.00 %	526 674 823 (0) -	-8.59 % -11.02 %	
	 Money (RDC) S.A. Money Niger S.A. Money Transfer Limited Money Transfer Limited Money Tanzania Limited Money Tanzania Limited Mobile Commerce Nigeria Limited bmarine Cable System vork i2i Limited Congo (RDC) S.A. 	100% 90% 100% 100% 60.04% 91.77%(iv) 100%	Democratic Republic of Congo Niger Gabon Kenya Congo Brazzaville Tanzania Nigeria	0.10 % 0.00 % 0.11 % 0.00 %	833 74 950 14 1 (0)	16.47 % 3.11 % 0.00 % 0.00 % -0.01 %	674 127 823 (0) -	-11.02 %	526
	 Money Niger S.A. Money S.A. (Gabon) Money Transfer Limited Money Tanzania Limited Money Tanzania Limited Mobile Commerce Nigeria Limited Mobile Commerce Nigeria Limited Sevchelles) Limited Congo (RDC) S.A. 	90% 100% 100% 60.04% 91.77%(iv)	Republic of Congo Niger Gabon Kenya Congo Brazzaville Tanzania Nigeria	0.00 % 0.11 % 0.00 % 0.00 %	74 950 14 1 (0)	3.11 % 20.09 % 0.00 % 0.00 % -0.01 %	127 823 (0) (0)		674
	I Money Niger S.A. Money S.A. (Gabon) Money Transfer Limited Money Tanzania Limited Money Tanzania Limited Mobile Commerce Nigeria Limited bmarine Cable System vork i2i Limited ecommunication services I (Seychelles) Limited Congo (RDC) S.A.	90% 100% 100% 60.04% 91.77%(V)	Niger Gabon Kenya Congo Brazzaville Tanzania Nigeria	0.00% 0.11% 0.00% 0.00%	74 950 14 1 (0)	3.11 % 20.09 % 0.00 % 0.00 % -0.01 % 0.00 %	127 823 (0) - - -		
	I Money S.A. (Gabon) I Money Transfer Limited ile Commerce Congo S.A. I Money Tanzania Limited I Mobile Commerce Nigeria Limited bmarine Cable System vork i2i Limited ecommunication services I (Seychelles) Limited	100% 100% 100% 60.04% 91.77%(v) 100%	Gabon Kenya Congo Brazzavile Tanzania Nigeria	0.11 % 0.00 % 0.00 %	950 14 1 (0)	20.09 % 0.00 % 0.00 % -0.01 % 0.00 %	823 (0) (0)	-2.08 %	127
	 Money Transfer Limited Commerce Congo S.A. Money Tanzania Limited Mobile Commerce Nigeria Limited Mobile Commerce Nigeria Limited Comport izi Limited Seychelles) Limited Congo (RDC) S.A. 	100% 100% 60.04% 91.77%(iv) 100%	kenya Congo Brazzaville Tanzania Nigeria	0.00 % 0.00	14 1 (0)	0.00 % 0.00 % -0.01 % 0.00 %	0 0 0	-13.44 %	823
	ile Commerce Congo S.A. I Money Tanzania Limited Mobile Commerce Nigeria Limited bmarine Cable System vork i2i Limited ecommunication services I (Seychelles) Limited Congo (RDC) S.A.	100% 60.04% 91.77%(iv) 100%	Congo Brazzaville Tanzania Nigeria	0.00 %	1 (0)	0.00 % -0.01 % 0.00 %	- (0)	% 00.0	0)
	 Money Tanzania Limited Mobile Commerce Nigeria Limited bmarine Cable System vork i2i Limited ecommunication services Congo (RDC) S.A. 	60.04% 91.77%(iv) 100%	Brazzaville Tanzania Nigeria		(0)	-0.01 % 0.00 %	- (0)	0.00 %	
	I Money Tanzania Limited Mobile Commerce Nigeria Limited bmarine Cable System vork i2i Limited ecommunication services I (Seychelles) Limited Congo (RDC) S.A.	60.04% 91.77%(iv) 100%	Tanzania Nigeria		(0)	-0.01 % 0.00 %	(0)		
	I Mobile Commerce Nigeria Limited bmarine Cable System vork i2i Limited ecommunication services I (Seychelles) Limited I Congo (RDC) S.A.	91.77%(iv) 100%	Nigeria	0.00 %		0.00 %	'	0.01 %	0)
	bmarine Cable System vork i2i Limited ecommunication services !l (Seychelles) Limited !l Congo (RDC) S.A.	100%			'			0.00 %	
	vork i2i Limited ecommunication services !{ (Seychelles) Limited !! Congo (RDC) S.A.	100%							
	ecommunication services ! (Seychelles) Limited ! Congo (RDC) S.A.		Mauritius	13.58 %	115,398	7.75 %	318	-5.19 %	318
	I (Seychelles) Limited I Congo (RDC) S.A.								
	el Congo (RDC) S.A.	100%	Seychelles	0.06 %	527	4.49 %	184	-3.01 %	184
		98.50%	Democratic	-6.77 %	(57,540)	43.44 %	1,779	-29.06 %	1,779
			Republic of						
			Congo						
	Airtel Congo S.A.	%06	Congo	-1.14 %	(9,662)	-27.80 %	(1,139)	18.60 %	(1,139)
			Drazzaville				, U		, U
	AIREI GADON S.A.	(N)0/267/6	Gabon	% CC.0-	(4,098)	0/2 C/.74 T	004	-9.XD %0	004
	Airtel Madagascar S.A.	100%	Madagascar	-0.86 %	(7,335)	-37.94 %	(1,553)	25.38 %	(1,553)
	Airtel Malawi Limited	100%	Malawi	0.09 %	794	8.17 %	335	-5.47 %	335
7 Airtel	Airtel Networks Kenya Limited @	100%	Kenya	-3.49 %	(29,686)	-48.06 %	(1,968)	32.15 %	(1,968)
8 Airtel	Airtel Networks Limited	91.77%(iv)	Nigeria	1.23 %	10,431	656.45 %	26,880	-439.13 %	26,880
9 Airtel	Airtel Rwanda Limited	100%	Rwanda	-1.94 %	(16,493)	-80.94 %	(3,314)	54.15 %	(3, 314)
10 Airtel	Airtel Tanzania Public Limited Company (Formerly	60%	Tanzania	-3.44 %	(29,256)	-32.91 %	(1, 348)	22.02 %	(1, 348)
knowi	known as Airtel Tanzania Limited)								
11 Airtel	Airtel Tchad S.A.	100%	Chad	-0.65 %	(2,550)	-14.68 %	(601)	9.82 %	(601)
12 Airtel	Airtel Uganda Limited	100%	Uganda	0.39 %	3,334	162.60 %	6,658	-108.77 %	6,658
13 Bhart	Bharti Airtel (France) SAS	100%	France	0.07 %	582	5.42 %	222	-3.63 %	222
14 Bharti	Bharti Airtel (Hong Kong) Limited	100%	Hong Kong	0.02 %	184	4.18 %	171	-2.79 %	171
15 Bharti	Bharti Airtel (Japan) Private Limited	100%	Japan	0.00 %	Ð	-0.05 %	(2)	0.03 %	(2)
16 Bharti	Bharti Airtel (UK) Limited	100%	United	0.10 %	831	6.11 %	250	-4.09 %	250
			Kingdom						

Bharti Airtel Limited Integrated Report and Annual Financial Statements 2018-19

ncial Statements		mprehensive income. (Contd)
Notes to Consolidated Finar	(All amounts are in millions of Indian Rupee; unless stated otherwise)	Table 1 - Details pertaining to share in net assets, profit or loss and total comprehensive income. (Contd)

S

Ś	Name of the entity / Principal activities	% of shareholding	Principal place			March 31, 2019	6]		
°N N		as at March 31, 2019 and 2018 (Refer note 1 and 2)	of operation / country of incorporation	Net Assets ('N A'), i.e., total assets minus total liabilities As % of Amou consolidated N A	, i.e., total I liabilities Amount	Share in profit or loss ('P&L') As % of Am consolidated P&L	or loss Amount	Share in total comprehensive income ('TCI') As % of TCI Amount	prehensive CI') Amount
17	Bharti Airtel (USA) Limited	100%	United States of America	0.10%	866	3.68 %	151	-2.46 %	151
10	Bharti Airtel Lanka (Private) Limited	100%	Sri Lanka	-0.04 %	(319)	-39.61 %	(1,622)	26.57 %	(1,627)
19	Bharti International (Singapore) Pte. Ltd.	100%	Singapore	1.70 %	14,467	-8.60 %	(352)	5.75 %	(352)
20	Celtel Niger S.A.	%06	Niger	0.03 %	267	-23.56 %	(965)	15.76 %	(965)
21	Airtel Networks Zambia Plc	96.36%	Zambia	-0.18 %	(1,544)	2.02 %	83	-1.35 %	83
22	Tigo Rwanda Limited (merged with Airtel Rwanda Ltd	100%	Rwanda	00.00 %		1.66 %	68	-1.11 %	68
	w.e.f July 3, 2018)								
	Minority Interests in all subsidiaries			15.92 %	135,258	-312.09 %	(12,780)	163.78 %	(10,026)
	Associates (investment as per the equity method) A. Indian								
	- Financial Services								
\leftarrow	Seynse Technologies Private Limited	22.54%	India	0.02 %	205	-0.40 %	(16)	0.27 %	(16)
	- Mobile commerce services								
\leftarrow	Airtel Payments Bank Limited (W.e.f 25th Oct, 2018)	80.10%	India	1.21 %	10,283	-30.15 %	(1,235)	20.17 %	(1,235)
~	- Otters	10.25066.40			007	90 C C C	(01)	016 06	
H	B. Foreign	10/01/0 C C C T		0/ TOO		0.010-	(01)	02. 01.0	
	- Submarine cable system								
\vdash	Seychelles Cable Systems Company Limited	26%	Seychelles	0.03 %	230	-0.17 %	(2)	0.11 %	(2)
	- Telecommunication services								
\vdash	Robi Axiata Limited	25%	Bangladesh	2.81 %	23,886	29.14 %	1,193	-19.33 %	1,183
	Joint Ventures (Investment as per the equity								
	Method)								
	. Daceiva infractructura carvicae								
\leftarrow	Indus Towers Limited	22.47%	India	6.18 %	52.482	216.83 %	8.879	-145.01 %	8.876
	- Telecommunication services								
\leftarrow	FireFly Networks Limited	20%	India	0.00 %	С	0.01 %	0	-0.01 %	0
	B. Foreign								
	- Provision of regional mobile services								
7	Bridge Mobile Pte Limited	10%	Singapore	0.01 %	66	0.10 %	4	-0.07 %	4
	- Telecommunication services								
\vdash	Bharti Airtel Ghana Holdings B.V.	20%	Netherlands	0.20 %	1,676	-128.28 %	(5,253)	85.82 %	(5,253)
	Inter-company eliminations / adjustments on				(1,379,832)		15,692		20,418
	consolidation								
	Total			100 %	849,480	100 %	4,095	100 %	(6,121)

Notes to Consolidated Financial Statements (All amounts are in millions of Indian Rupee; unless stated otherwise)

Table 2 - Details pertaining to share in other comprehensive income.

S. No.	Name of the entity	% of shareholding as at March 31, 2019 and 2018 (Refer note 1 and 2)		March 3: Share in comprehensive As % of OCI	other
					Amount
	Parent Telecommunication services				
1	Bharti Airtel Limited	100%	India	(0.94) %	96
T	Subsidiaries	100%	IIIUIa	(0.94) %	90
	- Indian				
	- Telecommunication services				
1	Bharti Hexacom Limited	70%	India	(0.03) %	3
2	Nxtra Data Limited	100%	India	(0.03) %	1
2	Telesonic Networks Limited	100%	India	(0.01) %	1
3	Wynk Limited	100%	India	0.00 %	(0)
4	- Direct To Home services	100%	IIIUIa	0.00 %	(0)
1	Bharti Telemedia Limited	80% (ii)	India	(0.03) %	3
T	- Infrastructure sharing services	80% (II)	IIIUIa	(0.03) %	5
1	Bharti Infratel Limited	53.51% (i)	India	0.21 %	(21)
T	- Investment Company	55.51% (I)	IIIUIa	0.21 %	(21)
1	Nettle Infrastructure Investments	100%	India	173.92 %	(17,766)
T	Limited	100%	IIIUIa	1/3.92 %	(17,700)
	- Other				
1	Bharti Airtel Services Limited	100%	India	(0.08) %	8
T	- Mobile commerce services	100%	IIIUIa	(0.06) %	0
	Airtel Payments Bank Limited (Has	80.10%	India	0.02 %	(3)
	become associate w.e.f 25th Oct,	80.10%	IIIUIa	0.02 %	(3)
	,				
	2018)				
	- Foreign - Telecommunication services				
1		100%	Sri Lanka	0.05 %	
1	Bharti Airtel Lanka (Private) Limited	100%	Sri Lanka		(5)
	Minority Interests in all			(26.96)%	2,754
	subsidiaries				
	Associates (Investment as per				
	the equity method)				
	A. Foreign				
1	- Telecommunication services		Developed	0.10.00	(10)
1	Robi Axiata Limited	25%	Bangladesh	0.10 %	(10)
	Joint Ventures (Investment as per				
	the equity method)				

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Table 2 - Details pertaining to share in other comprehensive income. (contd..)

S. No.	Name of the entity	% of shareholding as at March 31, 2019 and 2018 (Refer note 1 and 2)	operation / country	March 31, Share in c comprehensive in As % of OCI	other
1	A. Indian - Passive infrastructure services Indus Towers Limited Inter-company eliminations / adjustments on consolidation	22.47% (i)	India	0.02 %	(2) 4,726
	Total			100 %	(10,215)

Notes:

1. Changes in shareholding during the year ended March 31, 2019:

- i) The Company has reduced its shareholding to 53.51% (53.54% in March 31, 2018) during the year ended March 31, 2019.
- ii) The Company has reduced its shareholding to 80% (95% in March 31, 2018) during the year ended March 31, 2019.
- iii) The Company has reduced its shareholding to 68.31% during the year ended March 31, 2019.
- iv) The Company has increased its shareholding to 91.77% (83.25% in March 31, 2018) during the year ended March 31, 2019.
- v) The Company has increased its shareholding to 97.95% (90% in March 31, 2018) during the year ended March 31, 2019.
- vi) The Company has increased its shareholding to 19.35% (10.71% in March 31, 2018) during the year ended March 31, 2019.

2. Others

#Liquidated during the year ended March 31, 2019

##Under liquidation

@The Group also holds 100% preference shareholfing in the Company. The preference shares do not carry any voting rights.

During the period effective shareholding of Airtel Africa Limited ('AAL') has been changed to 68.31%, due to which effective shareholding of entities owned be AAL directly/ indirectly will undergo change vis-à-vis the % presented in the above table. The figures which are appearing as '0' are result of rounding off.

Par	Part A - Subsidiaries																			(₹ in Million)
si No.	Name of the Subsidiary	Date on which subsidiary was acquired / incorporated	Country of Registration	Reporting Currency	Reporting Period	Financial Year End	Exchange Rate as of March 31, 2019	Share Capital	Reserves	Total Assets L	Total In Liabilities	Total Investments* Turnover lities	Turn over	Profit/ (Loss) Before Taxation	Provision for Taxation	Profit/ (Loss) After Taxation	Proposed Dividend**	Capital Expenditure during the reporting period @	Community Contribution © ^	% of shareholding
-	Rharti ∆irtal (France) SAS	0100 B aduit	Francia	<u>a</u> 11	Ant'18 to Mar'10	March 31 2010	7763	-	ŭ	7890	0 1.05		2 201	333	F F F			59 29		1000
- 0	Bharti Airtel (Hong Kong) Limited		Hona Kona	UXH		March 31, 2019 March 31, 2019	8.81	44	141	495	311		576 576	200	31	169		0 0 1		100%
m	Bharti Airtel (Japan) Private Limited		Japan	γqr		March 31, 2019	0.62	0	IJ	28	23		25	(2)	0	(2)				100%
4	Bharti Airtel Services Limited	March 26, 2001	India	INR	Apr'18 to Mar'19 h	March 31, 2019	1.00	Ч	(283)	3,555	3,837		3,646	78	20	22		626	9	100%
ß	Bharti Airtel (UK) Limited	August 29, 2006	United Kinadom	GBP		March 31, 2019	90'06	30	801	4,862	4,031		30,663	307	09	247		209		100%
9	Bharti Airtel (USA) Limited	September 12, 2006	United States of America	USD	Apr'18 to Mar'19 N	March 31, 2019	69.16	0	866	1,387	522		1,546	136	(12)	151		147		100%
~	Bharti International (Singapore) Pte Ltd	March 18, 2010	Singapore	USD	Apr'18 to Mar'19	March 31, 2019	69.16	135,801 ((120,713)	42,526	27,438	26,497	8,411	(237)	119	(356)		391		100%
00	Bharti Airtel International (Mauritius) Limited	April 6, 2010	Mauritius	USD	Apr'18 to Mar'19	March 31, 2019	69.16	249,303 ((232,358)	16,958	13	,	571	568	17	551				1 00%
ŋ	Bharti Airtel Lanka (Private)	March 29, 2007	Sri Lanka	LKR	Apr'18 to Mar'19	March 31, 2019	0.39	23,117	(23,436)	6,774	7,093		4,436	(1,599)	23	(1,622)		1,477		1 00%
ç	Limited Bhouti Housson I imited	1000 01 JUN	cico			0100 10 Horold	00	0010		LO4 011	56.704	c	06106	(000 11)	(000)	(000 1)		00111	70	7001
- FC	bridi Texacorri Limited	March 4 2000	India				00. F	0000	0/T'CC	104°CTT		þ	00T100	(077'TT)	(4,000)	(077')		14,100	1 D	
11	Indo Teleports Limited Rharti Infratel Limited	November 30, 2006	India India			March 31,2019 March 31,2010	00 T	23U 18.496	(128 147	290 180 830	24196	108 307	C/2 717 89	(15) 36.651	, 1988 1986	(TC)	- 16 773	7500	- 775	100%
133	Smatrx Services Limited	September 21, 2015	India	N N		March 31, 2019	1.00	30	(21)	325	316	10007	200	(35)	(6)	(26)		72		53.51%
14	Bharti Telemedia Limited	June 5, 2007	India	INR		March 31, 2019	1.00	5,102	(16,596)	41,018	52,512		41,001	5,031	(8,467)	13,498		8,678	37	80%
15	Network i2i Limited	September 28, 2007	Mauritius	USD	Apr'18 to Mar'19 N	March 31, 2019	69.16	87,649	28,380	244,086	128,057	3,337	5,145	362	31	331		7,360		100%
16	Telesonic Networks Limited	February 5, 2013	India	INR		March 31, 2019	1.00	939	(175)	4,356	3,592		8,839	249	102	147		233	1	100%
17	Nxtra Data Limited	July 2, 2013	India	AN 1		March 31, 2019	1.00	06	378	15,655	15,187	4	8,506	789	316	473		3,656		100%
0 0	Wynk Limited	January 13, 2015	India			March 31, 2019	1.00		490	2,449	1,958		6,130	(93)	(33)	(09)		247		100%
19	Nettle Infrastructure Investments Limited (formerly known as Nettle Developers Limited)	March 14, 2017	India	NN NN	Apr'18 to Mar'19	March 31, 2019	1.00	-	(10,864)	129,118	139,982	475	1,266	10,979		10,979				100%
20	Bharti Airtel International (Mauritius) Investments Limited	March 26, 2018	Mauritius	USD	Apr'18 to Mar'19	March 31, 2019	69.16	г	(1)	Ч	1			(1)		(1)				100%
21	Bharti Digital Networks Private Limited (Formerly known as Tikona Digitel Networks Private	August 24, 2017	India	INR	Apr'18 to Mar'19	March 31, 2019	1.00	21	5,573	19,834	14,240			(373)		(373)		5,266		100%
22	Bharti Airtel Holding (Mauritius) Limited	June 27, 2018	Mauritius	USD	Apr'18to Mar'19 March 31, 2019	March 31, 2019	69.16	11,066	(1)	11,066	ı.			(1)		(1)			·	100%
23	Bharti Airtel Overseas (Mauritius)	June 28,2018	Mauritius	USD	Apr'18 to Mar'19 h	March 31, 2019	69.16	11,065	(1)	11,065		11,065		(1)		(1)				100%
50	Limited Airtal Africa Mauritiue Limited		Mauritiue			March 21 2010	6016	145 50	(1)	145 570	~			(1)		(1)				1000%
52	Bharti Airtel International (Netherlands) BV	March 19, 2010	Netherlands	OSD OSD		March 31, 2019		163,167		775,913	216,253		,	6,121	537	5,584			277	68.31%
26	Bharti Airtel Africa B.V.	June 8, 2010	Netherlands	USD	Apr'18 to Mar'19 N	March 31, 2019	69.16	39	105,467	413,799	308,294		,	2,730	(3)	2,733				68.31%
27 28	Bharti Airtel Chad Holdings B.V. Airtel Tchad S.A.	June 8, 2010 June 8, 2010	Netherlands Chad	USD XAF	Apr'18 to Mar'19 N Jan'18 to Dec'18	March 31, 2019 December 31, 2018	69.16 0.12	1 3,290	499 (8,327)	14,510 11,033	14,009 16,070	•	7,637	389 170	- (41)	389 211		- 1,247	' 0	68.31% 68.31%
29	Bharti Airtel Gabon Holdings B.V.	June 8, 2010	Netherlands	USD	Apr'18 to Mar'19 N	March 31, 2019	69.16	4	9,461	5,166	(4,297)		,	74	,	74				68.31%
30	Airtel Gabon S.A.	June 8, 2010	Gabon	XAF	Jan'18 to Dec'18	December 31, 2018	0.12	710	(5,344)	10,479	15,113	ı	9,506	2,005	1,395	610		488	(2)	66.91%
31	Bharti Airtel Congo Holdings B.V.	June 8, 2010	Netherlands	USD	Apr'18 to Mar'19 N	March 31, 2019	69.16	1	6,771	12,807	6,035		,	63	,	63	,			68.31%
32	Airtel Congo S.A.	June 8, 2010	Congo Brazzavile	XAF	Jan'18 to Dec'18	December 31, 2018	0.12	615	(9,789)	12,065	21,239		9,193	(278)	127	(405)		2,122	L	61.48%
88	Bharti Airtel RDC Holdings B.V.	June 8, 2010	Netherlands	USD	Apr'18 to Mar'19 March 31, 2019	March 31, 2019	69.16	Ч	(929)	60,276	61,204		•	(2,839)		(2,839)				68.31%

Bharti Airtel Limited Integrated Report and Annual Financial Statements 2018-19

e of the StudicidityDate on whith basicidityCuntry of ReportingReporting ReportingReporting ReportingArtel Mail Holdings EVJure 8. 2010Republic of CongoCongoApril 80 Marci 19Artel Mail Holdings EVJure 8. 2010ReprindsJure 8. 2010ReprindsJure 8. 2010Artel Kenna Holdings EVJure 8. 2010ReprindsJure 8. 2010ReprindsJure 8. 2010Artel Kenna Holdings EVJure 8. 2010ReprindsJure 8. 2010ReprindsJure 8. 2010Artel Kenna Holdings EVJure 8. 2010ReprindsJure 8. 2010ReprindsJure 8. 2010Artel Main Holdings EVJure 8. 2010ReprindsJure 8. 2010ReprindsJure 8. 2010Artel Main Holdings EVJure 8. 2010ReprindsJure 8. 2010ReprindsJure 8. 2010Artel Main Holdings EVJure 8. 2010ReprindsJure 8. 2010Jure 8. 2010Artel ManualJure 8. 2010NetherlandsUSDApril 80 Marci 19Artel Uganda Holdings EVJure 8. 2010NetherlandsJure 8. 2010Uganda LimledJure 8. 2010NetherlandsUSDApril 80 Marci 19Une R. 2010NetherlandsUSDApril 80 Marci 19Uganda LimledJure 8. 2010NetherlandsUSDApril 80 Marci 19Main Holdings EVJure 8. 2010NetherlandsUSDApril 80 Marci 19Une R. 2010NetherlandsUSDApril 80 Marci 19Une R. 2010NetherlandsUSDApril 80 Ma	Par	Part A - Subsidiaries																			(₹ in Million)
Interform Interform <t< th=""><th>s s</th><th>Name of the Subsidiary</th><th>Date on which subsidiary was acquired / incorporated</th><th>Country of Registration</th><th></th><th></th><th></th><th>Exchange Rate as of March 31, 2019</th><th></th><th>Reserves</th><th></th><th>Total Ir. iabilities</th><th>nvestments*</th><th>Turn over</th><th>Profit/ (Loss) Before Taxation</th><th>Provision for Taxation</th><th>Profit/ (Loss) After Taxation</th><th>Proposed Dividend**</th><th>Capital Expenditure during the reporting period @</th><th>Community Contribution © ^</th><th>% of shareholding</th></t<>	s s	Name of the Subsidiary	Date on which subsidiary was acquired / incorporated	Country of Registration				Exchange Rate as of March 31, 2019		Reserves		Total Ir. iabilities	nvestments*	Turn over	Profit/ (Loss) Before Taxation	Provision for Taxation	Profit/ (Loss) After Taxation	Proposed Dividend**	Capital Expenditure during the reporting period @	Community Contribution © ^	% of shareholding
memory controls memory con	34	Airtel Congo (RDC) S.A	June 8, 2010	Democratic Republic of	CDF		December 31, 2018	0.04	24	(56,710)	24,936	81,623		19,157	1,407	141	1,266		2,749	(3)	67.29%
Build indicationality is and 2000 werealised. US werealis werealised. US				Congo																	
Image: constraint of the constratent of the constraint of the constraint of the constraint of the	35	Bharti Airtel Mali Holdings B.V.	June 8, 2010	Netherlands	USD			69.16	1	190	686	495	,		(23)		(23)				68.31%
Imply the integral Imply t	36	Bharti Airtel Kenya Holdings B.V.	June 8, 2010	Netherlands	NSD			69.16	1	(2,978)	78,695	81,672	•		(143)	•	(143)			•	68.31%
Addit Numeric for year No. Section of year	37	Bharti Airtel Kenya B.V.	June 8, 2010	Netherlands	USD			69.16	2	(11,665)	67,806	79,470			(2,834)		(2,834)				68.31%
Burk Area (Member) Member (Member) OND Member (Member) Member (Member) <td>00 10</td> <td>Airtel Networks Kenya Limited #</td> <td>June 8, 2010</td> <td>Kenya</td> <td>KES</td> <td></td> <td>December 31, 2018</td> <td>0.69</td> <td>17,312</td> <td>(43,685)</td> <td>21,736</td> <td>48,110</td> <td></td> <td>14,066</td> <td>(2,156)</td> <td>(202)</td> <td>(1,954)</td> <td></td> <td>5,012</td> <td>IJ</td> <td>68.31%</td>	00 10	Airtel Networks Kenya Limited #	June 8, 2010	Kenya	KES		December 31, 2018	0.69	17,312	(43,685)	21,736	48,110		14,066	(2,156)	(202)	(1,954)		5,012	IJ	68.31%
Methodelicities Under 2010 Modelic Modelic Modelicities	68 8	Bharti Airtel Malawi Holdings B.V.	June 8, 2010	Netherlands	USD		2010 March 31, 2019	69.16	Ļ	1,911	2,458	546		,	1,534	153	1,381	,			68.31%
Bind with with with with with with with with	40	Airtel Malawi Limited	June 8, 2010	Malawi	MWK		December 31, 2018	0.09	0	1,731	7,842	6,111	11	9,834	3,267	1,201	2,066	,	1,910	2	68.31%
Conclusion Lune 2.010 Nort	41	Bharti Airtel Niger Holdings BV.	June 8. 2010	Netherlands	USD			69.16	1	14.077	14.078	0			1.734	180	1.554				68.31%
Hereined Entropic Entropic Diameted in the formation of the formatio	42	Celtel Niger S.A.	June 8, 2010	Niger	XOF			0.12	178	184	15,852	15,491		10,392	96	(59)	155	1	362	(6)	61.48%
Burk kirkle lighter kicklinger kirkle Unee, 2010 Vertre kirkle	43	Airtel Networks Zambia Plc	June 8, 2010	Zambia	ZMW		December 31, 2018	5.68	Q	(23)	12,777	12,844		11,999	1,310	941	369		3,596	(2)	65.82%
International method Internati	4.4	Constraint of some lifetime to the source of		a lease in each set A	0			00.10	Ŧ	(0 604)	010	10001			00000		0000				101000
Bind Nate Nationality Antennanie W June 8.000 Netherland USD Apr/18 June 3.010 Netherland USD Apr/18 June 3.010 Netherland June 3.010 Tage USD Apr/18 June 3.010 Netherland USD Apr/18 June 3.010 USD Apr/18 June 3.010 Munu 3.011 Munu 3.011 <td>410 4</td> <td>Airtel Uganda Limited</td> <td></td> <td>Uganda</td> <td>ngs</td> <td></td> <td>December 31, 2019 2018</td> <td>0.02</td> <td>т 26</td> <td>(0,024) 2,757</td> <td>35,635</td> <td>32,852</td> <td></td> <td>23,594</td> <td>3,045 8,045</td> <td>1,635</td> <td>6,410</td> <td></td> <td>3,839</td> <td>' 0</td> <td>00.31% 68.31%</td>	410 4	Airtel Uganda Limited		Uganda	ngs		December 31, 2019 2018	0.02	т 26	(0,024) 2,757	35,635	32,852		23,594	3,045 8,045	1,635	6,410		3,839	' 0	00.31% 68.31%
Main functioned building Unde 0.000 Turnel mode Turnel mod	46	Bharti Airtel Tanzania BV	June 8. 2010	Netherlands	USD			69.16	0	(3.591)	35.061	38.651			1.081		1.08.1				68.31%
Comment/information Comment/information Transmini Uninform TransminiU	47	"Airtel Tanzania Public Limited	June 8, 2010	Tanzania	TZS			0.03	1,226	(29,784)	13,956	42,513		14,982	(1,039)	64	(1,103)		668	1	40.99%
Martic Madegacer June 8, 2010 Netherlands Une 8, 2010 Netherlands Marrits <		Company (formerly known as Airtel Tanzania Limited)"					2018														
Terrent Sea Management Jure 8, 2010 Maurtius US Juri 810 bec18 Describe Describe Describe Describe Describe Describe Descripe Descripe <thdescripe< th=""> Descripe Desc</thdescripe<>	48	Bharti Airtel Madagascar Holdings BV	June 8, 2010	Netherlands	USD	Apr'18 to Mar'19		69.16	6	(2,517)	12,106	14,621			(1,025)		(1,025)				68.31%
Company (wautuus) Limited Maintitud Land Biolity (Maintitud) Company (Maintitud) Company (Maintitud) Company (Maintitud) Derivative (Maintitud) June 8, 2010 Maintitud US Jan'1810 Dec/18 Deember 31, 0 6916 C (2) 5730 15/750 5731 (1) Minitative (Maintitud) June 8, 2010 Mauritus US Jan'1810 Dec/18 Deember 31, 0 6916 (1) 7522 14,968 (1) (1) Antren Madagaser SA June 8, 2010 Mauritus USD An'1810 Dec/18 Deember 31, 0 002 57 (7)503 7,522 14,968 (2) (1) (2)	49	Channel Sea Management	June 8, 2010	Mauritius	USD		December 31,	69.16	1	34	7	(33)			(1)		(1)				68.31%
		Company (Mauritus) Limited		:					,	Ĩ											
	20	Bharti Airtel Rwanda Holdings Limited	June 8, 2010	Mauritius	nsp		December 31, 2018	69.16	0	(23)	15,730	15,750			(219)		(219)				68.31%
Artel Madagasear S.A. June 8, 2010 Madagasear Mad Jaril 8 to Decrital December 31, 2013 0.02 57 (7,503) 7,522 14,968 · 3.114 (15,44) (12,44) Brarti Arter Nageria Holdings IIR. June 8,2010 Netherlands USD April 8 (march 31,2019 6916 1 (115) 15.563 15.5,66 · · (210) Brarti Arter Nageria Holdings IIR. June 8,2010 Netherlands USD April 8 (march 31,2019 6916 1 (37,796) 96,826 15.4,621 · · (31) Artel Networks Limited June 8,2010 Netherlands USD April 8 (march 31,2019 6916 1 (37,796) 96,826 15.4,621 · · (31) · · (31) · · (31) · · (31) · · (31) · · · · · · · · · · · · · · · · <	51	Montana International	June 8, 2010	Mauritius	OSD		December 31, 2018	69.16	0	(14)	co.	17			(1)		(1)	I.			68.31%
Brarti Arrel Ngeria Hodingsil BV. June 8.2010NetherlandsUSDAprils to March 31.2019Banch 31.2019Bald1 (115) 152.8065570Brarti Arrel Ngeria BV.June 8.2010NetherlandsUsDAprils to March 31.2019Bald1 (7796) 96.826154.62127777Brarti Arrel Ngeria BV.June 8.2010NetherlandsUsDAprils to March 31.2019Bald1 (7779) 96.826154.6212777777777777777777333<	52	Airtel Madagascar S.A.	June 8, 2010	Madagascar	MGA		December 31, 2018	0.02	22	(7,503)	7,522	14,968	ı	3,114	(1,544)	(236)	(1,308)		1,300	2	68.31%
Brati Artel Ngeria BV. Une 8.2010 Netherlands USD Apr/18 to March 3.1.2019 6916 1 (37,796) 96.826 15.4,621 · <t< td=""><td>23</td><td>Bharti Airtel Nigeria Holdings II BN.</td><td></td><td>Netherlands</td><td>USD</td><td></td><td></td><td>69.16</td><td>1</td><td>(115)</td><td>152,693</td><td>152,806</td><td></td><td></td><td>0</td><td></td><td>0</td><td></td><td></td><td></td><td>68.31%</td></t<>	23	Bharti Airtel Nigeria Holdings II BN.		Netherlands	USD			69.16	1	(115)	152,693	152,806			0		0				68.31%
Bharti Airtel Services B/L Une 8, 2010 Netherlands USN Apr/18 to Marci 31, 2019 69.16 1 (520) 4 523 5 (49) Airtel Networks Limited June 8, 2010 Nigaria NGN Jan'18 to Decil 8 December 31, 019 39 4,561 73,274 68,654 - 76,591 12,600 (9)2 Airtel Networks Limited June 8, 2010 Netherlands USD Apr/18 to Marci 8 0.91 0 37,327 68,654 - 76,591 12,600 (9)2 Airtel Mobile Commerce Limited June 8, 2010 Netherlands UN Jan'18 to Decil 8 December 31, 009 0 - 751 751 12,600 1 - 76,90 12,600 1 Airtel Mobile Commerce Limited June 8, 2010 Kenya KES Jan'18 to Decil 8 December 31, 009 0 - 751 751 751 - - - - - - - - - - - - -	54	Bharti Airtel Nigeria B.V.	June 8, 2010	Netherlands	USD			69.16	1	(57,796)	96,826	154,621		,	(7,217)		(7,217)		,		68.31%
Airtel Networks Limited Une 8, 2010 Nigeria NGN Jan'18 to Dec18 December 31, 0.19 39 4,581 7.3.74 68,654 - 7.5,591 12,600 (9.2) Brati Airtel Zambia Holings EV. June 8, 2010 Netherlands Use 8,2010 Netherlands US Apr18 to Mari March 31,2019 69.16 1 37,235 37,237 0 - 34.30 1 Airtel Mobile Commerce Limited June 8,2010 Malwi Jan'18 to Dec18 December 31, 0.09 0 - 751 71 71 213 1 Airtel Mobile Commerce Limited June 8,2010 Kenya KES Jan'18 to Dec18 December 31, 0.69 0 - 751 751 75 -<	55	Bharti Airtel Services B.V.	June 8, 2010	Netherlands	USD			69.16	1	(520)	4	523	•		(49)		(49)				68.31%
Brarti Airel Zambla Holdings IV. Une 6, 2010 Netherlands USD Apr/18 to March 3, 2019 B = 1 37, 235 37, 235 37, 237 0 ·<	20	Airtel Networks Limited	June 8, 2010	Nigeria	NGN		December 31, 2018	0.19	30	4,581	73,274	68,654		76,591	12,600	(9,223)	21,823	ı.	15,060	29	62.69%
Artel Mobile Commerce Limited June 8.2010 Malavi M/K Jan'18 to Dec'18 December 31, 0.09 0.0 ·	22	Bharti Airtel Zambia Holdings B.V.		Netherlands	USD			69.16	1	37,235	37,237	0			3,430	178	3,252				68.31%
Artel Mobile Commerce (Kenva) Unne 8.2010 Kenva KES Jan'18 to Dec18 December 31, 0.69 0 751 751 151 . . 151 . . . 151 . <th.< th=""> . <th.< <="" td=""><td>20</td><td>Airtel Mobile Commerce Limited</td><td>June 8, 2010</td><td>Malawi</td><td>MWK</td><td></td><td>December 31, 2018</td><td>0.0</td><td>0</td><td></td><td>850</td><td>850</td><td>ı</td><td></td><td></td><td></td><td></td><td></td><td>11</td><td></td><td>68.31%</td></th.<></th.<>	20	Airtel Mobile Commerce Limited	June 8, 2010	Malawi	MWK		December 31, 2018	0.0	0		850	850	ı						11		68.31%
Celtel (Mauritus) Holdings June 8, 2010 Mauritus USD Jan'18 to Dec/18 December 31, bit 69.16 1 2.773 8.006 5.232 - 151 Limited 2018 2018 2018 2018 2018 2018 2018 2016 2016 2016 2016 2016 2016 2016 2016 2016 2016 2016 2016 2016 2016 2016 2016 2016 2016 2012 2016 2016 2012 2016 2016 2016 2016 2016 2016 2016 2016 2016 2016 2016 2016 2016 2010 2018 2010 2018 2010 2018 2010 2018 2010 2018 2010 2018 2010 2018 2010 2018 2010 2018 2010 2018 2010 2010 2010 2010 2010 2010 2010 2010 2010 2010 2010 2010 2010	23	Airtel Mobile Commerce (Kenya) Limited	June 8, 2010	Kenya	KES		December 31, 2018	0.69	0		751	751						,	,	,	68.31%
Artel Mobile Commerce Zambia June 8, 2010 Zambia ZMW Jan'18 to Dec/18 December 31, 5.68 11 (127) 2.045 2.161 . 1.100 342 Limited Zambia ZMM Jan'18 to Dec/18 December 31, 0.12 0. 68 68 . <td>09</td> <td>Celtel (Mauritius) Holdings Limited</td> <td>June 8, 2010</td> <td>Mauritius</td> <td>USD</td> <td></td> <td>December 31, 2018</td> <td>69.16</td> <td>Ч</td> <td>2,773</td> <td>8,006</td> <td>5,232</td> <td></td> <td></td> <td>151</td> <td>(0)</td> <td>152</td> <td></td> <td></td> <td></td> <td>68.31%</td>	09	Celtel (Mauritius) Holdings Limited	June 8, 2010	Mauritius	USD		December 31, 2018	69.16	Ч	2,773	8,006	5,232			151	(0)	152				68.31%
Limited Artel Mobile Commerce Tchad June 8, 2010 Chad XAF Jan'18 to Dec18 December 31, 0.12 0 - 68 Sart	61	Airtel Mobile Commerce Zambia	June 8, 2010	Zambia	ZMW		December 31,	5.68	11	(127)	2,045	2,161		1,100	342	11	331		10		68.31%
	62	Limited Airtel Mobile Commerce Tchad	June 8, 2010	Chad	XAF		ZUIS December 31,	0.12	0		68	0									68.31%
		S.a.r.l.																			

S. No.																				(₹ in Million)
	Name of the Subsidiary	Date on which subsidiary was acquired / incorporated	Country of Registration	Reporting Currency	a Reporting Period	Financial Year End	Exchange Rate as of March 31, 2019	Share Capital	Reserves	Total Assets L	Total Ir Liabilities	Total Investments ⁴ Turnover littes	Turn over	Profit/ (Loss) Before Taxation	Provision for Taxation	Profit/ (Loss) After Taxation	Proposed Dividend**	Capital Expenditure during the reporting period @	Community Contribution @ ^	% of shareholding
64 Airtel	Airtel Money S.A. (Gabon)	October 26, 2010	Gabon	XAF	Jan'18 to Dec'18	December 31,	0.12	7	658	2,521	1,862		2,251	1,018	461	557		0		68.31%
65 Malav	Malawi Towers Limited	December 15, 2010	Malawi	MWK	Jan'18 to Dec'18		0.09	1	(1,931)	1,377	3,307		128	(648)		(648)		13	,	68.31%
66 Airtel	Airtel Money Niger S.A.	June 8, 2010	Niger	XOF	Jan'18 to Dec'18		0.12	155	(96)	421	362		231	157	8	119			,	61.48%
67 Socié	Société Malgache de Téléphone	June 8, 2010	Mauritius	USD	Jan'18 to Dec'18		69.16	т	151	173	18			(1)		(1)			,	68.31%
Cellul 68 Airtel BV	Commerce Holdings	June 8, 2010	Netherlands	OSD	Apr'18 to Mar'19		69.16	61	(0)	(1)	(2)									68.31%
69 Indiar	Indian Ocean Telecom Limited	October 19, 2010	Jersey	USD	Jan'18 to Dec'18	December 31, 2018	69.16	173	1,332	1,506	(487)			498		498			,	68.31%
70 Airtel	Airtel (Seychelles) Limited	August 27, 2010	Seychelles	SOR	Jan'18 to Dec'18		5.06	182	252	2,287	1,852	166	1,691	433	241	192		683	0	68.31%
71 Airtel (Tanz	Airtel Mobile Commerce (Tanzania) Limited	November 11, 2010	Tanzania	SZT	Jan'18 to Dec'18		0.03	0		3,516	3,516							113		68.31%
72 Airtel M Limited	nerce Uganda	October 7, 2010	Uganda	NGS	Jan'18 to Dec'18		0.02	0		4,069	4,069	,						325		68.31%
73 Africa	Africa Towers N.V.	October 5, 2010	Netherlands	USD	Apr'18 to Mar'19		69.16	4	(223)	1,513	2,062			(78)		(78)				68.31%
74 Mada	Madagascar Towers S.A.	March 15,2011	Madagascar	MGA	Jan'18 to Dec'18	December 31, 2018	0.02	0	925	1,598	673	,	1,376	618	(22)	673		117	,	68.31%
75 Mobil	Mabile Commerce Congo S.A.	June 8, 2010	Congo Brazzavile	XAF	Jan'18 to Dec'18	December 31, 2018	0.12	1	,	214	212	,	,	,						68.31%
76 Tanza	Tanzania Towers Limited	March 15, 2011	Tanzania	TZS	Jan'18 to Dec'18	December 31, 2018	0.03	0	(34)		34	ı	0	(2)		(2)				40.99%
77 Airtel	Airtel Money (RDC) S.A.	June 8, 2010	Democratic Republic of Congo	CDF	Jan'18 to Dec'18	December 31, 2018	0.04	173	433	2,556	1,950		1,594	470	45	425	,			67.34%
78 Cong	Congo RDC Towers S.A.	April 5, 2011	Democratic Republic of Congo	CDF	Jan'18 to Dec'18	December 31, 2018	0.04	2	(601)	430	1,024			(30)	27	(57)				68.31%
79 Gabo	Gabon Towers S.A. ##	May 17, 2011	Gabon	XAF	Jan'18 to Dec'18	December 31, 2018	0.12	1	(2)	0	7			0	0	0				66.91%
80 Airtel Mada	Airtel Mobile Commerce Madagascar S.A.	April 5, 2011	Madagascar	MGA	Jan'18 to Dec'18	December 31, 2018	0.02	10	42	804	752		483	26	4	22		Q		68.31%
81 Airtel	Airtel Rwanda Limited	September 2, 2011	Rwanda	RWF	Jan'18 to Dec'18	December 31, 2018	0.08	00	(15, 511)	9,923	25,427		3,838	(3,113)	34	(3,147)		1,698	0	68.31%
82 Airtel	Airtel Africa Limited	July 12, 2018	United Kingdom	USD	Apr'18 to Mar'19	March 31, 2019	69.16	213,118	23,489	246,036	9,429			213	40	173		00		68.31%
83 Airtel M	lobile Commerce Rwanda	February 22, 2013	Rwanda	RWF	Jan'18 to Dec'18	December 31, 2018	0.08	-		507	506									68.31%
84 Airtel (Sevo	Airtel Mobile Commerce (Sevchelles) Limited	August 9, 2013	Seychelles	SCR	Jan'18 to Dec'18		5.06	IJ	(38)	Ø	80		0	(3)	(1)	(2)		0	,	68.31%
85 Airtel	Airtel Money Tanzania Limited	June 10, 2016	Tanzania	SZL	Jan'18 to Dec'18		0.03	0	(1)		-			0		0)				40.99%
86 Airtel B.V.	Airtel Mobile Commerce Nigeria B.V.	December 5, 2018	Netherlands	NSD	Apr'18 to Mar'19		69.16	0		962	961									68.31%
87 Airtel M Limited	lobile Commerce Nigeria	August 31, 2017	Nigeria	NGN	Jan'18 to Dec'18	December 31, 2018	0.19													62.69%
88 Airtel (Sevc	Airtel Mobile Commerce (Sevchelles) B.V.	January 29, 2019	Netherlands	USD	Apr'18 to Mar'19 March 31	March 31, 2019	69.16	0		0										68.31%
89 Airtel	mmerce Condo																			

Bharti Airtel Limited Integrated Report and Annual Financial Statements 2018-19

ct 2013 (₹ in Million)	% of shareholding	68.31%	68.31%	68.31%	68.31%	68.31%	68.31%	68.31%	68.31%
and joint ventures for the year ended March 31, 2019, pursuant to Section 129 (3) of the Companies Act 2013	Community Contribution si @ ^	•							
of the Co	Capital Expenditure during the reporting period @								
129 (3)	Proposed Dividend**								
ection	Profit/ (Loss) After Taxation								
ant to S	Provision for Taxation								
pursua	r Profit/ (Loss) Before Taxation		•				•	•	•
l, 2019,	s* Turnover								
larch 31	Total Investments* Turnover liities								
nded M	Total Liabilities								
e year e	Total Assets	0	0	0	0	0	0	0	14
s for the	Reserves								
enture	f Capital	0	0	0	0	0	0	0	14
l joint v	Exchange Rate as of March 31, 2019	69.16	69.16	69.16	69.16	69.16	69.16	69.16	0.69
ociates and	Financial Year End	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	December 31, 2018
aries, asso	Reporting Reporting Currency Period	Apr'18 to Mar'19 March 31,	Apr'18 to Mar'19 March 31	Apr'18 to Mar'19 March 31	Apr'18 to Mar'19 March 31	Apr'18 to Mar'19 March 31	Apr'18 to Mar'19 March 31	Apr'18 to Mar'19 March 31	Jan'18 to Dec'18 December 31, 2018
subsidi	Reporting Currency	USD	NSD	NSD	NSD	NSD	NSD	NSD	KES
ement of	Country of Registration	Netherlands	Netherlands	Netherlands	Netherlands	Netherlands	Netherlands	Netherlands	Kenya
inancial stat	Date on which subsidiary was acquired / incorporated	January 29, 2019	January 29, 2019	January 29, 2019	January 29, 2019	January 29, 2019	January 29, 2019	January 29, 2019	July 20, 2015
Salient features of the financial statement of subsidiaries, associates Part A - Subsidiaries	Name of the Subsidiary	Airtel Mobile Commerce Kenya B.V.	Airtel Mobile Commerce Madagascar B.V.	Airtel Mobile Commerce Malawi January 29, 2019 B.V.	Airtel Mobile Commerce Rwanda January 29, 2019 B.V.	Airtel Mobile Commerce Tchad B.V.	Airtel Mobile Commerce Uganda January 29, 2019 B.V.	Airtel Mobile Commerce Zambia B.V.	Airtel Money Transfer Limited
Salié Part	s s	90 F	91	92 <i>I</i>	93 E	94 E	95 E	96 A	97 /

Notes:

The above financial information is basis audited / unaudited financial statements / financial information considered for the purpose of consolidated audited ind AS financial statements.
 The figures which are appearing as '0' are result of rounding off.
 All particulars has been converted using closing exchange rate except in case of capital expenditure quarterly average rate has been considered for conversion offoreign subsidiaries amount.

4. During the period effective shareholding of Airtel Africa Limited (AAL) has been changed to 68.31%, due to which effective shareholding of entities owned be AAL directly vill undergo change vis-àvis the 96 presented in the above table.

ⁿ Financial information has been extracted from the submission considered for the purpose of consolidated audited Ind AS financial state

Share capital includes preference share capital. ## The subsidiary is under liquidation as at March 31, 2019. * Investments exclude investments in subsidiaries.

** Proposed dividend includes dividend distribution tax.

@ Voluntary disclosure.

Other details:

- Subsidiaries yet to commence operations: <u>_</u>:
- Partnership Investments Sprl
- Bharti Airtel Developers Forum Limited
 - Airtel International LLP
- Subsidiaries have been liquidated during the year:

=

- Africa Tower services Limited -
 - Bharti Airtel Burkina Faso Holdings B.V. 2
- Subsidiaries have became associate during the year: ≓
- Airtel Payment Bank Limited -

Salient features of the financial statement of subsidiaries, associates and joint ventures for the year ended March 31, 2019, pursuant to Section 129 (3) of the Companies Act 2013 Part B - Associates and Joint Ventures

v		Associate / Joint	Balance Sheet date	the company	the company as of March 31, 2019	, 2019	of how there	attributable to	Pront / (1055) for the year ended March 31, 2019	ioss) ior the year ended March 31, 2019
		Venture was associated or acquired		Number of shares	Amount of Investment in Associate / Joint Venture	Extent of holding %	is significant influence / joint control	shareholders as per latest audited Balance Sheet	Considered in consolidation	Not Considered in consolidation
	Associates									
\leftarrow	Robi Axiata Limited	November 16, 2016	December 31, 2018	1,178,535,001	23,886	25%	By virtue of	12,669	1,193	
2	Seynse Technologies Private Limited	February 21, 2017	March 31, 2018	6,824	205	22.54%	shareholding	56	(16)	
m	Seychelles Cable Systems Company Limited	June 8, 2010	June 30, 2018	260	230	17.76%	1	194	(2)	
4	Airtel Payments Bank Limited	October 25, 2018	March 31, 2019	805,025,128	10,283	80.10%	By virtue of	1,548	(1,235)	
ß	Juggernaut Books Private Limited	November 26, 2017	March 31, 2018	2,089,885	108	19.35%	shareholder	16	(10)	
							agreement			
	Joint Ventures									
-	Bridge Mobile Pte Limited	November 3, 2004	March 31, 2018	800,000	66	10%		58	4	
2	Indus Towers Limited *	December 7, 2007	March 31, 2019	500,504	52,482	22.47%		27,330	8,879	
m	FireFly Networks Limited	February 4, 2014	March 31, 2018	1,000,000	с С	50%		2	0	
4	Bharti Airtel Ghana Holdings B.V.#	October 12, 2017	March 31, 2017	18,000		50%	By virtue of	"A#		
D	Airtel Mobile Commerce (Ghana) Limited #	October 12, 2017	December 31, 2016	2,497,500		49.95%	shareholding	"A#		
9	Mobile Financial Services Limited #	October 12, 2017	December 31, 2016	2,500,000	1,676^	50%		"A#	(5,253)^	
7	Airtel Ghana Limited *	October 12, 2017	December 31, 2016	440,709,862		49.95%		"A#		
00	Millicom Ghana Company Limited #	October 12, 2017	December 31, 2016	249,750		49.95%		"A#		

Amount of investment in joint venture / associate is based on the carrying value of investments in the consolidated financial statements of Bharti Airtel Limited.

^Amount considered for Ghana entities are consolidated number.

Notes :

Bharti Airtel Limited

Integrated Report and Annual Financial Statements 2018-19

Circle Offices

Andhra Pradesh

1-8-437, 438 & 445, Splendid Towers Opp begumpet Police Station, Huda Road, Begumpet, Hyderabad - 500016, Telangana

Delhi NCR

Plot No. 16, NH-8 Udyog Vihar, Phase-IV, Gurgaon - 122015, Haryana

Karnataka

Divyasree Towers, No.55, Bannerghatta Main Road, Opp Jayadeva Hospital, Bangalore - 560029, Karnataka

Maharashtra & Goa

Vega Centre, A - Building, 2nd Floor, Shankarsheth Road, Next to Income tax office Swargate, Pune - 411037, Maharashtra

Uttar Pradesh & Uttaranchal

TCG - 7/7 Vibhuti Khand, Gomti Nagar, Lucknow - 226010, Uttar Pradesh

Assam & North East States

Bharti House, Six Mile, Khanapara, Srimanta Sankardev Path, Guwahati - 781022, Assam

Gujarat

2nd Floor, Zodiac Square, Opp. Gurudwara, S. G. Highway, Ahmedabad - 380054 Gujarat

Kerala & Tamil Nadu

Bharti Airtel Ltd. No-42/147 & 44/146, Santhome high road & Rosary Church Road, Mylapore- 600 004

Mumbai

6th & 7th Floor, Interface Building No. 7, Mindspace, Malad Link Road, Malad (W), Mumbai - 400064, Maharashtra

West Bengal & Odisha

1st, 5th, 6th & 7th Floor, Infinity Building, Salt Lake Electronics Complex, Block GP, Sector V, Kolkata - 700091 West Bengal

Bihar & Jharkhand

Airtel Campus, Plot no 18, Patliputra Industrial Area, Patna - 800013, Bihar

Haryana, Punjab, Himachal and J&K

Plot No. 21, Rajiv Gandhi Technology Park, Chandigarh - 160101

Madhya Pradesh & Chhattisgarh

Bharti Airtel Limited 3rd & 4th Floor, Scheme no -54, A. B. Road, Metro Tower, Near Vijay Nagar Square, Indore – 452010 (M.P.)

Rajasthan

K-21, Sunny House, Malviya Marg, C-Scheme, Jaipur - 302001, Rajasthan



Registered & Corporate Office

Bharti Airtel Limited

Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070, India. CIN No.: L74899DL1995PLC070609 Telephone No.: +91 11 46666100 Fax No.: +91 11 46666137 Email: compliance.officer@bharti.in Website: www.airtel.com



#airtelThanks



The Future of **Digital Experiences**

Board of **Directors**



Mr. Sunil Bharti Mittal Chairman



Ms. Chua Sock Koong Non-Executive Director



Mr. Craig Edward Ehrlich Independent Director



Mr. D. K. Mittal Independent Director





Mr. Gopal Vittal MD & CEO (India & South Asia)



Ms. Kimsuka Narasimhan Independent Director



Mr. Manish Kejriwal Independent Director



Mr. Rakesh Bharti Mittal Non-Executive Director





Mr. Shishir Priyadarshi Independent Director



Ms. Tan Yong Choo Non-Executive Director

Ā



Mr. V. K. Viswanathan Independent Director

Chairman	Member	Committees
		Audit Committee
		Risk Management Committee
		HR & Nomination Committee
		Stakeholders' Relationship Committee
		CSR Committee
		Committee of Directors

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Corporate Information

Board of Directors

Mr. Sunil Bharti Mittal, Chairman Ms. Chua Sock Koong Mr. Craig Edward Ehrlich Mr. Dinesh Kumar Mittal Mr. Gopal Vittal, Managing Director & CEO (India & South Asia) Ms. Kimsuka Narasimhan Mr. Manish Kejriwal Mr. Rakesh Bharti Mittal Mr. Shishir Priyadarshi Ms. Tan Yong Choo Mr. V. K. Viswanathan

CEO (Africa)

Airtel Africa Plc

Mr. Raghunath Mandava

Chief Financial Officer

Mr. Badal Bagri

Company Secretary

Mr. Pankaj Tewari

Statutory Auditors

Deloitte Haskins & Sells LLP Chartered Accountants

Internal Assurance Partners

Ernst & Young LLP ANB & Co., Chartered Accountants

Cost Auditors

Sanjay Gupta & Associates Cost Accountants

Secretarial Auditors

Chandrasekaran Associates Company Secretaries

Registered & Corporate Office

Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase – II, New Delhi – 110 070, India CIN: L74899DL1995PLC070609

Website

http://www.airtel.com

Performance Highlights

	Financial Year Ended March 31					
	Units	IFRS		Ind	AS**	
		2015	2016	2017	2018	2019
Operating Highlights						
Total Customer Base	000's	324,368	357,428	372,354	413,822	403,645
Mobile Services	000's	310,884	342,040	355,673	395,722	384,078
Homes Services*	000's	1,679	1,949	2,129	2,172	2,270
Digital TV Services	000's	10,073	11,725	12,815	14,168	15,392
Airtel Business*	000's	1,732	1,714	1,736	1,760	1,904
Consolidated Financials (₹ Mn)						
Total revenues	₹Mn	920,394	965,321	942,506	826,388	807,802
EBITDA (before exceptional items)	₹Mn	314,517	341,682	356,208	304,479	262,937
Cash Profit from Operations before derivative and exchange fluctuation (before exceptional items)	₹Mn	285,280	289,083	283,668	227,169	167,777
Earnings Before Tax	₹Mn	107,130	128,463	77,232	32,669	(17,318)
Net Profit	₹Mn	51,835	60,767	37,997	10,990	4,095
Consolidated Financials (₹ Mn)						
Shareholder's Equity	₹Mn	619,564	667,693	674,563	695,344	714,222
Net Debt	₹Mn	668,417	835,106	913,999	952,285	1,082,346
Capital Employed	₹Mn	1,287,981	1,502,799	1,588,562	1,647,629	1,796,568
Key Ratios						
Capex Productivity	%	77.40	69.89	64.51	49.26	40.65
Opex Productivity	%	43.63	42.75	40.62	42.16	46.30
EBITDA Margin	%	34.17	35.40	37.79	36.84	32.55
EBIT Margin	%	17.23	17.22	16.63	13.41	5.90
Return on Shareholder's Equity	%	8.52	9.44	5.66	1.60	0.58
Return on Capital employed	%	8.05	8.32	6.45	4.64	5.06
Net Debt to EBITDA	Times	2.08	2.46	2.73	3.19	4.32
Interest Coverage ratio	Times	8.43	7.06	5.20	4.37	2.84
Book Value Per Equity Share	₹	154.99	167.03	168.8	174.0	178.7
Net Debt to Shareholders' Equity	Times	1.08	1.25	1.35	1.37	1.52
Earnings Per Share (Basic)	₹	12.97	15.21	9.51	2.75	1.02

Note:

* Effective FY 2016-17, the Company has realigned the reporting of its corporate fixed line voice and fixed line data business with Airtel Business and accordingly Telemedia Services renamed to Homes Services. Hence, the customer base of 'Broadband and Telephone Services' is now represented as 'Homes' and 'Airtel Business'.

** With effect from April 01, 2016, the Company has applied Ind AS for the preparation of its financial statements. The transition is carried out from accounting principles generally accepted in India with the transition date being April 01, 2015.

All figures are based on Consolidated Financial Statements. Previous year(s) figures are restated / reclassified, wherever necessary.

Message from the Chairman



"#airtelThanks turned out to be an extremely successful initiative in this regard helping us deliver greater value to customers in terms of content and services."

Dear Shareholders,

Indian mobile market firmly consolidated into a

3+1

industry structure

Africa continued its upward trend and robust revenue growth and profitability to register a healthy year

Overall, the initiatives are today benefiting over

250,000

students in India's far flung villages

Global economic growth moderated during the year in the midst of several developments like the US-China trade confrontation and the overhang of uncertainty around Brexit in Europe. While US remained an exception exhibiting sustained momentum, China continued to slowdown. India - our primary market, with initial implementation challenges of its historic federal tax reform of GST recovered well during the year registering over 7% GDP expansion. Our African markets witnessed healthy recovery in GDP growth led by a rebound in the Nigerian economy. Overall, the Company experienced moderate economic condition in both the geographies.

Global industry evolution gained rapid traction during the year as 4G networks expanded at great pace and the emerging markets moved forward towards high speed mobile broadband for all. Exponential growth in smartphone penetration and low tariff sharply accelerated growth in data consumption. We witnessed significant changes in usage behavior in different markets. Massive surge in video consumption continued to be the mainstay of galloping data usage. While per capita data consumption nearly doubled in India, usage expanded by over 40% in Africa.

We witnessed varying business dynamics during the year in the two regions - India and Africa - given different market conditions. While the Indian mobile market firmly consolidated into a 3+1 industry structure, revenues for the sector did not see any uptick during the year and continued to witness an ultra-low tariff regime. High overall industry debt continues to be a major concern. Africa on the contrary, continued its upward trend and robust revenue growth and profitability to register a healthy year.

In India, amidst conspicuous pricing pressure, we did well to retain our market share by focusing on 'revenue paying customers' and orienting ourselves towards mid to high end of the market. The introduction of the minimum commitment plans helped us register significant recovery in ARPU towards the end of the year. In the face of rapidly changing customer needs and consumption, we remained focused on digital innovations to remain the network of choice. #airtelThanks has been an extremely successful initiative helping us deliver greater value to customers in terms of content and services. We believe content partnerships will play a major role in customer acquisition and retention in the coming days and the industry will increasingly gravitate towards collaborating with producers of content.

Airtel Africa had a robust year on all parameters. With the addition of 10 million new customers, the count reached 99 million. Total revenues witnessed strong growth aided by significant expansion in data revenue (31%) and Airtel Money (60%). EBITDA margin expanded by 4% underlining the efficacy of our efforts in operational efficiency. Exponential increase in 3G and 4G sites in different markets further strengthened our network coverage and guality. We now have 4G presence in 11 out of the 14 markets. Robust growth in Airtel Money infrastructure and coverage during the year augurs well for this rapidly growing revenue stream.

We believe, the momentum in 4G is going to continue for a few more years across different markets. Emerging markets like India and Africa today are some distance away from launch of 5G networks. But rapid strides of new technologies like AR, VR, IOT and AI and sharply proliferating data usage in customer lives, no matter what development level they are in, can trigger an accelerated transition across markets. As a Company, we have always believed in staying ahead of the curve as far as adopting new technology is concerned. With our reinforced balance sheet we are ready to take the lead subject to enabling regulatory environment, a complementary technology ecosystem- network and device, and overall market dynamics.

During the year, Airtel completed the acquisition of Telenor (India) following all regulatory and statutory approvals. We also completed the merger of the Consumer Mobile Businesses of Tata Teleservices (Maharashtra) and Tata Teleservices with Bharti Airtel and Bharti Hexacom. Bharti Infratel and Indus Towers and their respective shareholders and creditors entered into the final phase of scheme of amalgamation and arrangement to create a pan India Tower Co, the largest tower company in the world outside China. We also entered into an agreement to merge Airtel Kenya with Telekom, subject to regulatory approvals.

The year witnessed multiple rounds of successful fund raising through equity infusion by both Bharti Airtel Limited (Airtel) and Airtel Africa plc (Airtel Africa). While Airtel successfully completed its first ever and amongst the largest Rights Issue in the Country to raise ₹ 249.4 billion, Airtel Africa completed its Initial Public Offer (IPO) on the London Stock Exchange in the premium listing segment at an offer price of 80 pence/share to raise \$ 750 million at an overall equity valuation of US\$ 3.9 billion, with a secondary listing on the Nigerian Stock Exchange. Earlier during the year, seven leading global investors comprising Warburg Pincus, Temasek, Singtel, SoftBank Group International, Qatar Investment Authority and others had invested \$1.45 billion in Airtel Africa through primary equity issuance.

Ben Verwaayen, completed his tenure on the Board during the year,

we thank him for his service to the Company and also welcome Kimsuka Narasimhan who has joined the Board as an Additional Independent Director. Airtel Africa Board was constituted during the year having a great mix of competence and experience.

The Group philanthropic arm Bharti Foundation extended the reach of its school education programmes to newer regions. Overall, the initiatives are today benefiting over 2,50,000 students in India's far flung villages, and being widely acclaimed as one of the largest privately run initiatives in school education in India. The Satva Bharti Abhiyan, our rural sanitation initiative, operational in the State of Punjab has a total beneficiary count of over 1,75,000 today. Airtel Africa's CSR initiatives are oriented towards local priorities in the countries we operate in. Our initiatives in Africa are largely driven by our belief that our interventions in the areas of spreading digital awareness among youth and children, healthcare, youth empowerment can result in meaningful development and welfare in these countries.

The world is moving towards a digital future where telecommunication will play a pivotal role. As countries move further on their digital path, telecom companies will come across numerous opportunities to contribute towards enabling this journey. As a Company, we will continue to approach every opportunity with speed and proactive care for our customers, and ensure they continue to be at the heart of everything we do.

inH

Sunil Bharti Mittal

Message from Managing Director & CEO

(India & South Asia)



Dear Shareholders,

The Financial Year 2018-19 was another eventful year for the telecom industry. In addition to the unprecedented consolidation, we saw a major shift in consumer behavior. The role of telecom companies is no longer restricted to just providing the "pipe" and the right price plan. It is now about creating an ecosystem of digital services (music, content, payments and much more) and leveraging data, network, and distribution assets to deliver these services. Airtel has been at the forefront of this industry transformation from both lenses - digital innovation as well as strengthening our core connectivity proposition.

As part of digital innovation - we launched '#airtelThanks', a first of its kind rewards program for our premium customers. It offers a host of exclusive benefits such as premium content, handset protection, gift cards etc. This program has been at the heart of our upgrade strategy and has been powered by our partnerships with leading brands across the globe. We further strengthened our own digital assets - 'Airtel TV' & 'Wynk Music' and launched 'Airtel Books' with more than 70,000 e-books from leading publications. All of these programs are backed by a 360 degree view of our customers - enabled by our Innovation Lab (X Labs), which dedicatedly focuses on nextgen technologies and harnesses power of our data.

In parallel, we continue to strengthen our core connectivity offering with differentiated focus on 4G. More than 15,000 new towers and 120,000 mobile broadband base-stations were deployed last year to expand our 4G footprint and fulfill capacity requirements. Airtel has been recognized as the fastest network by independent global agencies for 3 quarters in a row. Further, to improve indoor coverage, we are re-farming 900 band for LTE across 10 circles. We have also launched our VoLTE services across India, to help enhance voice quality.

As we look ahead, we continue to remain excited about the massive opportunity in India. With only three private operators serving 1.3 Billion people and significant 4G penetration upside, the industry is poised for sustained long term growth. Airtel is well positioned to serve this growth. Even in the most turbulent times, we have held our market share. We have a simple strategy – go after quality customers and offer them a brilliant network experience.

Quality Customers - We will leverage '#airtelThanks' to build greater value for our customers and offer differentiated services (content, financial services and network experience) to our premium customers. This will be the key to our premiumisation strategy and will help drive up ARPU. On the non-wireless front, we will focus on serving the digital needs of a Home and aspire to take a decisive lead in convergence and triple play across content, speed and mobile. In B2B, we will focus disproportionately on growing our core connectivity business and at the same time build new products/verticals including Security, Data Centers and Cloud.

Brilliant Network Experience – We remain obsessed with network quality and have shifted our focus from Speed to Experience. Instead of Speed, we are focusing on solving for the right use cases for our customer segments – be it Gaming, Video or Payments. In line with our strategy to focus on quality customers, we will build capacity only where it matters. We will deploy smart, low cost equipment to densify our network and sweat the existing spectrum. Simultaneously, we will build a solid back haul through the massive investments that have already been made.

This strategy would be enabled through five key anchors:

Services at scale: We will continue to grow our digital services (Airtel TV, Wynk, Books, Payments etc.) and combine them into a single consumer app that enables sampling of these services -'#airtelThanks'. We will use our deep customer understanding and data to drive adoption and distribute it through 'Mitra' (our offline sales system app). **Micro-marketing:** We will continue to de-average our business at District/Tehsil level to take focused offline GTM actions. We will simultaneously grow the online channel by simplifying our product flows and integrating with third party platforms.

Simplify: Our goal is to raise the bar on customer experience by being an open, highly responsive and transparent telco for our customers. We will achieve this by brutally simplifying our business and processes.

War on Waste: We will deploy smartly in key districts, adopt disruptive solutions and share infrastructure.

Partnerships: This is core to Airtel culture – we aspire to be the best partner in the ecosystem. We will invest in building a digital layer to enable easy and quick integration and drive mutual growth with partners.

Finally, and most importantly – our People. We are committed to ensuring growth of our talent. We have simplified our organization structure to offer large and meaningful roles to all employees. We have invested heavily in Digital talent including Product, Engineering and Data Science. We are institutionalizing agile ways of working at Airtel, given that this will be key to success in the new telecom age. Going forward the war for relevance will be fought through the lens of war for talent. Attracting the best people and retaining them will be ever more important.

As an organization, we continue to be committed to sustainable and inclusive growth. Our Integrated Report spells out our initiatives for environment sustainability and community development. Bharti Foundation has been doing remarkable work to spread awareness about education and empowerment of girl child.

As we move ahead, I would like to thank our customers, our people, our partners and our shareholders for their support and faith in us. We seek your continued guidance in our journey.



Message from **Managing Director & CEO** (Africa)



"We now have around 19,700 Airtel Money branches, kiosks and mini-shops and approximately 286,000 Airtel Money agents and we have a robust SIM activating outlets channel, enabling strong customer growth and crossselling through brand recognition across all 14 countries."

Dear Shareholders,

Airtel Africa continued on its growth trajectory in 2018/19. This was achieved through a continued focus on distribution excellence, ensuring excellent overall network quality and enabling existing customers to garner more benefits from our network. We added 9.6 Mn customers, taking the total base to 98.9 Mn. Airtel Africa's revenue growth of 12% (constant currency), was primarily driven by mobile data and Airtel Money. Airtel Africa continued to improve its EBITDA margin, up 4%, highlighting our investments in efficient operations and cost management in recent years. All services - Voice, Data and Airtel Money have seen a significant increase in usage across the customer base.

Airtel Money continues to increase financial inclusion in the countries in which we operate, providing customers with mobile money service that are accessible 24 hours a day, 7 days a week through their mobile devices. In order to support and strengthen the infrastructure and coverage required to enable continued multi-channel growth of Airtel Money. We now have around 19,700 Airtel Money branches, kiosks and mini-shops and approximately 286,000 Airtel Money agents and we have a robust SIM activating outlets channel, enabling strong customer growth and crossselling through brand recognition across all 14 countries.

There is ongoing investment in network expansion to improve coverage, quality and support the growing demand for data. We increased the number of new 4G sites by 7,182 taking the total number to 9,297. In addition, we added 2,701 new 3G sites, taking the total number to 16,426 and 1,433 new 2G sites, taking the total number to 21,059. During the year we launched 4G in Nigeria, Chad and Congo B, this means that we now have 4G in 11 out of our 14 operations. Over the period, smartphone penetration rose in all of our 14 markets. Airtel Africa continued to remain focused on delivering the right cost model, by working on continuously improving its operating model across various activities. Some of the key initiatives which resulted into significant savings were, redesign of the managed service model across the markets, energy optimization, bandwidth remodelling to get greater capacity at a better cost and restructuring the IT organization.

Airtel Africa continued to invest in the hiring and development of talent with senior hires at the Group HQ as well as in the markets. In addition, the roll-out of the new IT Target Operating Model has led to the creation of new specialist roles at the Africa Development Centre.

Airtel Africa is committed to supporting the communities in the areas where it operates. In addition to the ongoing initiatives around education, health and the development of youth, it also stepped up to assist the flood victims in Malawi and of the Cholera outbreak in Zambia. The Company also provided environmentally friendly boreholes to communities in Nigeria and free digital education for children in Madagascar, amongst other initiatives.

Airtel Africa is satisfied with the progress in 2018/19 and is enthusiastic about the opportunities for 2019/20. We have the right talent, in the right positions, to deliver on our commitment to grow the number of subscribers and revenue. We will continue to invest in our network and operations to ensure that our customers truly benefit from the potential that mobile communications and financial inclusion can offer.

Regards,

Hgphunath

Raghunath Mandava

Corporate Social Responsibility Report

At Bharti Airtel, our relentless pursuit has always been to not just become a leading global telecommunications company but also one that cares. It is this quest that enthuses us to approach our corporate responsibility with all seriousness. We aim to positively impact not just our financial performance, but our future generations as well.

With operations in 18 countries and over 403 Mn customers, we understand our responsibility to leaving a positive impact on the communities. Our initiatives in the field of education, women empowerment, sanitation, employment generation and healthcare, validates our steadfast commitment to making the world we operate in, a better place. Moreover, Airtel's network spreads to remotest pockets of India, where rural communities suffer from poverty and lack of access to education and healthcare facilities. In FY 2018-19, over 149 Mn customers came from rural areas. Hence,

undertaking programs on education and health is paramount for community development in these regions.

During FY 2018-19, Bharti Airtel Limited made significant contributions towards various community development projects. Airtel contributed ₹94.78 Mn to Bharti Foundation towards furtherance of its objectives, ₹ 300 Mn to Satya Bharti Foundation towards setting up of Satya Bharti University and ₹ 100.87 Mn for other community development and philanthropic initiatives.



India

Bharti Foundation

Bharti Foundation was set up in the year 2000 as the philanthropic arm of Bharti Enterprises. The Foundation implements and supports programs primarily in education as well as sanitation for the underprivileged section of the society. Through its flagship initiative the 'Satya Bharti School Program', the Foundation provides free quality education across primary, elementary as

400,000+ Students

272,564 Students being impacted in the current academic year

well as secondary level education to thousands of underprivileged children, with a special focus on the girl child. The Foundation also works in partnership with respective state governments towards strengthening the quality of over-all schooling experience for students in government schools through the 'Satya Bharti Quality Support Program'. Our sanitation initiative,

4,000+ Villages

2 + Mn Community members impacted 'Satya Bharti Abhiyan', was launched in 2014 in rural district of Ludhiana, Punjab and has enabled the district to attain Open Defecation Free (ODF) status.

Through these programs we are contributing to some extent to the Sustainable Goals such as Quality Education, Gender Equality, Clean Water and Sanitation.

2,500+ Schools

17,000 Teachers

*The above data includes all education programs and partner projects and the impact created since inception

Education

Satya Bharti School Program

The flagship Satya Bharti School Program was started in 2006 with an aim of imparting free and quality education to the disadvantaged rural children in India - most of whom are first generation learners. The program gives special focus to education of the girl child, with atleast 50% students enrolled in Satya Bharti Schools being girls. The program covers the entire education value-chain, widening its activity from primary to elementary, and to senior secondary education as well. The program also offers, free books, study material and uniforms to the students apart from free education. All the schools are kept clean with proper hygienic conditions and with free nutritious mid-dav meals also provided during the day. Well-trained and inspired teachers are entrusted with the responsibility to provide quality education to the students.

This Program creates a platform for the rural children to get hold of, not only quality education but also the way forward to a responsible life that is inspired by the principles of values, commitment, integrity and a desire to make a difference in the society.

Key Achievements, 2018-19

Satya Bharti School Students won laurels in various international and national level competitions. Our students have excelled in both scholastic and co-scholastic activities, which are detailed below.

Co-Scholastic

 Satya Bharti Adarsh Senior Secondary School, Rauni (Ludhiana) won the internationally acclaimed 'School Enterprise Challenge Award' for the second consecutive year for promoting entrepreneurship.

- Students gave a stellar performance at **'Khula** Aasmaan' - a national level painting competition by India Art Foundation, winning two gold, one bronze and 30 honorable mentions and consolations).
- 3. 11 Satya Bharti Schools featured among the 'Top 100' of which Satya Bharti School Bhomsagar (Jodhpur) featured in the 'Top 20' at the **'Design for Change'** contest that acknowledges meaningful community campaigns for bringing change.
- Simranjeet Kaur, student, Satya Elementary (Ludhiana East, Punjab) was awarded a Bronze medal' at 'Pramerica Spirit of Community Award 2019' recognising the student's effort for community services under the individual category for 'Mensuration Education.'
- Seven Satya Bharti School Students emerged as winners of 'Inspire Aspire' Poster Making Competition 2018.
- 6. Satya Bharti Adarsh Senior Secondary School Chogawan (Amritsar, Punjab) has been 'Best awarded School in Community Involvement' and Satya Bharti School (primary level), Amritakunda (Murshidabad, West Bengal) has been awarded 'Best Eco-Friendly School' by 'Mind Mingle Education Awards' recognising best efforts that make an impact under education.
- Three of five Satya Bharti Adarsh Senior Secondary Schools (Chogawan, Sherpur Kalan and Jhaneri) were awarded with 'Top 500 Schools' in the country by 'Brainfeed (School Excellence Awards 2018)' recognising excellence in providing quality education.

8. 'Centre for Teacher Accreditation (CENTA)' а Teaching Professionals Olympiad Satya Bharti awarded four School Teachers (2 for subject and 2 national level awards). The Olympiad had teachers participating from 2.000+ locations form India and UAE from over 10.000 schools.

Scholastic

76 Satya Bharti School Students secured merit based admission for elementary/ higher secondary education in Navodaya, Aarohi and Punjab meritorious schools, etc.

Class X CBSE results:

364 students (**205** girls and **159** boys) from all five Satya Bharti Adarsh Senior Secondary Schools, located in rural heartlands of Punjab appeared for the Class X CBSE Board Examinations

- The overall pass percentage: 95.88% (higher than the CBSE national average (91.1%) and Panchkula (93.72%)
- Girls outshined boys with overall pass percentage of 96.6% with more than 15 girls scoring 90% and above

Class XII CBSE results:

199 students (**112** girls and **87** boys) from all five Satya Bharti Adarsh Senior Secondary Schools in Punjab appeared for the Class XII CBSE Board Examinations

- Overall pass percentage: 96.98% (higher than the CBSE national pass percentage of 83.4% and Panchkula region of 87.5%)
- The overall girls pass percentage of 96.43% which is above than CBSE national average of 88.7% and Panchkula region of 92.8%

Leading from the front Jasmeet Kaur,

a role model for girl students in her school

Jasmeet Kaur of class V, Satya Bharti School Pamal, Ludhiana West, Punjab belongs to Baddowal Village, cantonment area of Indian Tibetan Border Police, about 13 Km from Ludhiana. Her father, a truck driver is the only bread earner in the family of seven.

Once a shy girl, Jasmeet soon started enjoying coming to school and became very confident. Seeing her interest in sports, her teacher Sandeep Kaur, a state level Kho-Kho player, motivated her to start participating in school level race and Kho-Kho.

When she represented her school in Cluster level sports, it was a proud moment for her. It happened to be her first victory in life. She was honored by the Sarpanch, Cluster Co-ordinator and Head Teachers of all the Satya Bharti Schools in the Cluster.

Seeing her commitment, Jasmeet was given the opportunity to play at the State level. Her family initially resisted but, after reassurance from her teacher, agreed to send her to Amritsar. Jasmeet's team secured 3rd position at the State Level.

06 States **46,191** Students

Percentage of Girls

Percentage of female

50%

70%

teachers

254 Schools

1,644 Teachers

leachers

76%

Percentage of children from SC/ST/ OBC communities

Data as of 31st March, 2019

From April 2019 onwards partnership schools are being handed over and a few schools are being merged for optimizing resources

Satya Bharti Quality Support Program

Initiated in 2013, Satya Bharti Quality Support Program engages school leaders, teachers, students, parents and communities for enhancing the overall learning experience at government schools. Good practices of Satya Bharti Schools are implemented in each school with the purpose of institutionalizing these within a time frame of three to five years. The Program's framework is structured around the whole-school approach through co-scholastic activities defined under four program pillars:



Schools** (In 14 states*)

50% Percentage of

Girls

58%

Percentage of children from SC/ST/ OBC communities

226.373

Data as of 31st March, 2019 ** Data includes indirect support to 30 Army Goodwill schools in J&K and 2 schools in Goa

Each school decides the pace and trajectory depending on the School leader's vision for bringing about a sustainable change. The program is implemented across India in 14 states, namely, Delhi, Goa, Haryana, Jammu & Kashmir, Punjab, Rajasthan, Andhra Pradesh, Telangana, Uttar Pradesh, Jharkhand, Himachal Pradesh, Assam, Meghalaya and Karnataka. "Spell Wizard competition was organized (by Bharti Foundation) for students, from school to district levels. This has given opportunity to students to demonstrate their skills in English language. We appreciate the work of Bharti Foundation."

- Mr Jitender Kumar Sinha,

District Superintendent of Education-cum-Additional District Program Officer, Samgra Siksha Abhiyan, Godda, Jharkhand

"The Foundation Bharti Student has conducted Empowerment Training Program, which has received encouraging response from the participants (224 teachers from 185 Secondary Schools). We are hoping for a long and fruitful association with Bharti Foundation and its support in bringing quality interventions in our state schools."

(Anuradha Gupta) KAS, Director School Education -Jammu

Key Achievements, 2018-19

Government schools partnered under this program, its teachers and students won laurels in various district, state, national and international level competitions.

 Two of our partnered government schools featured in 'Top 100' category in the prestigious **'Design for Change'** contest. Army Goodwill School students, in Harka Bahadur, Kargil, was among 'Top Four' with their pioneering initiative 'I CAN Challenge' campaign. They were felicitated at the President's House, inspiring other schools in the Ladakh region to work towards making a sustainable future.

- 'CENTA' Teaching Professionals Olympiad has given eight awards to six teachers from partnered government schools (1 Regional, 2 Subject and 5 City Level awards). The Olympiad had teachers participating from 2,000+ locations form India and UAE from over 10,000 schools.
- 3. Students of two partnered government schools won a Gold and a Bronze each in the 'Pramerica Spirit of Community Awards 2019' being recognised for their voluntary community service. Five students of UMS Khairbani, a government school in Jharkhand won Gold award for 'Mothers Literacy Campaign'.
- 15 schools were declared winners at 'Inspire Aspire' Poster Making Competition.
- 5. Girls held 50% of the leadership roles in the government schools during 2018-19.
- Dedicated training programs were conducted to impart leadership skills to the school principals and senior teachers across 372 schools in 10 states, with 438 participants attending the program.

The Program created a meaningful impact on students and teachers of non-partnered government schools as well, through indirect interventions. Some of the highlights were:

- A training program was structured on Student Empowerment, with 227 teachers in 185 nonpartnered government schools across seven out of ten districts of Jammu attending the program.
- Spell Wizard (an English language spelling competition to improve vocabulary and spelling competency among students) was organized in 353 partnered schools. 829 nonpartnered government schools

also participated at various events at school, block and district level. The initiative benefited 30,656 students across 10 states cumulatively.

- 3. The Teacher Innovation Award initiative, appreciating the hardwork of teachers, was organised at district level in four states with 497 teachers participating in the event.
- 4. Science workshops were conducted to develop scientific knowledge and acumen in 311 schools outreaching 15,528 students across 9 states.
- 5. International Kids Film Festival was organized in 99 schools across 8 states showcasing films on life skills and social issues like Global Citizenship, Compassion, Creativity and Innovation, Critical Thinking and Decision Making etc. for over 10,000 students.

Satya Bharti Abhiyan

Launched in August 2014, the Satya Bharti Abhiyan, improves sanitation conditions in large geographic areas by providing access to toilets for households. Aligning to the government's vision, the program helps these areas to become Open Defecation Free (ODF). Having commenced operations from rural district of Ludhiana, the program spread its footprint to urban areas of Ludhiana (since October 2016) and to rural Amritsar (since September 2017). In Amritsar, Satya Bharti Abhiyan is being implemented in collaboration with Department of Water Supply and Sanitation (DWSS). Govt of Punjab. The Foundation and DWSS are working together to provide financial assistance to the beneficiaries for building toilets.

The Information, Education and Communication (IEC) to foster behavior change, for promotion of usage and maintenance of toilets is implemented through the government agencies and reenforced through IEC by outsourced partners. Process orientation, transparency and stakeholder empowerment are the pillars of implementation.

Satya Bharti Abhiyan

as of March 31, 2019 (cumulative data since inception)

18,402 Toilets (rural + urban Ludhiana)

14

Girls toilets (Government schools -Rural Ludhiana)

5,040

Toilets (rural Amritsar)

37

Ladies toilets constructed in FY 2018-19 (Ludhiana Police Commissionerate)

175,069

Total beneficiaries (including 56,031 estimated beneficiaries annually for ladies toilets for Ludhiana Police Commissionerate)

- Upon request from Ludhiana Police Commissionerate, Bharti Foundation constructed 37 separate toilets for over 55,000 lady staffers and visitors annually. The toilets constructed in brick and mortar, are customized to provide specific amenities for women, like incinerator for disposal of sanitary napkins, privacy protection walls, facilities like western toilet seat, mirror, wash basin soap tray, and towel holder.
- 2. The Program completed its Urban Ludhiana phase during the year that began in 2014 with over 700 individual household toilets handedover in 11 Urban Local Bodies (ULBs) in Ludhiana district till date.

Making personal hygiene and cleanliness a norm

Baljit,

an elderly resident of village Bagga Khurd (rural Ludhiana),

she had to patiently control her bowel movement till her turn came to go out for open defecation. She also had to carry her disabled grandson for open defecation. The Program helped her built a toilet in her house, making her life convenient.

"We hadn't expected that the work will take place so fast. Within a month we were handed over our own toilet. And ever since we have got the toilet, we have been using it. It not only helped me in this old age but also helped my mentally challenged grandson remain clean. Over a period of time, my grandson has also learnt to use the toilet". - Baljit Kaur

Higher Education Programs

India needs a vibrant higher education system to address the challenges it faces and to exploit the opportunities offered by its demographic dividend. The higher education partnerships and initiatives undertaken by Bharti Enterprises are designed to fulfil this need and meet the education paradigms of the 21st century.

Partnerships with Indian Higher Education Institutions

Bharti School of Telecommunication Technology and Management, Indian Institute of Technology Delhi http://bhartischool.iitd.ac.in/ The Bharti School of Telecommunication, Technology and Management has been set up in partnership with the Indian Institute of Technology, Delhi to develop telecom leaders, through excellence in education and research. A number of steps have been taken by the school to foster research and excellence in learning.

427

Students have graduated from the school since inception

206 Students have receiv

Students have received placements since inception

159 Students enrolled in the last 3 years

Cumulative and ongoing impact

102 Students have graduated from the school in last 3 years

93% Placement rate in FY2018-19

₹1.5 Mn Average annual salary of students

receiving placement in 2018

40

Faculty members engaged at the school

Bharti Centre for Communication, Indian Institute of Technology, Mumbai https://www.ee.iitb.ac.in/bharticentre/

The Bharti Centre for Communication has been set up in association with the Indian Institute of Technology, Mumbai to nurture knowledge in telecommunication and allied systems. The Centre hosted around 20 research students and six eminent speakers from across the world and has published over 20 papers in international conferences and journals.

International Partnerships

Bharti Institute of Public Policy a partnership between Indian School of Business, Mohali and Bharti Enterprises with the Fletcher School of Law and Diplomacy, Tufts University (USA).

http://www.isb.edu/bharti-instituteof-public-policy

The Bharti Institute of Public Policy, an independent think-tank, focusses on education and research in the domain of public policy and engages with policy makers by providing them with critical, evidence-based analyses of public policy rooted in data. The institute works on policy challenges across diverse domains, the main ones being Agriculture and Food, Environment, Education, Financial Policy, Governance and Digital identity. The Institute secured a three year USD 2 million grant in October 2018 from the Bill and Melinda Gates Foundation to build and develop a portal for various spatial and temporal data visualisations to improve the quality of India's data-journalism.

Research

Newcastle University, UK

Bharti Foundation and Newcastle University have signed a MoU to collaborate on knowledge-sharing, academic research and program opportunities. In 2018, four students from Newcastle University completed their research assignment, 'The Understanding and Effectiveness of the Satya Bharti Lesson Plan', under the Satya Bharti School Program in Punjab. Findings of their research will add value to Foundation's programs.

University of Cambridge, UK

This partnership aims to extend knowledge of increasing corn crop productivity to farmers. The three-year research program is a partnership with University of Cambridge, FieldFresh Foods Private Limited, and Punjab Agricultural University (PAU). The University signed an MOU with Bharti Foundation in September, 2016.

Manmohan Singh Bursary Fund (since 2010)

A scholarship program that offers an opportunity to students of exceptional intelligence and caliber to study at the University of Cambridge. Thus far, 15 students have received the scholarship.

Satya Bharti University

The Satya Bharti University is deftly on the path of being established as an institution of global excellence in research and learning.

Airtel Connect

Airtel Delhi Half Marathon

The Airtel Delhi Half Marathon (ADHM) supports the idea of 'Run for a cause', giving the runners the opportunity to make a meaningful contribution through their marathon run. The platform brings together corporates, individuals, employees and students of schools and colleges giving them the opportunity to have an understanding about Bharti Foundation's School Education Programs.

900+

Airtel employees participated in ADHM 2018

Young Leader Program

The Young Leader Program is a twoweek initiative (part of corporate induction to engage new team members of Bharti Airtel as volunteers to support various initiatives of Bharti Foundation.

ACT (A Caring Touch)

An employee payroll-giving initiative, ACT by Bharti Foundation, aims to involve employees of Bharti Group Companies (Bharti Airtel Limited, Bharti Airtel Services Limited and Telesonic Networks Limited) in participating socio-economic activities of the Foundation.

3,437

Number of employees participation

500

Airtel Employees and Airtel Partners Volunteered

₹8,293,166

Total contribution by BAL, BASL and TNL employees and employer contribution in FY19 towards Bharti Foundation

₹3,793,507 Employee contribution

₹4,499,659 Employer contribution

Africa

We encourage the use of technological support for initiatives related to education and health. We believe that aligning our CSR initiatives with our core business is the best way to drive change. As a corporate citizen working with communities we take a step forward during natural disasters or national emergencies whenever required. Some examples of our initiatives during the year under review were:

Digital Education

ICT day

Airtel Zambia held a 'Girls in ICT Day' by giving away material support as well as holding talks with 100 girls from rural schools on ICT (Information and Communication Technology). Airtel Zambia also donated assorted educational books to the newly built Kaunda Square Secondary School library. Airtel Kenya, in partnership with Computers for Schools Kenya and the County government of Kisumu, launched 'Free Internet for Schools Programme' in Kisumu. The company partnered with Junior Achievement (JA) Kenya to launch a Students Empowerment Program, where they hosted girls from Kariobangi North Secondary School for a day of learning during the 2018 Junior Achievement Job Shadow Program.

Coderbus project

Airtel Madagascar, partnered with the NGO Habaka/STEM4Good to provide free digital education to children through a project dubbed **'Coderdojo Madagascar'**. Coderbus is a connected bus with volunteer mentors who are employees from Airtel and the NGO, who provide free digital lessons to young people all over the country. Airtel provided laptops with connectivity to all the students at Coderbus. Since its inception, more than 3000 young people, with 60% of the total being girls, have been trained. These children are now able to code and create their own digital applications, games and websites.

3,000+

Young people have been trained since inception of the program

Transforming primary education

Airtel Malawi supports the 'Unlocking Talent' programme by zero rating access to the 'unlocking talent' website for all Airtel subscribers and by providing free data connectivity, currently for 110 tablets, catering for 90,000 standard 1 and 2 learners from 14 schools, with a plan to scale up to 310 tablets for over 225,000 learners from 22 schools by the year 2023. The project focuses on marginalised groups across all districts in Malawi, learn maths and literacy through apps installed on tablets, in solar powered Learning Centres.

225,000+

Learners expected to be benefited by 2023

Health

Awareness campaigns

Spreading awareness

The Wazazi Nipendeni SMS Service initiative, is a Public Private Partnership model, led by the Tanzania Ministry of Health (MoHCDGEC) that sends (free) informative and carefully timed, government approved, health information and reminders to Tanzanians. For example, visits to clinics, maternal health and early childcare messages nationwide were some of the topics that were covered during the year. Airtel supports the technical set up of the service, zero rates the text messaging and USSD communication. The program engages 18 health organizations that continue to implement the service nationwide. To date, Airtel has sent and received 34,756,635 messages to a cumulative 510,123 Airtel subscribers and zero rates the government e-Gov USSD sessions for self-registration by end-users. This has resulted in more than 4,000 registrations by on-the-ground healthcare workers.

34,756,635

Cumulative informative messages sent

Supporting World Autism Walk

Airtel Zambia handed over T-shirts, calendars and caps during the World Autism walk, meant to raise funds for children with autism in Zambia.

Medical treatment

Supporting through medical care

In Nigeria, Airtel partnered with the St. Cyril Cancer Treatment Foundation to offer better care and support to cancer patients. Airtel donated chemotherapy infusion chairs, medical waiting room chairs, chemotherapy infusion pumps with drip stand, flat screen monitors and nursing/medical consumables to the Foundation. Airtel Tanzania supported clinic testing and treatment for mouth and eye for its partners and staff, at the Airtel Headquarters in Dar es Salaam.

Malawi Blood Transfusion Service (MBTS) collected blood from donors during a blood donation exercise conducted by Bwaila Media Club in partnership with Airtel Malawi in Lilongwe. In Seychelles, The Disease Surveillance and Response Unit (DSRU) signed a Memorandum of Understanding (MoU) with Airtel Seychelles to improve the efficiency of surveillance and response in the country where Airtel provided MiFi devices with monthly data of 10 GB each to be used by the unit for monitoring.

Epidemic support

During the Cholera outbreak in Zambia, Airtel stepped forward to support the Ministry of Education in their efforts to keep educational institutes functional so that students could continue to attend their schools without the fear of Cholera.

Around 10 schools were identified by the Ministry of Education and 'classified' as the vulnerable schools required to be cleaned and enhance their hygiene standards, with a potential impact for more than 8,000 pupils (combined) to have their schools reopened. The schools cleaned their environments and pledged to keep them clean to keep away diseases, like cholera, in the future. Following the heavy rains and floods that left many people destitute in some parts of the country, Airtel Malawi made a donation to the Department of Disaster Management Affairs (DODMA) to help the affected people.

8,000+

Potential students across 10 schools impacted

"Our initiatives are determined by local priorities and driven by the local teams. Our objective is to lend a hand where we can, to the communities across all the 14 countries that we operate in."

 Raghunath Mandava CEO (Africa)

Youth Empowerment

Skill development and learning

VSOMO (A) Mobile-learning programme sponsored by Airtel Tanzania) carried out an orientation program with youth from 7 different regions (Arusha, Morogoro, Mwanza, Dodoma, Kilimanjaro, Dar es Salaam and Coast region) in preparation for practical sessions after successfully completing the VETA (Vocational Educational and Training Authority) e-learning programme. Airtel Tanzania also partnered with Dar Teknohama Business Incubator (DTBi) to impart computer basic skills and technology to Dar es Salaam entrepreneurs, so as to expand their businesses through digital platform.

partnership with Economic In Liberation Association (ELA) Airtel Zambia trained over 60 youth in Chawama on issues Related to financial literacy and Mobile Money banking. Airtel Tanzania organized a fun run in which Airtel employees, stakeholders, and the general public bought participation tickets and thereby contributed towards the support of youth aged 18 to 24 years, who will qualify to take vocational education online training through VSOMO App.

Community development

Providing better living standards

The staff of Airtel Rwanda joined residents of Masaka Sector in Kicukiro District to speed up the completion of the Abaraya Model Village, enabling more than 70% households to live in better viable settlements.

Board's Report

Dear Members,

Your Directors have pleasure in presenting the 24th Board Report on the Company's business and operations, together with audited financial statements for the financial year ended March 31, 2019.

Company Overview

Bharti Airtel is one of the world's leading providers of telecommunication services with operations in 18 countries across Asia and Africa. The Company's diversified service range includes mobile, voice and data solutions, using 2G, 3G and 4G technologies. We provide telecom services under wireless and fixed line technology, national and international long distance connectivity and Digital TV; and complete integrated telecom solutions to our enterprise customers. All these services are rendered under a unified brand 'Airtel' either directly or through subsidiary companies. Airtel Money (known as 'Airtel Payments Bank' in India) extends our product portfolio to further our financial inclusion agenda and offers convenience of payments and money transfers on mobile phones over secure and stable platforms in India and across all 14 countries in Africa.

The Company also deploys and manages passive infrastructure pertaining to telecom operations through its subsidiary, Bharti Infratel Limited, which also owns 42% of Indus Towers Limited. Together, Bharti Infratel and Indus Towers are the largest passive infrastructure service providers in India.

Financial Results

In compliance with the provisions of the Companies Act, 2013 ('Act'), and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') the Company has prepared its standalone and consolidated financial statement as per Indian Accounting Standards ('Ind AS') for the FY 2018-19. The standalone and consolidated financial highlights of the Company's operations are as follows:

Standalone Financial Highlights

Particulars	FY 20	18-19	FY 2017-18		
	₹ Millions	USD Millions*	₹ Millions	USD Millions*	
Gross revenue	496,080	7,101	536,630	8,327	
EBITDA before exceptional items	128,321	1,837	181,529	2,817	
Cash profit from operations	70,790	1,013	131,674	2,043	
Earnings before taxation	(52,037)	(745)	(6,812)	(106)	
Net income / (loss)	(18,290)	(262)	792	12	

*1 USD = 69.86 Exchange Rate for the financial year ended March 31, 2019. (1 USD = 64.44 Exchange Rate for the financial year ended March 31, 2018).

Consolidated Financial Highlights

Particulars	FY 20	18-19	FY 20	17-18
	₹ Millions	USD Millions*	₹ Millions	USD Millions*
Gross revenue	807,802	11,567	826,388	12,823
EBITDA before exceptional items	262,937	3,768	304,479	4,725
Cash profit from operations	167,777	2,406	227,169	3,525
Earnings before taxation	(17,318)	(253)	32,669	507
Net Income / (loss)	4,095	59	10,990	171

*1 USD = 69.86 Exchange Rate for the financial year ended March 31, 2019. (1 USD = 64.44 Exchange Rate for the financial year ended March 31, 2018). The financial results and the results of operations, including major developments have been further discussed in detail in the Management Discussion and Analysis Report.

Secretarial Standards

Pursuant to the provisions of Section 118 of the Companies Act, 2013, the Company has complied with the applicable provisions of the Secretarial Standards issued by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

Share Capital

During the year, the Authorized share capital of the Company has increased to ₹ 147,530 Mn divided into 29,506,000,000 equity shares of face value of ₹ 5/-each pursuant to the amalgamation of Telenor (India) Communications Private Limited with the Company. Further, the Company has allotted 5 (Five) equity shares offace value of ₹ 5/- each, fully paid up to Telenor South Asia Investment Pte. Ltd. pursuant to the above said amalgamation. Consequent to the said allotment, the paid-up share capital of the Company has increased to 3,997,400,107 equity shares of face value of ₹ 5/- each aggregating to ₹ 19,987 Mn.

General Reserve

During the year, the Company has transferred ₹ 16 Mn into General Reserve from the Share Based Payment Reserve pertaining to gain / loss on exercise / lapse of vested options.

Dividend

During the year, the Company had paid a final dividend of ₹ 2.50/- per equity share of ₹ 5/- each fully paid up (50% of face value) for FY 2017-18 amounting to ₹ 9,993.50 Mn (excluding tax on dividend).

The Board has also declared and paid an Interim Dividend of ₹ 2.50/- per equity share of ₹ 5/- each fully paid up (50% of face value) for FY 2018-19 amounting to ₹ 9,993.50 Mn (excluding tax on dividend) during the year.

Dividend Distribution Policy

As per Regulation 43A of the Listing Regulations, top 500 listed companies are required to formulate a dividend

distribution policy. Accordingly, the Company had adopted the dividend distribution Policy which sets out the parameters and circumstances to be considered by the Board in determining the distribution of dividend to its shareholders and / or retaining profits earned by the Company. The Policy is enclosed as Annexure A to the Board's Report and is also available on the Company's website at <u>https://s3-ap-southeast-1.amazonaws.</u> com/bsy/iportal/images/Airtel-Dividend_Distribution_ Policy_35406A496EEC3AB50D0C777F006C6D41.pdf

Transfer of amount to Investor Education and Protection Fund

the FY 2018-19, During the Company transferred the unpaid has unclaimed dividend pertaining to FY 2010-11 amounting to ₹ 6.4 Mn. to the Investors Education and Protection Fund ('IEPF') Account established by the Central Government. The Company has also uploaded the details of unpaid and unclaimed dividend amounts lying with the Company as on August 8, 2018 (date of last Annual General Meeting) on the Company's website www.airtel.com.

Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the shares on which dividend remains unpaid / unclaimed for seven consecutive years or more shall be transferred to the Investor's Education and Protection Fund ('IEPF') after giving due notices to the concerned shareholders. Accordingly, the Company has transferred 54,607 equity shares to the IEPF during the FY 2018-19. The details of equity shares transferred are also available on the Company's website <u>www.airtel.com</u>.

The shareholders whose unpaid dividend / shares are transferred to the IEPF can request the Company / Registrar and Transfer Agent as per the applicable provisions in the prescribed Form No. IEPF-5 for claiming the unpaid dividend / shares out of the IEPF. The process for claiming the unpaid dividend / shares out of the IEPF is also available on the Company's website at http://www.airtel.in/about-bharti/equity/shares.

Deposits

The Company has not accepted any deposits and, as such, no amount of principal or interest was outstanding as on the balance sheet closure date.

Significant Developments

Mergers / amalgamations / demergers under Sections 230 to 232 of the Companies Act, 2013 completed during the year:

Scheme of amalgamation between Telenor (India) Communications Private Limited ('Telenor') and Bharti Airtel Limited

Pursuant to an order dated March 08, 2018 of the Hon'ble National Company Law Tribunal, New Delhi ('the NCLT Delhi') sanctioning the scheme of amalgamation and subject to receipt of all regulatory and statutory approvals, Telenor was amalgamated into the Company w.e.f. May 14, 2018. Pursuant to the Scheme of amalgamation, the Company allotted 5 (five) Equity Shares of face value of ₹ 5/- each to Telenor South Asia Investment Pte. Limited, Singapore.

Mergers / amalgamations / demergers under Sections 230 to 232 of the Companies Act, 2013 pending sanction of the appropriate authorities:

Scheme of amalgamation between Bharti Digital Networks Private Limited (earlier known as Tikona Digital Networks Private Limited) ('Bharti Digital'), a subsidiary company and Bharti Airtel Limited

Pursuant to an order dated July 4, 2018, the NCLT Delhi sanctioned the scheme of amalgamation between Bharti Digital and our Company whereby Bharti Digital is proposed to be amalgamated into our Company. The amalgamation is pending before the Department of Telecommunications ('DoT') under the Guidelines for the Transfer / Merger of various categories of Telecommunication service licenses /authorisation under Unified License ('UL') on compromises, arrangements and amalgamation of the companies dated February 20, 2014 issued by the DoT ('Transfer-Merger Guidelines').

Composite scheme of arrangement between Tata Teleservices Limited ('TTSL'), Bharti Hexacom Limited ('Bharti Hexacom'), a subsidiary company and Bharti Airtel Limited

Pursuant to an order dated January 30, 2019, the NCLT Delhi sanctioned the composite scheme of arrangement between TTSL, Bharti Hexacom and the Company for demerger of one part of the entire consumer wireless mobile business of TTSL in its telecom circles (other than Rajasthan) and

transferring and vesting it on a going concern basis in the Company and demerger of the other part of the entire consumer wireless mobile business of TTSL in the telecom circles in Rajasthan and transferring and vesting it on a going concern basis in Bharti Hexacom. The demerger is pending before the DoT under the Transfer-Merger Guidelines.

Scheme of arrangement between Tata Teleservices (Maharashtra) Limited ('TTML') and Bharti Airtel Limited

Pursuant to Orders dated January 30, 2019 and December 4, 2018, the NCLT Delhi and National Company Law Tribunal, Mumbai, respectively, sanctioned the scheme of arrangement between TTML and the Company for the demerger of the entire consumer wireless mobile business of TTML in its telecom circles in Mumbai and Maharashtra and transferring and vesting it on a going concern basis in the Company. The demerger is pending before the DoT under the Transfer-Merger Guidelines.

Scheme of arrangement between Telesonic Networks Limited ('TNL'), a subsidiary company and Bharti Airtel Limited

Pursuant to the approval dated October 31, 2017 of the Board of Directors of the Company and consents received from the shareholders of the Company, a petition dated March 12, 2018 had been filed before the NCLT Delhi under Sections 230 to 232 of the Companies Act, for the sanction of a proposed scheme of arrangement whereby the optical fibre cable business undertaking of the Company shall be transferred to and vested in TNL on a going concern basis by way of a slump sale. The order is yet to be pronounced by the NCLT Delhi.

Rights Issue

During the year, the Company has approved the issuance of upto 1,133,591,075 Equity Shares of face value of ₹ 5/each by way of rights issue at a price of ₹ 220 per rights equity share (including a premium of ₹ 215 per rights equity share) aggregating up to ₹ 249,390.04 million on a rights basis to the eligible equity shareholders in the ratio of 19 rights equity shares for every 67 equity shares held by the eligible equity shareholders on the record date, that is, April 24, 2019. The issue opened on May 03, 2019 and is scheduled to be closed on May 17, 2019.

Capital Market Ratings

As on March 31, 2019, the Company was rated by two domestic rating agencies, namely CRISIL and ICRA and three international rating agencies, namely Fitch Ratings, Moody's and S&P.

As on March 31, 2019, CRISIL and ICRA revised their longterm ratings of the Company to [CRISIL] AA / [ICRA] AA, with a stable outlook. Short-term ratings were maintained at the highest end of the rating scale at [CRISIL] A1+ / [ICRA] A1+. Fitch maintained the rating at BBB- / Stable. S&P and Moody revised its outlook and rating to BBB- / Negative and to Ba1 / Negative respectively during the year.

Employee Stock Option Plan

At present, the Company has two Employee Stock Options ('ESOP') schemes, namely the Employee Stock Option Scheme 2001 and the Employee Stock Option Scheme 2005. Besides attracting talent, the schemes also helped retain talent and experience. The HR and Nomination Committee administers and monitors the Company's ESOP schemes.

Both the ESOP schemes are currently administered through Bharti Airtel Employees Welfare Trust (ESOP Trust), whereby shares held by the ESOP Trust are transferred to the employee, upon exercise of stock options as per the terms of the Scheme.

Pursuant to the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014 (the ESOP Regulations), a disclosure with respect to ESOP Scheme of the Company as on March 31, 2019, has been uploaded on Company's website at <u>https://www.airtel.in/about-bharti/equity/</u> results.

During the previous year, there were no changes in the aforesaid ESOP Schemes of the Company and the ESOP Schemes are in compliance with ESOP regulations. A certificate from Deloitte Haskins & Sells LLP, Chartered Accountants, Statutory Auditors, with respect to the implementation of the Company's ESOP schemes, would be placed before the shareholders at the ensuing AGM. A copy of the same will also be available for inspection at the Company's registered office upto the date of AGM.

Material changes and commitments affecting the financial position between the end of financial year and date of report after the balance sheet date

There were no material changes and commitments affecting the financial position of the Company between the end of financial year and the date of this report.

Debentures

During the financial year, the Company has not issued any debentures. The details of outstanding debentures are as under:

- 15,000 Series I debentures having a face value of ₹
 1 Mn per debenture at a coupon rate of 8.25% per annum.
- 15,000 Series II debentures having a face value of ₹
 1 Mn per debenture at a coupon rate of 8.35% per annum.

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

Directors and Key Managerial Personnel

Inductions, Re-appointments, Retirements & Resignations

In line with the Company's policy on Independent Directors, Mr. Ben Verwaayen, upon completion of his tenure retired from the Board w.e.f. December 26, 2018. The Directors place on record their appreciation for the help, guidance and contribution made by him during his tenure on the Board.

Pursuant to the provisions of Sections 149, 161 and other applicable provisions of the Companies Act, 2013 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and as recommended by the HR and Nomination Committee and subject to the approval of the shareholders, the Board, on March 30, 2019, had appointed Ms. Kimsuka Narasimhan as an Additional Independent Director w.e.f. March 30, 2019 to hold office for a term of five consecutive years i.e. upto March 29, 2024. The Company has received requisite notice from a member under Section 160 of the Companies Act, 2013 proposing the appointment of Ms. Kimsuka Narasinham as an Independent Director. Mr. V.K. Viswanathan and Mr. D. K. Mittal had completed their present term as Independent Directors of the Company on January 13, 2019 and March 12, 2019 respectively. On the recommendation of the HR and Nomination Committee, the Board, subject to the approval of the shareholders, has re-appointed them as Independent Directors for a further term of five consecutive years i.e. upto January 13, 2024 and March 12, 2024 respectively.

In the opinion of the Board, Mr. V. K. Viswanathan, Mr. D. K. Mittal and Ms. Kimsuka Narasimhan fulfil the conditions specified in the Companies Act, 2013 and the rules made thereunder and under Listing Regulations and are independent to the management and accordingly, the Board recommends their appointment / re-appointment.

Pursuant to the provisions of the Companies Act, 2013, Ms. Chua Sock Koong, Director of the Company will retire by rotation at the ensuing AGM and being eligible, has offered herself for re-appointment. The Board recommends her re-appointment.

Brief resume, nature of expertise, details of directorships held in other companies of Ms. Chua Sock Koong proposed to be re-appointed, along with her shareholding in the Company, as stipulated under Secretarial Standard 2 and Regulation 36 of the Listing Regulations, is appended as an Annexure to the Notice of the ensuing AGM.

Mr. Nilanjan Roy, Global Chief Financial Officer has resigned w.e.f. February 28, 2019. The Directors placed on record their appreciation for the contribution made by him during his tenure. The Board on the recommendation of Audit Committee and HR & Nomination Committee, had appointed Mr. Badal Bagri as Chief Financial Officer (India and South Asia) and Key Managerial Personnel of the Company w.e.f. March 01, 2019.

Declaration by Independent Directors

The Company has received declarations from all Independent Directors of the Company confirming that they continue to meet the criteria of independence, as prescribed under Section 149 of the Companies Act, 2013 and Regulations 16 & 25 of the Listing Regulations. The Independent Directors have also confirmed that they have complied with the Company's code of conduct.

Board Diversity and Policy on Director's Appointment and Remuneration

The Company believes that building a diverse and inclusive culture is integral to its success. A diverse Board will be able to leverage different skills, qualifications,

professional experiences, perspectives and backgrounds, which is necessary for achieving sustainable and balanced development. The Board has adopted a policy on 'Nomination, Remuneration and Board Diversity', which sets out the criteria for determining qualifications, positive attributes and independence of a Director. The detailed policy is available on the Company's website at https://s3-ap-southeast-1.amazonaws.com/bsy/iportal/ images/Policy-on-Nomination-Remuneration-and-Board-Diversity_38F11FC9AA4BC8FAD0B12B51CA0F39 BC_1554095379321.pdf and is also annexed as Annexure B to this report.

Annual Board Evaluation and Familiarisation Programme for Board Members

The HR and Nomination Committee has put in place a robust framework for evaluation of the Board, Board Committees and Individual Directors. Customised questionnaires were circulated, responses were analyzed and the results were subsequently discussed by the Board. Recommendations arising from the evaluation process was considered by the Board to optimize its effectiveness. A detailed update on the Board Evaluation is provided in the report on Corporate Governance which forms part of this report.

A note on the familiarisation programme adopted by the Company for orientation and training of the Directors, and the Board evaluation process undertaken in compliance with the provisions of the Companies Act, 2013 and the Listing Regulations is provided in the Report on Corporate Governance, which forms part of this Report.

Committees of Board, Number of Meetings of the Board and Board Committees

The Board of Directors met six (6) times during the previous financial year. As on March 31, 2019, the Board has ten committees, namely, the Audit Committee, the Risk management Committee, the HR and Nomination Committee, the Corporate Social Responsibility ('CSR') Committee, the Stakeholders' Relationship Committee, the Committee of Directors, the Airtel Corporate Council, the Special Committee of Directors (for Monetization of stake in Bharti Infratel Limited), the Special Committee of Directors (for Restructuring of overseas holding structure) and Special Committee of Directors (for fund raising).

All the recommendations made by committees of the Board including the Audit Committee were accepted by the Board. A detailed update on the Board, its composition, detailed charter including terms and reference of various Board Committees, number of Board and Committee meetings held during FY 2018-19 and attendance of the Directors at each meeting is provided in the Report on Corporate Governance, which forms part of this Report.

Subsidiary, Associate and Joint Venture Companies

As on March 31, 2019, your Company has 101 subsidiaries, 7 associates and 8 joint ventures, as set out in note 34 of the standalone financial statements (for Abridged Annual Report please refer note 17).

During FY 2018-19, Bharti Airtel Holding (Mauritius) Limited, Airtel Africa Mauritius Limited, Bharti Airtel Overseas (Mauritius) Limited, Airtel Africa Limited, Airtel Mobile Commerce Nigeria B.V., Airtel Mobile Commerce Congo B.V., Airtel Mobile Commerce (Seychelles) B.V., Airtel Mobile Commerce Madagascar B.V., Airtel Mobile Commerce Kenya B.V., Airtel Mobile Commerce Rwanda B.V., Airtel Mobile Commerce Malawi B.V., Airtel Mobile Commerce Uganda B.V., Airtel Mobile Commerce Tchad B.V., Airtel Mobile Commerce Zambia B.V. became Subsidiaries of the Company.

During FY 2018-19, Bharti Airtel Burkina Faso Holdings B.V., Africa Towers Services Limited, Tigo Rwanda Limited ceased to be subsidiaries of the Company.

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

The audited financial statements of each of its subsidiary, associate and joint venture companies are available for inspection at the Company's registered office and also at registered offices of the respective companies and pursuant to the provisions of Section 136 of the Companies Act, 2013, the financial statements of each of its subsidiary companies are also available on the Company's website www.airtel.com.

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

Abridged Annual Report

In terms of the provision of Section 136(1) of the Companies Act, 2013, Rule 10 of Companies (Accounts) Rules, 2014 and Regulation 36 of the Listing Regulations, the Board of Directors has decided to circulate the Abridged Annual Report containing salient features of the balance sheet and statement of profit and loss and other documents to the shareholders for FY 2018-19, who have not registered their e-mail id. The Abridged Annual Report is being circulated to the members excluding Annexures to the Board's Report viz. the 'Dividend Distribution Policy', 'Nomination, Remuneration and Board Diversity Policy', 'Secretarial Audit Report', 'Annual Report on Corporate Social Responsibility ('CSR') Activities', 'Extract of Annual Return', 'Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earning and Outgo', 'Disclosure relating to remuneration u/s 197(12) of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014', 'Report on Corporate Governance and Auditors' Certificate on compliance of conditions of Corporate Governance' and 'Business Responsibility Report'.

Members who desire to obtain the full version of the report may write to the Corporate Secretarial Department at the registered office address of the Company or Karvy Fintech Private Limited (formerly known as Karvy Computershare Private Limited), Registrar and Share Transfer Agent of the Company and will be provided with a copy of the same. Full version of the Annual Report will also be available on the Company's website www.airtel.com.

Auditors and Auditors' Report

Statutory Auditors

In terms of the provisions of Section 139 of the Companies Act, 2013, Deloitte Haskins & Sells LLP were appointed as the Company's Statutory Auditors by the shareholders in the AGM held on July 24, 2017, for a period of five years i.e. till the conclusion of 27^{th} AGM.

The Board has duly examined the Statutory Auditors' Report to the financial statements, which is selfexplanatory. Clarifications, wherever necessary, have been included in the Notes to financial statements section of the Annual Report

As regards the comments under para i(a) of the Annexure B to the Independent Auditors' Report regarding updation of quantitative and situation details relating to certain fixed assets, the Company is in the process of executing a comprehensive project with the involvement of technical experts, for deploying automated tools and processes which will enable near real-time tracking of fixed assets and reconciliation thereto. This project is expected to be completed by next year.

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

Internal Auditors and Internal Assurance Partners

The Board had appointed Head Internal Assurance as the Internal Auditor of the Company and Ernst & Young LLP and ANB & Co., Chartered Accountants, Mumbai as the Internal Assurance Partners to conduct the internal audit basis a detailed internal audit plan which is reviewed each year in consultation with the Internal Audit Group and the Audit Committee.

The Board, on the recommendation of the Audit Committee, has re-appointed Ernst & Young LLP and ANB & Co. Chartered Accountants, Mumbai as the internal assurance partners for the FY 2019-20.

Cost Auditors

During the year under review, R. J. Goel & Co., Cost Accountants, resigned as Cost Auditors of the Company.

The Board, on the recommendation of the Audit Committee, has approved the appointment of Sanjay Gupta & Associates, Cost Accountants, as Cost Auditors, for the financial year ending March 31, 2019 in casual vacancy and also for the financial year ending March 31, 2020. The Cost Auditors will submit their report for FY 2018-19 on or before the due date.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, since the remuneration payable to the Cost Auditors is required to be ratified by the shareholders, the Board recommends the same for approval by shareholders at the ensuing AGM.

Secretarial Auditors

The Company had appointed Chandrasekaran Associates, Company Secretaries, to conduct its Secretarial Audit for the financial year ended March 31, 2019. The Secretarial Auditors have submitted their report, confirming compliance by the Company of all the provisions of applicable corporate laws. The Report does not contain any qualification, reservation, disclaimer or adverse remark. The Secretarial Audit Report is annexed as Annexure C to this report.

The Board has re-appointed Chandrasekaran Associates, Company Secretaries, New Delhi, as Secretarial Auditors of the Company for FY 2019-20.

Sustainability Journey

We, at Bharti Airtel, strongly believe that power of communication can bring in multi-dimensional transformations, ensuring smooth functioning of life and businesses, and helping society to become sustainable and inclusive. We recognize our role in this sustainable approach in the way we conduct our business by integrating sustainability in our strategies and operations.

Our Vision defines what we aim to do, whereas our Core Values - Alive, Inclusive and Respectful - expound how we aim to embrace the responsible business practices. As the stakeholders have played a crucial role in Airtel's sustained success over the years, Airtel's sustainability approach has been carefully developed through systematic engagement with its stakeholders worldwide. We continuously strive to provide long-term sustainable value to all our stakeholders including investors, customers, employees, business partners and suppliers, government and regulators and communities. This is performed through systematic stakeholder dialogue to gauge their expectations, share information and sustainability priorities, practices and performance and explore avenues of partnerships to achieve the goals. Our sustainability initiatives towards topics that are material to our stakeholders and to the company, have been reported in our Integrated Report, as well as on our website http://www.airtel.in/sustainability.

Corporate Social Responsibility ('CSR')

Building upon and scaling up on various interventions initiated in areas as prescribed in our CSR policy, the Company has increased its CSR spending during the previous financial year i.e. ₹ 245.37 Mn in FY 2017-18 to ₹ 458.40 in FY 2018-19. Additionally, the Company has also contributed ₹ 37.25 Mn towards various other charitable causes. The consolidated contribution of the Company towards various CSR activities during the financial year 2018-19 is ₹ 495.65 Mn.

The Company is building its CSR capabilities on a sustainable basis and is committed to gradually increase its CSR spend in the coming years. The CSR spending is guided by the vision of creating long-term benefit to the

society. With the strong foundations that we laid towards this end of the year, and the proposed scaling up of a number of our CSR Projects, we believe that we have made meaningful progress towards reaching the target in the coming financial year.

A detailed update on the CSR initiatives of the Company is provided in the Corporate Social Responsibility Report, which forms part of the Annual Report.

The Annual Report on Corporate Social Responsibility u/s 135 of the Companies Act, 2013 is annexed as Annexure D to this Report.

Integrated Reporting

The Securities and Exchange Board of India ('SEBI') vide circular no: SEBI/HO/CFD/CMD/CIR/P/2017/10 dated February 06, 2017 has recommended voluntary adoption of 'Integrated Reporting' (IR) from 2017 - 2018 by the top 500 listed companies in India. We continue with our integrated reporting journey in the current fiscal aligning with our philosophy of being a highly transparent and responsible company. This is our second Integrated Report wherein we are guided by the principles of International Integrated Reporting Framework developed by the International Integrated Reporting Council ('IIRC'). The Board acknowledges its responsibility for the integrity of report and information contained therein.

Business Responsibility Report

As stipulated under the Listing Regulations, the Business Responsibility Report, describing the initiatives taken by the Company from environmental, social and governance perspective forms a part of the Annual Report.

Management Discussion and Analysis Report

Pursuant to Regulation 34 of the Listing Regulations, the Management Discussion and Analysis Report for the year under review, is presented in a separate section, forming part of the Annual Report.

Corporate Governance

A detailed report on Corporate Governance, pursuant to the requirements of Regulation 34 of the Listing Regulations, forms part of the Annual Report.

A certificate from Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of the Company, confirming compliance of conditions of Corporate Governance, as stipulated under the Listing Regulations, is annexed as Annexure H to this report.

A statement containing additional information as required under Clause IV of Section II of Part II of Schedule V of the Companies Act, 2013 is provided in the Report on Corporate Governance, which forms part of this Annual Report.

Risk Management

Risk management is embedded in Bharti Airtel's operating framework. The Company believes that risk resilience is key to achieving higher growth. To this effect, there is a process in place to identify key risks across the Group and prioritise relevant action plans to mitigate these risks.

To have more robust process, the Company had constituted a separate Risk Management Committee to focus on the risk management including determination of company's risk appetite, risk tolerance and regular risk assessments (risk identification, risk quantification and risk evaluation) etc.

Risk Management framework is reviewed periodically by the Board and Risk Management Committee, which includes discussing the management submissions on risks, prioritising key risks and approving action plans to mitigate such risks.

The Company has duly approved a Risk Management Policy. The objective of this Policy is to have a well-defined approach to risk. The policy lays down broad guidelines for timely identification, assessment, and prioritisation of risks affecting the Company in the short and foreseeable future. The Policy suggests framing an appropriate response action for the key risks identified, so as to make sure that risks are adequately addressed or mitigated.

The Internal Audit function is responsible to assist the Audit Committee (erstwhile Audit & Risk Management Committee) / Risk Management Committee on an independent basis with a complete review of the risk assessments and associated management action plans.

Operationally, risk is being managed at the top level by Management Boards in India and South Asia and in Africa (AMB and Africa Exco) and at operating level by Executive Committees of Circles in India and Operating Companies in the international operations.

Detailed discussion on Risk Management forms part of Management Discussion & Analysis under the section 'Risks and Concerns', which forms part of this Annual Report. At present, in the opinion of the Board of Directors, there are no risks which may threaten the existence of the Company.

Internal Financial Control and their adequacy

The Company has established a robust framework for internal financial controls. The Company has in place adequate controls, procedures and policies, ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information. During the year, such controls were assessed and no reportable material weaknesses in the design or operation were observed. Accordingly, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2018-19.

Other Statutory Disclosures

Vigil Mechanism

The Code of Conduct and vigil mechanism applicable to Directors and Senior Management of the Company is available on the Company's website at https://s3-ap-southeast-1.amazonaws.com/bsy/ iportal/images/Code-of-Conduct-applicable-to-Directors-and-Senior-Management-of-the-com_ B30F70736F8A8DEE6203908A7988580D.pdf

A brief note on the highlights of the Whistle Blower Policy and compliance with Code of Conduct is also provided in the Report on Corporate Governance, which forms part of this Annual Report.

Extract of Annual Return

In terms of provisions of Section 92, 134(3)(a) of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014, the extract of Annual Return of the Company in form MGT-9 is annexed herewith as Annexure E to this report.

Sexual Harassment of Women at Workplace

The Company has an Internal Complaints Committee for providing a redressal mechanism pertaining to sexual harassment of women employees at work place. Details of the same including the details of the complaints received is provided in the Report on Corporate Governance, which forms part of this Integrated Report.

Significant and material orders

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future other than the orders passed by tribunal w.r.t. various scheme of arrangements mentioned earler in this report.

Particulars of loans, guarantees and investments

Particulars of loans, guarantees and investments form part of Note no. 10, 23 & 8 respectively to the financial statements provided in the full version of the Annual Report.

Disclosure under Section 197(14) of Act

Neither the Managing Director & CEO nor the Chairman of the Company receive any remuneration or commission from its holding or subsidiary company.

Related Party Transactions

A detailed note on the procedure adopted by the Company in dealing with contracts and arrangements with Related Parties is provided in the Report on Corporate Governance, which forms part of this Annual Report.

All arrangements / transactions entered into by the Company with its related parties during the year were in the ordinary course of business and on an arm's length basis. During the year, the Company has not entered into any arrangement / transaction with related parties which could be considered material in accordance with the Company's Policy on Related Party Transactions read with the Listing Regulations and accordingly, the disclosure of Related Party Transactions in Form AOC - 2 is not applicable. However, names of Related Parties and details of transactions with them have been included in Note no. 34 to the financial statements provided in the full version of the Annual Report and Note no. 17 of the financial statements provided in abridged version of the Annual Report under Indian Accounting Standards 24.

The Policy on the Related Party Transactions is available on the Company's website at <u>https://</u> s3-ap-southeast-1.amazonaws.com/bsy/iportal/ images/BAL-Policy-on-Related-Party-Transactions_ CAF52027123589504F21514722AAF1A5.pdf

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

The details of energy conservation, technology absorption and foreign exchange earnings and outgo as required under Section 134(3) of the Companies Act, 2013, read with the Rule 8 of Companies (Accounts of Companies) Rules, 2014 is annexed as Annexure F to this report.

Particulars of Employees

Disclosures relating to remuneration of Directors u/s 197(12) of the Companies Act, 2013 ('the Act') read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure G to this report.

Particulars of employee remuneration as required under Section 197(12) of the Act read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report. In terms of the provisions of the first proviso to Section 136(1) of the Act, the Annual Report is being sent to the shareholders excluding the aforementioned information. The information will be available on the Company's website at https://www.airtel.in/about-bharti/equity/results and is also available for inspection at the registered office of the Company on all working days (Monday to Friday) between 11.00 a.m. and 1.00 p.m. upto the date of AGM and will also be available for inspection at the venue of the AGM. Any member interested in obtaining such information may write to the Company Secretary at the Registered Office of the Company.

Directors' Responsibility Statement

Pursuant to Section 134 of the Companies Act, 2013, the Directors, to the best of their knowledge and belief, confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed, along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the

Company at the end of the financial year and of the profit and loss of the Company for that period;

- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the annual accounts on a going concern basis;
- e) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Acknowledgements

The Board wishes to place on record their appreciation to the Department of Telecommunications ('DoT'), the Central Government, the State Governments in India, Government of Bangladesh, Government of Sri Lanka and Governments in the 14 countries in Africa, Company's bankers and business associates, for the assistance, cooperation and encouragement extended to the Company.

The Directors also extend their appreciation to the employees for their continuing support and unstinting efforts in ensuring an excellent all-round operational performance. The Directors would like to thank various partners, viz., Bharti Telecom Limited, Singapore Telecommunications Ltd. and other shareholders for their support and contribution. We look forward to their continued support in future.

> For and on behalf of the Board

Place: New Delhi Date: May 6, 2019 Sunil Bharti Mittal Chairman

Management Discussion and Analysis

Overview

India is currently the second largest telecommunication market and has the second highest number of internet users in the world. India's internet user base has grown rapidly in recent years, propelled by the decreasing cost and increasing availability of smartphones and high-speed connectivity at affordable prices. It continues to witness a huge expansion in data and voice usage even as it consolidates towards the largely 3+1 player market. With only three private operators serving 1.3 Billion people and significant 4G penetration upside, the industry is poised for sustained long term growth.

In order to remain a meaningful, relevant player in this era of digitization, Airtel is making a dynamic shift in its strategy from simply being a pipe providing connectivity to being an ecosystem of digital services with an aim to win quality customers across verticals and offer them brilliant experience across all touch points.

This strategy will be based on the key pillars, the primary pillar being providing services at scale. The Company will continue to scale up its digital services offerings, such as Airtel TV, Wynk, Books, Payments, etc., which are offered as part of the flagship Airtel Thanks program. This will be enabled through expanded strategic partnerships and creating of partner ecosystem with ability to quickly and seamlessly integrate offerings on the airtel platform.

Strong customer understanding and deep micro marketing will be at the core across online and offline channels of the Company. To be able to impeccably offer these services to customers and to quickly adapt to the changing industry contours, airtel will simplify its processes to be an agile customer-centric organization. In addition to this, everything will be looked through the lens of War on Waste program to ensure cost savings and delivering incremental profits to its shareholders.

The Company's Africa business is creating a strong foundation for a solid and sustainable business. Airtel targets to increase the mobile revenue and market share through widest smartphone network leadership, data penetration, introduction of new products and addition of quality customers. Airtel Money provides a unique opportunity to build a scalable business at a minimal incremental capex while fully leveraging the existing platform to provide a solution to the low banking penetration seen across the continent.

Economic Review

The global economy continues to expand at a healthy pace. The global GDP grew by 3.6% in 2018 compared to 3.8% in 2017, despite the backdrop of weakening global growth, looming trade policy uncertainty, and concerns about US and China's outlook.

Economic activity in advanced economies grew by 2.2% in 2018 as compared to 2.4% in 2017. The fall was primarily due to slowdown in the euro area caused by several factors including the prolonged uncertainty around the Brexit outcome, weakening consumer and business sentiment, fiscal policy uncertainty even as the sovereign spreads continued to remain elevated softening investments across the region. Amid a tight labor market and strong consumption growth in the United States, the growth momentum in US remained robust with the economy enhancing its growth rate to 2.9% in 2018 vs. 2.2% last year.

Emerging Market and Developing Economies (EMDE) grew by 4.5% during 2018, led by India & China. China's growth declined against last year following a combination of regulatory tightening and an increase in trade tensions with the United States. Most of the EMDE were impacted by the volatile crude oil prices and depreciation bias on the currency. Although oil prices have now stabilized, inflationary pressures continue to remain due to the domestic currency depreciation and thus impacting growth outlook.

Looking into next year, global economic growth is projected to be 3.3% in 2019, before returning to 3.6% in 2020. The pickup is expected in the second half of 2019 on account of ongoing buildup of policy stimulus in China, recent improvements in global financial market sentiment, the waning of some temporary drags on growth in the euro area, and a gradual stabilization of conditions in stressed emerging market economies. Beyond 2020, global growth is set to plateau at about 3.6% over the medium term, sustained by the increase in the relative size of economies, such as those of India and China, which are projected to have robust growth rates.

	Act	tual	Projec	tions
Global Growth Trend (%)	2017	2018	2019	2020
World Output	3.8	3.6	3.3	3.6
Advanced Economies	2.4	2.2	1.8	1.7
Emerging Market and Developing Economies	4.8	4.5	4.4	4.8
China	6.8	6.6	6.3	6.1
India	7.2	7.1	7.3	7.5
Sub-Saharan Africa	2.9	3.0	3.5	3.7

Source: IMF World Economic Outlook 2019

Indian Economy

As per IMF, Indian economy grew by 7.1% in 2018 which is the fastest in the world. The economy achieved the growth with overcoming the several challenges it faced during the year. The country got hit by the NBFC crisis and the liquidity crunch in the bond/debt market. The NBFC liquidity crunch came with the major public sector banks already under RBI's Prompt Corrective Action framework. With continuous government efforts towards achieving bank recapitalization and strategic mergers, the economy was able to survive through it.

The country has been an upswing in the private consumption expenditure in the past few years. Further, it is projected to remain robust and the investment growth is also expected to continue as the benefits of recent policy reforms begin to materialise and credit markets rebound. Even the fall in crude oil prices and the appreciation of the rupee in the second half of 2018 has reduced pressures on inflation and the current account deficit.

As per IMF, India is a bright spot in the global ecosystem and India's growth is looking very attractive in the coming years. India's growth is projected to pick up to 7.3% in 2019 and 7.5% in 2020, supported by the continued recovery of investment and robust consumption amid a more expansionary stance of monetary policy and some expected impetus from fiscal policy. Going past 2020, IMF expects growth in India to stabilize at just under 734% over the medium term, based on continued implementation of structural reforms and easing of infrastructure bottlenecks.

Africa Economy

The Sub-Saharan Africa economy grew by 3.0% in 2018, a marginal improvement from the growth rate

of 2.9% witnessed last year. The slowdown was due to the strengthening dollar, fluctuating commodity prices and trade uncertainty. Nigeria, a major economy in the region, gave a positive push to the overall region growth by increasing its growth rate to 1.9% this year from 0.8% last year. The other bright spots were majorly the noncommodity driven markets such as Burkina Faso, Cote d'Ivoire, Ethiopia, Ghana, Niger, Rwanda, Senegal, Tanzania, and Uganda.

While the prospects vary across Sub-Saharan Africa, reflecting the heterogeneity of the economies, associated with disparities in the level of development, exposure to weather shocks, and commodity dependence, for the region as a whole the growth is expected to pick up to 3.5% in 2019 and 3.7% in 2020 even after considering the impact of the recent softening of oil prices.

Growing labor force, increased urbanization and advanced technology adoption are some of the positives working in favour of Africa. With a potential to emerge as one of the world's most productive and dynamic economies, Africa provides substantial opportunities for the telecom sector in the areas of data and mobile commerce.

Sources:

World Bank Global Economic Prospects 2019: <u>http://www.worldbank.org/en/publication/global-economic-prospects</u>

IMF World Economic Outlook 2019: <u>https://www.imf.org/en/</u> Publications/WEO

OECD Economic Outlook 2019: http://www.oecd.org/economy/ economic-outlook/

Megatrends that Drive Our Business

- By 2020, India is set to become the world's youngest country with 64% of its population in the working age group. This demographic potential will offer India an unprecedented edge with increase in mobile data penetration.
- The age of digitization is ushering in the fourth industrial revolution, which will be fuelled by telecom networks. This is also encouraging telecom businesses to reinvent themselves by embarking on digital transformation to fully serve the needs of the new digitally savvy and digitally native customers.
- As per IDC, Indian smartphone market witnessed a 14.5% annual growth with a total shipment of 142.3 Mn units in 2018. The penetration of high-speed mobile broadband in India continues to outpace industry expectations, driven by rapid adoption of low cost smartphones and lower data pricing.

- The increasing usage of digital service will push the consumption through Over the top (OTT) platform in near future. Content tie-ups are playing a major role in customer acquisition and retention. Customers are looking for content services like music and video streaming, device protection and other benefits over and above the basic mobile recharges. The industry is moving towards producing or collaborating with manufacturers of content.
- While implementation and rollout of 5G looks to be some time away, the standards and ecosystem on 5G has already gathered pace with more and more use cases coming into picture. In the coming years, Indian telecom industry will work to prepare the networks for 5G and extreme broadband applications such as virtual reality, augmented reality.
- Deployment of Internet of Things (IoT) in various consumer and enterprises solutions such as asset tracking, smart appliances, smart metering, security and surveillance is grabbing attention of developers and telcos. Increased penetration of affordable devices, combined with cloud computing, analytics and rising consumer expectations is driving the rapid growth of the IOT market. The IOT market in India is poised to reach USD 15 Bn by 2020, accounting for nearly 5% of total global market. Telecom will play a critical role in providing connectivity and solutions in this market. Number of M2M connections in Africa is expected to reach 26 Mn by 2020.
- With government push towards cashless economy and increasing acceptability of digital transactions, payments via smartphones are driving financial inclusion. Telecom industry, with an established distribution network is best placed to capture this opportunity.
- Convergence of fixed and wireless technologies is becoming more tangible with improvements in handsets, increased data speed, and development of backhaul.
- With Mission Digitization, DTH operators are likely to benefit from a rising subscriber base and higher market penetration. Innovations in paid TV services, migration from SD to HD boxes have increased consumption of – smart TV's and HD services, offering more opportunities to service operators.

Industry Overview

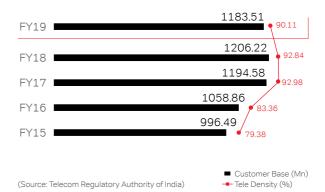
Indian Telecom Sector

India's total customer base stood at 1,183.51 Mn as on March 31, 2019. The completion of the consolidation

within the Indian Telecom Market into three large private players accelerated the SIM consolidation leading to drop in customer base by 1.9% from 1,206.22 Mn last year. Consequently, the tele-density also contracted to 90.11% from 92.84% last year. The urban tele-density stood at 159.96%, whereas the rural tele-density stood at 57.47%, as on March 31, 2019.

Among the service areas excluding metros, Himachal Pradesh has the highest tele-density (146.39%) followed by Kerala (126.15%), Punjab (125.35%), Tamil Nadu (117.05%), Gujarat (107.21%), Haryana (97.66%), Andhra Pradesh (97.55%), Jammu & Kashmir (89.43%). Among the metros, Delhi tops with 238.58% tele-density. On the other hand, the service areas, such as Bihar (59.95%), Uttar Pradesh (68.63%), Assam (68.81%) and Madhya Pradesh (70.11%) have comparatively low tele-density.

Tele Density: India (%)



With the tele-density at its current levels, there remains a significant headroom for expansion, especially in rural areas. Differentiated services and personalized digital offers will be the key drivers for the market in urban areas.

The broader industry, having consolidated to three large players, started seeing some return of stability and green shoots of growth. Prices however have remained subdued and need to move up in the long term to ensure industry viability. With imminent digitization, the sector also needs to make a dynamic shift from simply being a pipe providing connectivity to being an ecosystem of digital services. The sector needs to identify new growth areas which combine the potential of digitization and existing core competencies of telecom in addition to making the core business more cost efficient and agile to be able to drive the fourth industrial revolution.

The sector continues to witness data boom and rising consumption of content and related services. There is a strong growth in internet users fuelled by increased availability of bandwidth, affordable data plans and increased use cases; as also awareness driven by the digital India initiatives of the government. Providing a seamless, high speed network experience and building requisite capacities to cater the consumption boom will be critical for supporting the sector expansion.

The wire-line customer base stood at 21.70 Mn at the end of March 31, 2019 vis-à-vis 22.81 Mn at the end of March 31, 2018.

African Telecom Sector

Africa has been the fastest-growing mobile market in the world during the past few years fuelled by favourable macroeconomic factors manifesting in higher consumption, licensing opportunities and relatively stable regulatory and economic environment. Continued investments by operators across the continent has led to drastic improvement in the telecommunication infrastructures.

Revenue growth for Airtel in Africa has been strong, driven by mobile money and data. Airtel is the leading operator in 12 of the 14 countries in Africa in which it operates.

With the overall growth story remaining strong with a full year witnessing a double-digit revenue growth, the Company has embarked on a journey of cost consolidation and service diversification in-order to further improve profitability and enhance competitive edge. Diversification and digitization of offerings along with continued investment towards enhancing customer experience through high speed LTE network has led to a strong growth in Mobile Data and Money in addition to Voice.

Airtel Africa is undertaking an IPO on the London Stock Exchange along with a secondary listing on Nigeria Stock Exchange, subject to market conditions.

Development in Regulations

The year saw several regulatory changes and developments. The significant regulatory changes were:

India

- The Telecommunication Interconnection (Amendment) Regulations, 2018: Telecom Regulatory Authority of India (TRAI) on July 5, 2018 issued "The Telecommunication Interconnection (Amendment) Regulations, 2018". The key highlights are:
 - Service providers may request for additional ports at a Point of Interconnect (POI), if the projected utilization of such POI at the end of sixty days from the date of placing the request is likely to be

more than 85%. The request shall be such that the projected utilization drops to less than 75%.

- The projected utilization shall be calculated on the basis of daily traffic for the preceding sixty days at the POIs during busy hour.
- The time frame for provisioning of ports for initial interconnection and augmentation of ports was revised to 42 working days.
- The port charges and infrastructure charges, for all ports provided before February 1, 2018 shall continue to be payable as per the terms and conditions which were applicable to them before February 1, 2018.

Ruling on the validity of Aadhaar Card by Hon'ble Supreme Court for use by private institutions

- Section 57 of the Aadhaar Act has been revoked by the Hon'ble Supreme Court in its judgement dated September 26, 2018. The said section specified the use of Aadhaar card for identification purposes by private companies.
- Vide this judgement Aadhaar based eKYC for mobile SIM verification of existing connections has been disallowed. Subsequent to this judgement, a new app-based customer enrolment method was approved by Department of Telecom (DoT) as an alternative to Aadhaar based verification.
- Amendments to the License Agreement of Basic Service, Cellular Mobile Telephone Service (CMTS), Unified Access Service License (UASL), Unified License (UL), UL (Virtual Network Opeartor), National Long Distance (NLD) and International Long Distance (ILD) Licenses (other than UL) for change in interest rate on delayed payment: Department of Telecommunications (DoT) has issued amendments in the various License Agreements including Basic Service, CMTS, UASL, UL, UL (VNO), NLD & ILD Licenses (other than UL) by which the interest levied in case of delayed payments of License Fee and Spectrum Usage Charges (as applicable) has been revised to MCLR + 4% w.e.f. April 2016.
- Amendment to Telecommunication Mobile Number Portability (MNP) Regulations: TRAI issued "Telecommunication Mobile Number Portability (Seventh Amendment) Regulations, 2018" on December 13, 2018. These regulations shall come into force from September 30, 2019. The salient points of regulations are as below:

- The porting timeline of 2 working days has been kept for Intra-Licensed Service Area (Intra-LSA) numbers & 4 working days for Inter-LSA numbers and corporate category. The validity of Unique Porting Code (UPC) has been kept 4 days in place of 15 days.
- Telecom Service Provider will be liable to pay an amount, by way of financial disincentive not exceeding ten thousand rupees for each wrongful rejection of the request for porting, as the Authority may, by order direct.
- Every Access Provider shall set up a mechanism for the purpose of receiving SMS from its subscribers requesting for a UPC and forwarding the same to the MNP zone to which the mobile number belongs.
- Introduction of query response mechanism for the generation & delivery of Unique Porting Code (UPC) for all the cases except corporate category. The Mobile Number Portability Service Provider (MNPSP) will query the database of the Donor Operator on real time basis and ensure the delivery of UPC.
- Amendment in Merger and Acquisition Guidelines: DoT issued amendments in its Merger and Acquisition guidelines, 2014 on September 24, 2018. Salient features of the same are:
 - After the sanction of any scheme or proposal for compromise, arrangement and amalgamation filed before a Tribunal / Company Judge by a Company, the Licensor will provide its written approval within 30 days of receipt of request for such approval of the said transfer / merger of licenses / authorizations under Unified License.
 - The resultant entity can now, in addition to surrendering the excess spectrum beyond prescribed limit, also trade the excess spectrum held by it within one year post the merger / amalgamation.
- Amendment to Unified License for Net Neutrality: DoT issued an amendment to the unified license conditions for regulatory framework on Net-Neutrality on September 26, 2018. As per the amendment:
 - The Licensee will be prohibited from entering into any arrangement, agreement or contract that has the effect of discriminatory treatment of content.

- = These provisions will not be applicable on:
 - Specialized services, provided that these services are not usable or offered as a replacement of Internet Access Service.
 - 😑 Reasonable traffic management practices.
 - Provision of emergency services or any services provided during time of grave public emergency, as per the process laid down by the licensor / regulator.
 - Implementation of any order of a court or direction issued by the Government, in accordance with law.
 - Measures taken in pursuance of preserving the integrity and security of the network and equipment.
 - Measures taken in pursuance of an international treaty, as maybe specified by the Government.
- National Digital Communications Policy 2018: DoT released the National Digital Communications Policy 2018 on September 26, 2018. The key features include:
 - Review of levies and fees including License fee (LF), Spectrum Usage Charges (SUC), Universal Service Obligation Fund and the definition of Adjusted Gross Revenue (AGR).
 - Review of the concept of pass through charges to align the same with the principles of input line credit thereby avoiding double incidence of levies.
 - Identify and make available new spectrum bands for access and backhaul segments for timely deployment and growth of 5G networks.
 - Encourage the deployment of fiber by taking steps such as creation of National Fibre Authority, establishing common service ducts, facilitating Fibre-to-the-tower program to enable fiberization of at least 60% of telecom towers thereby accelerating migration to 4G/5G etc.
 - Establish a unified policy framework and spectrum management regime for broadcast and broadband technologies.
- Amendments to license on Internet Telephony: DoT issued amendments to the Cellular Mobile

Telecom Service (CMTS)/ Unified Access Service (UAS) license on internet telephony on June 19, 2018. The key highlights are:

- Internet telephony can be provided to customers by access service providers using internet services of other providers.
- Internet telephony calls originated by international out roamers from international locations shall be handed over at the international gateway of licensed International Long Distance Operators (ILDOs) and international termination charges shall be paid to the terminating access service provider.
- Telecom Service Providers (TSP) are allowed to allocate same number to the subscriber both for cellular mobile service and internet telephony service.
- The licensee providing internet telephony is required to comply with all the interception and monitoring related requirements.
- The public IP address used for originating/ terminating internet telephony calls should be made a mandatory part of (Call Data Records) CDRs in case of internet telephony.
- Issuance of In Flight and Maritime Connectivity Rules (IFMC), 2018: DoT issued a notification on December 14, 2018 for permitting in-flight voice and data services (IFMC). Highlights of the notification are:
 - Following are eligible to apply for authorization to provide IFMC Services:
 - An Internet Service provider (ISP) (CAT-A) licensee or an Access Service licensee. These licensees should also hold an NLD license or a commercial VSAT CUG service license and a satellite gateway earth station within the service area of its license, in case connectivity through satellite is used.
 - Any Indian Company or any airline or any shipping Company (Indian or foreign permitted to enter Indian space). These companies are required to enter into a commercial agreement with either ISP licensee or an Access Service licensee (partnering licensee) to provide IFMC services.

- Revenue earned shall be included in the Gross Revenue of the licensee, for the purpose of license fee and spectrum usage charges (SUC).
- Regulations on Broadcasting and Cable Services: The new Tariff framework, Interconnection & Quality of Service (QoS) regime of DTH as per "The Telecommunication (Broadcasting and Cable) Services (Eighth) (Addressable Systems) Tariff Order, 2017 dated March 3, 2017" has been implemented on March 31, 2019 and the subscribers have been migrated to the new regime. The salient features of the same are as follows:
 - Freedom and flexibility to the consumers to select the channels of their choice which they want to view and pay only for the choice made by them.
 - Consumers can select either ala-carte channels or a bouquet of a broadcaster / Distributor or any combination thereof.
 - Declaration and publication of a Reference Interconnect offer (RIO), each by a Distributor and Broadcaster to ensure transparency & levelplaying field for all entities.
 - Transparent declaration of information relating to channel choices, prices, terms of subscription, provisioning of Set Top Box under the Quality of Service (QoS) Regulation.
- Issue of Consultation Paper to review Port per Transaction Cost (PPTC) and other related charges for Mobile Number Portability (MNP): TRAI, on April 1, 2019, issued a consultation paper to review the PPTC and other related charges for MNP. The paper comes after the Hon'ble High Court of Delhi vide it's Judgment dated March 8, 2019 had squashed the TRAI's "Mobile Number Portability Per Port Transaction Charge and Dipping Charge (Amendment) Regulation, 2018" dated January 31, 2018 to reduce the price of per successful port transaction charge from ₹ 19 to ₹ 4.

Africa

Uganda

The Ugandan regulator in March, 2018 imposed conditions on the sale of SIM cards as well as SIM swaps on all operators. The regulator had also issued a directive, that with effect from July 2018, the operators are not allowed to sell scratch card in non-electronic form.

SCOT Analysis:

Strengths

- Strong Presence: One of the leading telecom players in India and #3 worldwide. Market leadership (Rank 1 & 2) in 12 of 14 African countries
- Scale of Operation: Presence in 18 countries serving over 403 Mn customers
- Large Distribution Platform: Robust platform enabling company to offer services like Mobile Money, OTT applications - Wynk Music, Airtel TV and Airtel Books
- QuadPlay: Only operator to leverage quad play: Mobile, Fixed Voice, Broadband and DTH
- Strong Network: Future proof network across access, transport and core layers. Pan India 4G/3G spectrum

Challenges

- Integration of Operations: Geographically varied presence, integrating operations across India, South Asia and Africa leveraging common platform
- Fast Changing Customer Needs: Understanding evolving customer perceptions in fast-changing multi-cultural and multi-lingual environment

Opportunities

- Rising Data Demand: Data usage growth with a spurt in smartphone shipments and Government of India's digital drive. In Africa, mobile data traffic expected to see a more than 10-fold increase by 2023
- Strong Partner Ecosystem: Possibilities to have a host of strategic partnerships leading to differentiated customers experience in order to win customers
- Digital payments: India's digital payment space is expected to grow the segment by about five-fold to USD 1 trillion by 2023. Underpenetrated banking opportunity in Africa as well
- Content: Spurt in digital content consumption over internet. Video consumption contributes to >70%

of data consumption & India's video streaming industry is all set to grow at a CAGR of ${\sim}22\%$

- Infra Sharing: Active infra sharing can lead to reduced expenditures and efficient use of capex
- Other non-mobile businesses: Less than 10% fixed broadband penetration in overall 250+ Mn households in India. Digitization to uplift DTH homes which are currently just 40% of overall. Also, even less than 10% of 1.5 Mn SMB/Enterprises have internet connectivity
- Benefits from Consolidation: Improved industry dynamics due to the consolidation in the industry with recent mergers & exits of various telcos

Threats

- Increased Competition: Pressures on Average Revenue Per User (ARPU) due to increased competition
- **Regulatory Changes:** Uncertainties around political and economic environment across regions
- Currency Exposures: Volatility in currencies due to global macro-economic uncertainties and global trade tensions

Financial review

Consolidated Figures

Particular	FY 201	FY 2018-19		FY 2017-18	
	₹ Millions	USD Millions*	₹ Millions	USD Millions*	
Gross revenue	807,802	11,567	826,388	12,823	
EBITDA before exceptional items	262,937	3,768	304,479	4,725	
Interest, Depreciation & Others before exceptional items	309,545	4,430	263,878	4,095	
Profit before exceptional items and Tax	(46,606)	(662)	40,602	630	
Profit before tax	(17,318)	(253)	32,670	507	
Tax expense	(34,193)	(495)	10,835	168	
Profit for the year	4,095	59	10,990	171	
Earnings per share (In ₹ / USD)	1.02	0.01	2.75	0.04	

*1USD = ₹ 69.86 Exchange Rate for financial year ended March 31, 2019 (1 USD = ₹ 64.44 for financial year ended March 31, 2018)

Standalone Figures

Particular	FY 201	FY 2018-19		FY 2017-18	
	₹ Millions	USD Millions*	₹ Millions	USD Millions*	
Gross revenue	496,080	7,101	536,630	8,327	
EBITDA before exceptional items	128,321	1,837	181,529	2,817	
Interest, Depreciation & Others before exceptional items	208,407	2,983	182,300	2,829	
Profit before exceptional items and Tax	(80,086)	(1,146)	(771)	(12)	
Profit before tax	(52,037)	(745)	(6,812)	(106)	
Tax expense	(33,747)	(483)	(7,604)	(118)	
Profit for the year	(18,290)	(262)	792	12	
Earnings per share (In ₹ / USD)	(4.58)	(0.07)	0.20	0.00	

*1 USD = ₹ 69.86 Exchange Rate for financial year ended March 31, 2019 (1 USD = ₹ 64.44 for financial year ended March 31, 2018)

The Company's consolidated revenues stood at ₹ 807,802 Mn for the year ended March 31, 2019, as compared to ₹ 826,388 Mn in the previous year, decrease of 2.2% (an increase of 1.6% after normalising for impact of IUC rate cut in India and divested operating units of Africa). The revenues for India and South Asia (₹ 602,647 Mn for the year ended March 31, 2019) represented a de-growth of 6.5% compared to that of previous year (de-growth of 4.7% after normalising for impact of IUC rate cut). The revenues across 14 countries of Africa, in constant currency terms, grew by 11.7%.

The Company incurred operating expenditure (excluding access charges, cost of goods sold, license fees and CSR costs) of ₹ 373,976 Mn representing an increase of 7.3% over the previous year. Consolidated EBITDA at ₹ 262,937 Mn decreased by 13.6% (decrease of 10% after normalising for impact of IUC rate cut in India and divested operating units of Africa) over the previous year. The Company's EBITDA margin for the year decreased to 32.5% as compared to 36.8% in the previous year. Depreciation and amortization costs for the year were higher by 10.9% to ₹ 213,474 Mn. Consequently, EBIT for the year at ₹ 47,629 Mn decreased by 57% (decrease of 51.8% after normalising for impact of IUC in India and divested operating units of Africa) resulting in margin of 5.9% visà-vis 13.4% in the previous year. The cash profits from operations (before derivative and exchange fluctuations) for year ended March 31, 2019 was ₹ 167,777 Mn vis-à-vis ₹ 227,169 Mn in the previous year.

Net finance costs at ₹ 95,893 Mn were higher by ₹ 15,181 Mn compared to previous year mainly due to higher interest on borrowings by ₹ 22,731 Mn (FY'19 – ₹ 87,252 Mn, FY'18 – ₹ 64,521 Mn) partially off-set by lower finance charges (lower by ₹ 4,003 Mn) and higher investment income (higher by ₹ 3,533 Mn) in current year as compared to the previous year.

Consequently, the consolidated loss before taxes and exceptional items at ₹ 46,606 Mn compared to profit of ₹40,601 Mn for the previous year.

The consolidated income tax expense (after the impact on exceptional items) for the full year ending March 31, 2019 was (negative) ₹ 34,192 Mn, compared to ₹ 10,834 Mn for the previous year. The decline is primarily led by drop in profits in India and impact of creation of deferred tax asset in DTH and Nigeria. The underlying effective tax rate in India for the period was at 34.45% vs 24.45% for the full year ended March 31, 2018. The tax charge in Africa for the

full year (excluding divested units) was at (negative) USD 59 Mn vs USD 130 Mn in the previous year on account of change in profit mix of the countries and impact of creation of deferred tax asset in Nigeria.

Exceptional items during the year accounted for impact of ₹ 29,288 Mn (gross). These included impact of gain/ losses pertaining to re-assessment of levies, based on a recent pronouncement related to the manner of determination of such levies, creation of deferred tax asset in DTH and Nigeria, gain on account of deconsolidation of Airtel Payments Bank, operating costs on network refarming and up-gradation program and assessment of tax provision during the year.

After accounting for exceptional items, the resultant consolidated net income for the year ended March 31, 2019 came in at ₹ 4,095 Mn as compared to ₹ 10,990 Mn in the previous year.

The capital expenditure for the full year was ₹ 287,427 Mn (USD 4.1 Bn) as compared to ₹ 268,176 Mn in the previous year (an increase of 7%). Consolidated operating free cash burn for the year was at ₹ 24,490 Mn as compared to cash flow of ₹ 36,303 Mn in previous year.

Return on Capital Employed (ROCE) has improved to 5.1% from 4.6% in the previous year.

The following table shows a summary sector specific key ratios:

Key Ratios	Units	FY 2019	FY 2018	YoY%
Capex Productivity	%	40.6%	49.3%	-17%
Opex Productivity	%	46.3%	42.2%	10%
Interest Coverage Ratio ¹	Times	2.84	4.37	-35%
Net Debt to Shareholders' Equity	Times	1.52	1.37	11%
EBITDA Margin	%	32.5%	36.8%	-12%
Net Profit Margin ²	%	0.5%	1.3%	-62%
Return on Shareholders' Equity ³	%	0.6%	1.6%	-64%

 Drop in Interest coverage ratio is driven by higher borrowing costs during the year

2. Drop in Net Profit Margin is attributable to lower Net Profits during the year

 Drop in Return on Net worth is attributable to lower Net Profits during the year

Liquidity & Funding

As on March 31, 2019, the Company had cash and cash equivalents of ₹ 62,121 Mn and short-term investments of ₹ 46,232 Mn. During the year ended March 31, 2019, the Company generated operating free cash flow of (negative) ₹ 24,490 Mn. The Company's consolidated net debt as on March 31, 2019 increased by USD 1040 Mn to USD 15,651 Mn as compared to USD 14,611 Mn last year. The Net Debt - EBITDA ratio (USD terms LTM) as on March 31, 2019 stood at 4.32 times as compared to 3.19 times in the previous year, mainly on account of increased borrowings and reduced EBITDA. The Net Debt-Equity ratio stood at 1.52 times as on March 31, 2019, compared to 1.37 times in the previous year.

During the year, the Company undertook several initiatives to meet its liquidity and funding requirements. On 3rd May 2019, the Company launched a rights issue of 1.13 Bn fully paid up equity shares (face value ₹ 5 each) at a price of ₹ 220/- per share aggregating to ₹ 249.4 Bn with rights entitlement of 19 equity shares for every 67 equity shares held. The right issue will be closed on May 17th, 2019. The proceeds from the issue will be utilized towards its stated objective of deleveraging.

The Company also received investments of USD 1.25 billion from six leading global investors comprising Warburg Pincus, Temasek, Singtel, SoftBank Group International and others through a primary equity issuance in Q3'2019 and \$200 Mn equity investment from Qatar Investment Authority' (QIA) in Q4'2019 in Airtel Africa Limited, a subsidiary of the Company and holding entity of Africa operations of the Group. Total pre-IPO private placement now stands at \$ 1.45 Bn.

The Company has announced an intended IPO at London Stock Exchange along with a parallel listing on the Nigeria Stock Exchange during the year 2019-20 and activities relating to the IPO have been initiated.

The Company continues to have access to both domestic and international debt capital markets.

Awards and Recognition

Airtel, in 2018 and 2017, emerged as the fastest network for download speeds according to independent industry leaders in speed and performance testing. These agencies published various reports and data related to Telecom industry, which showed some emerging trends informing the consumers about the quality and coverage of various telecom operators across India along with some industry-specific insights; according to these reports Airtel has bagged the top spots across many categories like PAN India download Speeds and LTE availability etc.

- Airtel's music streaming app Wynk Music has been rated as 'Most Entertaining app of 2018' on Google Play Store. Also, the OTT music streaming app from Airtel introduced 'Your Year in Music 2018', a new way for its 100 Mn users to look back on their musical journey on the app with just a single touch. This initiative was aimed to create a deeply personalized music experience for its users.
- Airtel's Carrier Digital Platform won the 9th edition of Aegis Graham Bell Award for Wholesale Voice business under 'Service Innovation' category. The Aegis Graham Bell Award recognizes innovation in the field of Telecom, Internet, Media & Edutainment (TIME), felicitating outstanding contributions in these fields in India. Airtel's carrier digital platform is a first-of-its-kind platform that enables global carriers to do wholesale voice business with Airtel at the click of a button.
- Airtel ranked amongst the top 10 companies (out of 100) in the Indian Corporate Governance Scorecard, an independent report jointly developed by Bombay Stock Exchange, International Finance Corporation an Institutional Investor Advisory Services (IIAS) with support from the Government of Japan. Bharti Airtel is the only telecom Company to make it to the top 10.
- Airtel Business has been chosen as the winner in two prestigious categories - Best Wholesale Carrier (Global) and Best Wholesale Business Transformation at the Carriers World Awards 2018, a benchmark for excellence in the global wholesale market. The winners were determined by votes of the industry, making these a unique 'Users Choice' award for the wholesale and networking industry.
- Airtel bagged top honors at CIO CHOICE awards. Airtel was declared as the winner in the Co-location, Public Cloud, Network Security and Information Security categories at the seventh edition of the CIO CHOICE awards. CIO recognition is conducted via an independent advisory panel of eminent CIOs and the winners in each category are selected by over 4000 CIOs from across the country.
- Airtel has been rated as the most admired Company in telecom, in a survey conducted by the Economic Times salary Survey 2017-18 among employees

across the telecom space. The survey showed 21% of the respondents opting for Airtel as the most admired Company.

- Airtel was ranked first within the information technology and telecommunication (ICT) category at the 15th Annual national awards for excellence in Cost Management. The event organized by the Institute of Cost Accountants of India, a premier statutory cost and management accounting body, aims to recognize and honor organizations which have succeeded through efficient and innovative approaches in Cost Management.
- Airtel team engineering stood at 2nd place among 14 contending teams, at Nullcon 2019, a globally recognized security event.
- Airtel Centre of Excellence (ACE) has bagged the runner's up award at the Business Partners Challenge for Shared Services held in New Delhi. The event was organized by the Chartered Institute of Management Accountants, (CIMA) UK.

Segment-wise Performance

B2C services

Mobile Services: India

Overview

The year witnessed culmination of **consolidation within the Indian Telecom market** into three large private players.

The Company completed the acquisition of Telenor (India) Communications Private Limited thus adding 43.4 MHz spectrum to its portfolio. In addition, DoT accorded an in-principle approval for the merger of consumer mobile business of Tata Teleservices (Maharashtra) Limited (TTML) and Tata Teleservices Limited (TTSL) with Bharti Airtel Limited and Bharti Hexacom Limited subject to fulfillment of certain conditions. In addition to strengthening the spectrum portfolio, the synergies from the above acquisitions will help the Company to increase the operational efficiencies, fortify revenues and reinforce its market share.

As on March 31, 2019, the Company had 282.6 Mn customers in India. During the year, the Company modified the prepaid customer base definition in order to represent only the customers who transact and generate revenue.

This is a more stringent definition and better indicates the operating performance of the Company. The churn decreased to 3.3% for the current year, compared to 3.5% during the previous year. The proliferation of bundles with unlimited outgoing calls has led to the minutes on network increase by 44.4% to 2,811 Bn. The Company had 115.1 Mn data customers at the end of March 31, 2019, of which 86.8 Mn were mobile 4G customers. The proliferation of bundles with high inbuilt data has also led to the total MBs on the network grow by 201% to 11,733 Bn MBs.

The Company continues to expand its reach within the digital space. **Wynk Music** is today the #1 music app in the industry with the highest engagement metrics. It crossed 130 Mn installs in March, 2019 and won the Editor's Choice Award on Google Playstore. **Airtel TV**, the video and LIVE TV streaming app from Airtel, crossed 100 Mn installs in March, 2019, underlining its growing popularity amongst smartphone users as the go to destination for digital content. It features over 350 Live TV channels, and a rich assortment of VoD content across 15 languages. The Company in partnership with Juggernaut launched **Airtel Books** in January, 2019, a digital book service where the users can read thousands of books anytime, anywhere and offers a content library featuring a robust collection of books from leading publishing houses.

During the year, revenues decreased by 10.2% (a decrease of 7.8% after normalising for impact of IUC rate cut) to ₹ 415,541 Mn as compared to ₹ 462,639 Mn in the previous year. The segment witnessed decline in the EBITDA margin to 22.7% during the year, compared to 32.6% in the last year. EBIT margin for the year declined to (negative) 13.8%, compared to 4.5% in the previous year.

In the face of rapidly changing customer needs and consumption, the Company remained focused on digital innovations to remain the network of choice. The Company also launched a number of innovative offerings to maintain differentiation in a highly competitive market throughout the year. Some of the initiatives launched during the year are as follows:

- The Company was first to introduce minimum commitment plans which aimed to rapidly simplify its pricing portfolio and help focus on providing differential services to high value consumers.
- #Airtelthanks was launched as one of the biggest digital transformation programs aimed to delight valued customers with exclusive benefits like premium content, device upgrades, network experience and red carpet customer care.

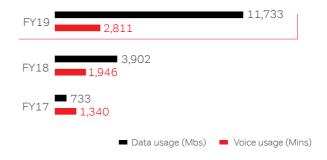
In order to remain ahead of the data demand curve, the Company continued to expand its "Project Leap" initiative with sustained investment targeted toward building data capacities and a superior 4G network across the country. The Company saw it's highest ever single year capex deployment during the year. The Company took a number of initiatives to enhance its data capacities and network experience:

- L became the first operator to launch 4G services in the **Andaman and Nicobar Islands** in January, 2019.
- The Company deployed LTE 900 technology in 10 circles which offers significantly better indoor 4G coverage.
- The Company announced plans to deploy Ciena's software platforms to build one of the world's largest photonic control plane networks in India to enable super-fast broadband experiences over 4G/5G/FTTH architectures.
- Along with Ericsson, the Company conducted India's first Licensed Assisted Access (LAA) trial over a live LTE network, which enables use of unlicensed spectrum in 5GHz band to enhance mobile broadband speed and experience.
- The Company deployed state-of-the-art Massive MIMO technology at the Kumbh mela this year and offered virtual reality based immersive experience to the visitors.

These investments and innovations helped reinforce the Company's position as the fastest network for download speeds for the Q1-Q2 and Q3-Q4 of 2018-19, according to many independent industry leaders in speed and performance testing. The Company had 181,079 network towers, compared to 165,748 network towers in the last year. Mobile broadband (MBB) base stations were at 417,613 the end of the year, compared to 298,014 at the end of last year.

Particulars	FY 2018-19	FY 2017-18	Y-O-Y Growth
	₹ Millions	₹ Millions	%
Gross Revenues	415,541	462,639	-10%
EBIT	(57,511)	20,829	-376%

Data and Voice Usage (Bn)



Key Highlights

Strategic Alliances & Partnerships:

Airtel continues to forge business partnerships with an aim to provide seamless customer experience with greater value proposition to end users:

- Further strengthening its 'Mera Pehla Smartphone' initiative, Airtel entered into a strategic partnership with Amazon India, providing a cashback up to ₹ 2600 on over 65 Amazon.in exclusive 4G smartphones, including popular brands like Samsung, OnePlus and Xiaomi.
- Airtel and Netflix announced an expansion of their partnership in India through which subscribers of select Airtel Postpaid and V-Fiber Home Broadband plans would receive a three month gift of a Netflix subscription. Post these three months, these subscribers would be able to pay for their Netflix subscription seamlessly, using their Airtel postpaid or home broadband bill. The expanded partnership strengthens Airtel's already vastly differentiated & digital content portfolio while giving Netflix access to a large pool of premium Airtel customers.
- As part of its 23rd anniversary celebrations during the year, Airtel rolled out exciting gifts for its smartphone customers in partnership with Amazon Pay. All prepaid customers on a bundled pack of ₹ 100 or higher, and postpaid customers on any infinity plan became eligible for a ₹ 51 gift card, which got loaded as Amazon Pay balance and could be used for bill payments, recharges and / or online shopping.
- Airtel has been building a strong partner ecosystem for devices to enable customers to easily upgrade to a device of their choice and do more on the smartphone. As part of this, Airtel brought the all new Samsung

Galaxy S10+ and S10, to its Online Store at affordable down payments and convenient EMIs with built-in postpaid plans offering a host of benefits. Airtel also announced special offers with large data bundles and other exclusive benefits for users upgrading to any device from the new Xiaomi Redmi Note 7 series.

- Airtel and ZEE Entertainment Enterprises Ltd. ("ZEEL") announced a strategic alliance aimed at driving the growth of digital/OTT video content ecosystem in India. The alliance will leverage ZEE's popular content / LIVE TV portfolio and the reach of Airtel's digital platforms. As a lead content partner, ZEE will be making its curated digital originals available to Airtel customers over the next 3 years.
- Airtel announced a content partnership with Hoichoi, world's biggest Bengali entertainment app to offer exciting Bengali digital content to Airtel TV users. Hoichoi's exclusive Bangla content, including original shows and chartbuster movies is now available on the Airtel TV app, which now has one of the largest and most exciting digital content portfolios in India.

Mergers & Acquisitions:

Airtel concluded a host of M&A transactions as a part of its growth and diversification strategy and to harness economies of scale resulting from consolidations:

- Airtel completed the acquisition of Telenor (India) Communications Private Limited following all regulatory and statutory approvals. Airtel has integrated Telenor's operations across circles and has added 43.4 MHz spectrum to its portfolio. All the Telenor customers have been transitioned seamlessly and continue to enjoy uninterrupted services with the same SIM and same plan/pack benefits.
- On April 10, 2019 DoT accorded an In-principle approval for the merger of Consumer Mobile Business of Tata Teleservices (Maharashtra) Limited and Tata Teleservices Limited with Bharti Airtel Limited and Bharti Hexacom Limited subject to fulfillment of certain conditions.

Successful Divestment/Funding:

Subsequent to the balance sheet date, on May 03, 2019, the Company launched a rights issue of 1.13
 Bn fully paid up equity shares (face value ₹ 5 each) at a price of ₹ 220/- per share aggregating to ₹ 249.4 Bn with rights entitlement of 19 equity shares for every 67

equity shares held. The right issue will close on May 17, 2019. The proceeds from the issue will be utilized towards its stated objective of deleveraging.

During the quarter ended December 31, 2018, due to the change in the shareholder rights of the Company in Airtel Payment Bank Limited ('APBL'), APBL ceased to be a subsidiary of the Group and has become an Associate under Ind-AS.

Network Expansion & Transformation:

Airtel took several initiatives to scale its network to meet the ever increasing needs of the customers for a world class network in a highly competitive industry scenario:

- Airtel and Ericsson conducted India's first Licensed Assisted Access (LAA) trial over a live LTE network. LAA enables the use of unlicensed spectrum in the 5 GHz band in combination with licensed spectrum. With this, customers can get a significantly enhanced mobile broadband experience and ultra-fast speeds, while operators make efficient use of unlicensed spectrum resources.
- Airtel unveiled 'Airtel 3.0'- a range of futuristic digital technologies and exciting products at the India Mobile Congress (IMC) 2018. The showcase was part of the Company's vision under which it aims to build networks and services that enrich lives of customers by enabling a world-class digital experience.
- As part of **Project Leap**, Airtel's nationwide network transformation programme, Airtel continues to invest significantly towards upgrading and expanding its network.
 - With an aim to further enhance the indoor network coverage of its 4G services, Airtel has initiated refarming of its 900 MHz spectrum and has completed deployment of LTE 900 technology in 10 circles. Similarly, spectrum in 2100MHz band, which was being used for 3G, is being refarmed to 4G for providing additional capacity.
 - Airtel became the first operator to launch 4G services in the Andaman and Nicobar islands on January 15, 2019, thus enabling local residents to enjoy digital services like HD quality video streaming, superfast downloads and uploads, high speeds internet browsing on Airtel's state-ofthe-art FDD 4G network. It will contribute to the Government's Digital India vision.

- Airtel launched 'Bandwidth on Demand' for businesses to enable them to efficiently manage their bandwidth requirements in real-time. The first-of-itskind digital platform gives enterprise customers the flexibility to opt for bandwidth on an hourly, daily or monthly basis based on their unique business needs. This offers greater operational efficiency and tighter control over costs.
- Airtel announced its plans to deploy Ciena's coherent optical and intelligent software platforms to build one of the World's Largest Photonic Control Plane networks in India. The new backbone network spanning 130,000 kms will use available fiber resources efficiently to enable super-fast broadband experiences over 4G/5G/FTTH architectures to serve the exploding demand for high-speed data services.
- Airtel announced a host of initiatives to offer a digital experience to its customers at the Kumbh Mela this year. Airtel customers were able to stream the Kumbh proceedings on the Airtel TV app from across the country. Airtel also deployed its state-of-the-art Massive MIMO technology at the venue to enhance its network capacity massively. In addition to this. Airtel also put up special kiosks at Kumbh to offer Virtual Reality based immersive experience to visitors.

Digital Innovations & Customer Delight:

In the face of rapidly changing customer demands, Airtel consistently remained on the path of digital innovations to nurture its customer journey across all touch points and to have a highly engaged customer force by providing exceptional customer experience.

- Continuing on its strategy of winning with quality customers, Airtel re-launched its flagship customer program #AirtelThanks. The new program is tiered in its offering Silver, Gold and Platinum with each tier having differentiated set of benefits for customers. Existing benefits have been expanded with more content, device & security services, financial services, differentiated customer care and surprise offers from top brands. In an industry first, Airtel launched Amazon Prime benefits for Prepaid as a part of its Thanks program.
- Airtel launched 'Foreign Pass' a range of affordable international roaming voice packs for prepaid customers in India. Starting at just ₹ 196, these voice call packs are available for 20 countries that are the most popular travel destinations amongst Indians

today. The packs are aimed at offering travelers the convenience of keeping in touch with their friends and family instantly without worrying about running out of balance.

- Airtel has discontinued charges for activating international roaming services for both Postpaid and Prepaid users. Consequently, users will experience uninterrupted services while travelling internationally.
- Airtel launched the latest range of Apple iPhones the iPhone Xs and iPhone Xs Max on its Online Store. Customer cash backs and reward points have also been rolled out to enable affordability for customers.
- Airtel launched Google Assistant based Digital Customer Care. In an industry first, Airtel has collaborated with Google to truly simplify its customer service experience by integrating its customer care with the Artificial Intelligence-powered Google Assistant.
- Airtel has introduced 'Smart Recharge' plans that offer bundled offers for prepaid customers. These plans begin from ₹ 23, and extend up to ₹ 245. Each smart recharge plan from Airtel offers something unique, and comes with a minimum validity of 28 days.
- Airtel announced the launch of its 100th Next-Gen Airtel store in India with the opening of the new format store at Park Street in Kolkata. Designed on the theme of creating excellence and wining customers for life, the Next-Gen Airtel stores set a new benchmark in customer engagement and experience. Conceptualized by UK based 8 Inc, the Next-Gen stores are wrapped in latest technologies, to serve customers with simple and transparent digitally enabled experiences.
- Airtel launched 'Wynk Tube' as an extension of Wynk Music providing an integrated and intuitive vernacular interface which allows users to stream audio and video of popular tracks. The app is available to users in 12 Indian regional languages besides English and Hindi and enables a highly personalized digital entertainment experience. Regional content and personalization through Al will help Airtel to further expanded its fast growing content portfolio.

Homes Services

Overview

The Company provides fixed-line telephone and broadband services for homes in 93 cities across India. The Homes

broadband segment continued to witness some topline stress on the back of increasing shift toward mobile broadband and thereby dropping ARPUs. Consequently, the year saw an 11.4% Y-o-Y decline in revenues. The Homes business had 2.3 Mn customers as on March 31, 2019, representing a growth of 4.5% as compared to 2.2 Mn at the end of previous year. The Company continues to remain bullish about this segment and plans to further expand its footprints through continued investments to provide high speed broadband which is also in sync with the New Digital Communications Policy of the government which aims to provide '**Broadband for All**' by 2022. Total Home passes deployment during the year has been highest ever.

Revenues from Homes services stood at ₹ 22,391 Mn for the year ended March 31, 2019, as compared to ₹ 25,265 Mn in the previous year, decrease of 11.4%. EBITDA margin improved during the year to 48.3% as compared to 46.7% in the previous year. During the year data traffic increased by 57.3% to 2,109.7 Bn MBs.

Particulars	FY 2018-19	FY 2017-18	Y-O-Y Growth
	₹ Millions	₹ Millions	%
Gross Revenues	22,391	25,265	-11%
EBIT	3,330	4,717	-29%

Homes Subscribers : (Mn)



Key Highlights

- Airtel, in partnership with DoT has begun piloting 'broadband experience centers' riding on BharatNet infrastructure across the state of Uttar Pradesh. The partnership is aimed to enable citizens to experience high speed broadband connectivity and get access to e-governance, e-health, e-banking and e-commerce initiatives.
- Airtel launched Airtel Home India's first-of-itskind digital quad-play platform that simplifies the customer experience for homes that use multiple Airtel

services. 'Airtel Home' allows customers to bundle multiple Airtel services – broadband, postpaid and DTH - as a single account with a unified interface. Customers also get one bill, premium customer support and enjoy up to 10% discount on their total bill.

Digital TV Services

Overview

Airtel Digital TV continues to expand its customer base, which crossed the 15 Mn mark during the year. The Company has witnessed a step up in customer additions on back of its premium HD content. Airtel Digital TV has 15.4 Mn customers on its Direct-To-Home (DTH) platform as of March 31, 2019. Airtel DTH is a pioneer in launching innovative products for its customer along with best in class customer service making it one of the fastest growing DTH operators with operations in 639 districts across the country.

The Company currently offers both standard and high definition (HD) digital TV services with 3D capabilities and Dolby surround sound. The Company currently offer 635 channels including 80 HD channels (including 1 HD SVOD service), 19 SVOD services, 5 international channels and 3 interactive services.

There was a key regulatory development in television broadcast industry wherein TRAI implemented the New Tariff Order (NTO) w.e.f. March 31, 2019. The NTO allows customers to select the channels and bouquets they want to subscribe to and pay accordingly. The Company has complied with the deadline set for implementation and has welcomed the move as it has the potential to usher in the next wave of digitized broadcasting across the country and is in line with its ethos of putting customer first.

Revenuesforthe years tood at ₹41,001 Mn for the year ended March 31,2019, as compared to ₹37,570 Mn in the previous year, an increase of 9.1% with ARPU remaining almost flat at ₹231 as compared to previous year. The operating free cash flow on full year basis was at ₹6,931 Mn compared to ₹3,949 Mn during the previous year.

Particulars	FY 2018-19	FY 2017-18	Y-O-Y Growth
	₹ Millions	₹ Millions	%
Gross Revenues	41,001	37,570	9%
EBIT	7,410	5,306	40%

DTH Subscribers Base (Mn)



Key Highlights

 Airtel Digital TV in partnership with Zee Theatre, the theatre segment of Zee Entertainment, launched 'Spotlight', a video on demand channel that will air the best of Indian plays by popular theatre groups from across the country. This will further strengthen our content portfolio and offer a wider genre of entertainment to our customers who will be able to watch over 100 plays in Hindi, Marathi, Gujarati, Bengali and English ranging from classic, to thriller, to comedy.

B2B Services

Airtel Business

Overview

Airtel Business is India's leading and most trusted ICT services provider and offers diverse portfolio of services to enterprises, governments, carriers, and small and medium businesses. Airtel Business constantly provides innovative integrated solutions, superior customer service and unmatched depth / reach to global markets. Along with voice, data and video, our services also include network integration, data centers, managed services, enterprise mobility applications and digital media. We also offer global services in both voice and data including VAS services like International Toll Free Services and SMS hubbing.

Revenues in this segment comprises of: a) Enterprise & Corporates Fixed Line, Data and Voice businesses; and b) Global Business which includes wholesale voice and data.

Global Business, the international arm of Airtel Business, offers an integrated suite of global and local connectivity solutions, spanning voice and data to the carriers, Telcos, OTTs, large multinationals and content owners globally.

Airtel's international infrastructure includes the ownership of i2i submarine cable system, connecting Chennai to Singapore and consortium ownership of submarine cable systems like South East Asia - Middle east - Western Europe – 4 (SWM4), Asia America Gateway (AAG), India - Middle East – Western Europe (IMEWE), Unity, Europe India Gateway (EIG) and East Africa Submarine System (EASSy). Along with these seven owned subsea cables; Airtel Business has a capacity on 22 other cables across various geographies. The Company also entered into partnerships during the year to further diversify its global network in emerging markets.

Its global network runs across 250,000 Rkms with over 1200 customers, covering 50 countries and five continents and 65 Global PoPs (Point of presence). This is further interconnected to its domestic network in India and direct terrestrial cables to SAARC countries, Myanmar and China helping accelerate India's emergence as a preferred transit hub.

Leveraging the direct presence of Airtel Mobile operations in 16 countries across Asia and Africa, Global Business also offers mobile solutions (ITFS, signalling hubs, messaging), along with managed services and SatCom solutions. Global Business is also providing advanced consumers solutions like IOT to global customers.

Airtel Business witnessed a year of good growth led by surge in global and domestic data revenues. Revenues for the year grew by 9.7% as compared to previous year. It maintained strong margins and positive cash flows with the operating free cash flow on full year basis being ₹26,176 Mn compared to ₹33,650 Mn during the previous year. The Company continued focus on winning in the core business while building upon new revenue streams and emerging businesses in the areas of IoT, Security and Data Centers.

Particulars	FY 2018-19	FY 2017-18	Y-O-Y Growth
	₹ Millions	₹ Millions	%
Gross Revenues	124,538	113,566	10%
EBIT	27,466	31,029	-11%

Key Highlights

Digital Transformation and Strategic Alliances

In a global first, Airtel launched an innovative carrier digital platform, which enables carriers to do wholesale voice business with Airtel at the click of a button. The digital platform offers paperless sign-up, quick voice interconnects and real-time traffic analytics for global carriers across the world.

- Airtel and Telecom Egypt (TE), Egypt's first integrated telecom operator, announced a strategic partnership for global submarine cable systems, wherein, Airtel will get an IRUs (Indefeasible Right of Use) on Middle East North Africa (MENA) submarine cable and TE North Cable Systems. The transaction is aimed to be concluded after the fulfillment of all conditions precedent. With this, Airtel has further diversified its global network to serve the massive growth in demand for data services, particularly in emerging markets across South Asia, Africa and Middle East.
- Airtel announced a partnership with Zoom Video Communications Inc., to launch India's first high quality unified communications service. The offering provides an integrated and secure platform for High Definition (HD) audio, video and web conferencing. Unique features like, instant one click access, content sharing, recording, virtual backgrounds, Company branding, multi-layer security and more, will enable businesses to foster effective collaboration amongst its employees and teams globally.
- Airtel announced a strategic alliance with CISCO to bring advanced connectivity solutions to enterprise and SMB customers. As a part of the partnership, Airtel will offer Managed Software-Defined Wide Area Network (SD-WAN) and Cisco Webex solutions to bring best-in-class digitization and collaboration solutions to further consolidate its leadership position in the Indian B2B segment.

Mergers and Acquisitions

In May 2019, the Company announced an agreement to combine its VSAT (Very Small Aperture Terminal) satellite communications operations in India with Hughes Communications India Ltd (HCIL), a global leader in broadband satellite networks and services. The combined entity will benefit from enhanced scale, improved operational efficiencies and wider market reach and will be able to introduce new VSAT and related technologies to deliver a wide range of quality products and services. The combined entity will continue to serve existing Hughes and Airtel customers. The transaction is subject to approvals by relevant authorities.

Passive Infrastructure Services

Overview

Our subsidiary, Bharti Infratel Ltd (Infratel), is India's leading provider of tower and related infrastructure and it deploys,

owns & manages telecom towers and communication structures, for various mobile operators. It holds 42% equity interest in Indus Towers, a joint venture with Vodafone India and Aditya Birla Telecom who hold 42% and 16% respectively. The Company's consolidated portfolio of 92,277 telecom towers, which includes 40,388 of its own towers and the balance from its 42% equity interest in Indus Towers, makes it one of the largest tower infrastructure providers in the country with presence in all 22 telecom circles. The Company has been the industry pioneer in adopting green energy initiatives for its operations. Bharti Infratel is listed on the Indian stock exchanges, NSE and BSE.

Key Highlights

Mergers and Acquisitions:

During the year ended March 31, 2019, **Bharti Infratel Limited** and **Indus Towers Limited** and their respective shareholders and creditors have entered into a scheme of amalgamation and arrangement (under section 230 to 232 and other applicable provisions of the Companies Act, 2013) ('Scheme') to create a pan-India tower company operating across all 22 telecom service areas. The combined company, which will fully own the respective businesses of Bharti Infratel and Indus Towers, will change its name to Indus Towers Limited and will continue to be listed on the Stock Exchanges. The merger has been approved by **Competition Commission of India (CCI), SEBI and NCLT**. The amalgamation would "become effective" when a certified copy of the NCLT order is filed with the Registrar of Companies "upon fulfilment/waiver of other conditions prescribed in the scheme."

Particulars	FY 2018-19	FY 2017-18	Y-O-Y Growth
	₹ Millions	₹ Millions	%
Gross Revenues	68,185	66,284	3%
EBIT	21,257	20,452	4%

Africa

Overview

The year has been marked with significant events in African operations primarily related to the intended IPO.

The Company has announced an intended IPO at London Stock Exchange along with a parallel listing on the Nigeria Stock Exchange during the year 2019-20 and activities relating to the IPO have been initiated. During the year, the Company has completed substantial network modernization to cater to data coverage and capacity requirements. With this modernization, Company now provides U 900 in 12 OPCOs and 4G services in 11 OPCOs.

In Africa, exchange rates have been largely stable except devaluation of CFA in Franco countries and Zambian Kwacha which have seen currency depreciation versus the US dollar. To enable comparison on an underlying basis, all financials and all operating metrics mentioned below are in constant currency rates as of March 1, 2018 and are adjusted for divestment of operating units for all the periods i.e. the comparison till PBT has been given below for 14 countries. PBT as mentioned below excludes any realized/unrealized derivatives and exchange gain or loss for the period.

As on March 31, 2019, the Company had 98.9 Mn customers in Africa across 14 countries as compared to 89.3 Mn customers in previous year, an increase of 10.7%.

Customer churn for the year is at 5% as compared to 4.4% in the previous year mainly due to introduction of stringent regulations around KYC. Total minutes on the network during the year increased by 29.9% to 207.3 Bn. Data customers increased by 5.1 Mn to 30 Mn accounting for 30.4% of the total customer base as compared to 27.9% in the previous year. The total MBs on the network has increased by 65.3% to 392.6 Bn MBs with usage per customer increasing from 954 MBs to 1,192 MBs. Overall ARPU in Africa marginally declined from USD 2.9 to USD 2.8.

Total sites in Africa as on March 31, 2019 were 21,059 of which 16,426 were mobile broadband towers, representing 78.0% of the total sites.

Airtel Africa revenues grew by 11.7% to USD 3,153 Mn as compared to USD 2,824 Mn in the previous year. The Company's continued focus on running the operations efficiently and cost effectively has resulted in EBITDA of USD 1,228 Mn for the year as compared to USD 995 Mn in the previous year, increase of 23.4%. Consequently EBITDA margin improved by 3.7% to 38.9% compared to 35.2% in the previous year. Depreciation and amortization charges were at USD 458 Mn as compared to USD 446 Mn in the previous year. EBIT for the year was at USD 766 Mn as compared to USD 545 Mn in the previous year. PBT for the full year was at USD 487 Mn as compared to USD 226 Mn in the previous year. After accounting for full year capex of USD 630 Mn (PY: USD 419 Mn), operating free cash flow was USD 598 Mn as compared to USD 576 Mn in the previous year.

In ₹ Reported Currency

Particulars	FY 2018-19	FY 2017-18	Y-O-Y
	₹ Millions	₹ Millions	%
Gross Revenues	215,026	191,074	13%
EBIT	52,107	35,600	46%

In USD Constant Currency - 14 Countries

Particulars	FY 2018-19	FY 2017-18	Y-O-Y Growth
	₹ Millions	₹ Millions	%
Gross Revenues	3,153	2,824	12%
EBIT	766	545	41%

Note: During the financial year 2017-18, Bharti Airtel Limited divested 1 operating unit in Africa. Accordingly, the above table has been shown for remaining 14 countries only.

Wireless Subscribers: AFRICA (Mn) - 14 Countries



Key Highlights

Funding: Initial Public Offering (IPO)

- Seven leading global investors comprising Warburg Pincus, Temasek, Singtel, SoftBank Group International, Qatar Investment Authority ('QIA') and others have invested USD 1.45 Bn in Airtel Africa Limited, a subsidiary of the Company and holding entity of Africa operations of the Group, through a primary equity issuance.
- Airtel Africa Ltd. has appointed global banks comprising J.P. Morgan, Citigroup, BofA Merrill Lynch, Absa Group Limited, Barclays Bank PLC, BNP Paribas, Goldman Sachs International and Standard Bank Group for an intended IPO on International Stock Exchanges.

Mergers, Acquisitions & Licenses

- Airtel Kenya is in the process of seeking regulatory approvals from relevant authorities for merger with Telkom Kenya.
- Following the consolidation of Airtel Rwanda and Tigo Rwanda, Airtel Rwanda is in the process of applying for a combined licence for Mobile Financial Services from the Bank of Rwanda.
- On April 23, 2018, the Niger Government granted Airtel a 4G Licence at a price 24M USD which included additional spectrum on the 1800 MHz (8 MHz) and 800 MHz (10 MHz).
- Airtel Uganda Public service provider license has been renewed for 1 year on the same terms and conditions of the existing license that had expired on December 11, 2018.
- Central Bank of Nigeria issued guidelines for license of Payment Service Bank in Nigeria. An application for Payment Service Bank (PSB) license has been filed with Central Bank of Nigeria.
- In May 2018, the DRC regulator invited operators to apply for 4G license. Airtel has acquired 4G License along with 10 MHz spectrum in 800 MHz.

Network Transformation & Digital Innovations

- The Company has completed substantial network modernization to cater to data coverage and capacity requirements. With this modernization, Company now provides U 900 in 12 OPCOs and 4G services in 11 OPCOs.
- Airtel has achieved Network Leadership in Uganda with full 4G LTE Coverage across all its sites. Airtel is the first telco to achieve countrywide LTE coverage in Uganda.
- Airtel Chad has signed an agreement with the Ministry of National Education for payment of salaries to teachers through Airtel Money in Tchad.

Awards & Recognition

Airtel Touching Lives, a corporate philanthropy initiative by Airtel Nigeria has been named the Most Innovative CSR Leadership Initiative by Marketing Edge, a leading publication focused on brands, media, advertising and communications.

- Airtel Niger has been awarded as the best promoter of digital services by the President.
- Airtel Uganda has been recognized by Digital Impact Awards, Africa as the Best Technology Brand on Social Media, Best Digital Customer Experience by Technology Brand, Best Saving and Lending Product (Digital driven), Best Professional, Legal and Regulatory brand.
- Airtel Tanzania won an Appreciation Award for its contributions and continued support in improvement of school environment in Tanzania by Tanga City Council and was also recognized for Mobile Health Support by Ministry of Health.
- Airtel Nigeria has been awarded with Smart recharge campaign of the year by Advertiser association of Nigeria.
- Airtel Nigeria was named 'Brand of the Year 2018' by the Board of Editors of "Leadership", one of foremost newspapers.

South Asia

Overview

Full year revenue of South Asia was at ₹ 4,436 Mn as compared to ₹ 4,045 Mn in the previous year. EBITDA for the year was at ₹ 126 Mn as compared to ₹ 8 Mn in the previous year. EBIT losses for the year reported at ₹ 1,069 Mn as compared to loss of ₹ 1,268 Mn in the previous year. Capex for the year was ₹ 1,185 Mn as compared to ₹ 1,235 Mn in the previous year.

Particulars	FY 2018-19	FY 2017-18	Y-O-Y Growth
	₹ Millions	₹ Millions	%
Gross Revenues	4,436	4,045	10%
EBIT	(1,069)	(1,268)	16%

Share of Associates / Joint Ventures

A) Robi Axiata Limited

Robi Axiata Limited is a joint venture between Axiata Group Berhad, of Malaysia, Bharti Airtel Limited, of India and NTT Docomo Inc. of Japan. Axiata holds 68.7% controlling stake in the entity, Bharti Airtel holds 25% while the remaining 6.3% is held by NTT Docomo. Robi Axiata Limited is the second largest mobile phone operator of Bangladesh and the first operator to introduce GPRS and 3.5G services in the country.

Key operational and financial performance:

Bangladesh	Unit	Quarter Ended			
		Dec-18	Sep-18	Jun-18	Mar-18
Operational Performance					
Customer Base	'000	46,886	46,753	44,729	45,609
Data Customer as % of Customer Base	%	60.4%	60.6%	59.5%	57.8%
ARPU	BDT	118	122	117	118
Financial Highlights (proportionate share of Airte	I)				
Total revenues	₹Mn	3,707	3,648	3,299	3,153
EBITDA	₹Mn	1,042	983	833	679
EBITDA / Total revenues	%	28.1%	27.0%	25.3%	21.5%
Net Income	₹Mn	(202)	1,036	(89)	(200)

B) Bharti Airtel Ghana Limited

Bharti Airtel Ghana Limited is a joint venture between Bharti Airtel Africa B.V. and MIC Africa B.V. Both the entities effectively hold 49.95% share in the merged entity.

Key operational and financial performance:

Ghana	Unit	Quarter Ended				
		Mar-19	Dec-18	Sep-18	Jun-18	Mar-18
Operational Performance						
Customer Base	'000	4,804	4,847	5,389	5,784	6,113
Data Customer as % of Customer Base	%	58.7%	56.5%	61.4%	56.7%	58.2%
ARPU	GHS	13.0	12.0	12.4	12.8	13.2
Financial Highlights (proportionate share of	F					
Airtel)						
Total revenues	₹Mn	1,284	1,358	1,519	1,674	1,767
EBITDA	₹Mn	(3)	(64)	108	319	262
EBITDA / Total revenues	%	-0.2%	-4.7%	7.1%	19.1%	14.8%
Net Income	₹Mn	(1,550)	(1,214)	(906)	(961)	(241)

C) Airtel Payment Bank Limited

Airtel Payment Bank Limited has become an associate of Bharti Airtel Limited w.e.f November 01st, 2018.

Key operational and financial performance:

Airtel Payments Bank Limited	Unit	Quarter Ended	2 months ended	
		Mar-19	Dec-18	
Operational Performance				
Active users	'000	7,767	5,724	
Financial Highlights (proportionate share of Airtel)				
Total revenues	₹Mn	919	410	
EBITDA	₹Mn	(872)	(477)	
EBITDA / Total revenues	%	-94.8%	-116.4%	
Net Income	₹Mn	(921)	(497)	

Risk & Mitigation Framework

Bharti Airtel (the Company), has thrived globally by building a culture of innovation and high performance. The Company explores new markets and business models across the world; evolves new ways of customer and stakeholder engagement; enters into new strategic partnerships; adopts new technologies; and builds exponential efficiencies in existing systems. While these initiatives unveil a universe of possibilities, potential risks and uncertainties arise in a volatile business environment. The distress signals need to be picked up and addressed with urgency for smooth operations. Therefore, the Company has created a robust risk management framework in its operating landscape that caters to strategic, legal, financial, operational and climate risks. The Company has a sound practice to identify key risks across the Group and prioritize relevant action plans for mitigation. The key risks that may impact the Company and mitigating actions undertaken by the Company comprise:

1. Regulatory and Political Uncertainties (Legal & Compliance)

Outlook from last year > Stable

Definition

The Company operates in India, Sri Lanka and 14 African countries. Some of these countries (or regions within countries) are affected by political instability, civil unrest and other social tensions. The political systems in a few countries are also fragile, resulting in regime uncertainties; hence, the risk of arbitrary action. Such conditions tend to affect the overall business scenario. In addition regulatory uncertainties and changes, like escalating spectrum prices, call drops penalties, EMF norms among others are potential risks being faced by the business.

Mitigating actions:

As a responsible corporate citizen, the Company engages proactively with key stakeholders in the countries in which it operates; and continuously assess the impact of the changing political scenario. The Company contributes to the socio-economic growth of the countries in its area of operation through high-quality services to its customers, improved

2. Economic Uncertainties (Operational)

Definition:

The Company's strategy is to focus on growth opportunities in the emerging and developing markets. These markets are characterised by low to medium mobile penetration, low internet penetration and relatively lower per capita incomes, thus offering more growth potential. However, these markets fall under countries which are more prone to economic uncertainties, such as capital controls, inflation, interest rates and currency fluctuations. Since the company has borrowed in foreign currencies, and many loans are carrying floating interest terms, it is exposed to market risks, which might impact its earnings and cash flow. connectivity, providing direct and indirect employment, and contributing to the exchequer. These activities are covered in detail through its annual sustainability report. It also maintains cordial relationships with governments and other stakeholders. The Country MDs and Circle CEOs carry direct accountability for maintaining neutral Government relations. Through its CSR initiatives (Bharti Foundation etc.), it contributes to the social and economic development of community, especially in the field of education.

- The Company actively works with industry bodies like Cellular Operators Association of India (COAI), Confederation of Indian Industry (CII), and Federation of Indian Chambers of Commerce & Industry (FICCI) on espousing industry issues e.g. penalties, right of way, tower sealing amongst others.
- Regulatory team along with legal and network teams keeps a close watch on compliances with regulations and laws and ensures the operations of the Company are within the prescribed framework.

Outlook from last year > Stable

These countries are also affected by economic downturns, primarily due to commodity price fluctuations, reduced financial aid, capital inflows and remittances. Slowing down of economic growth tends to affect consumer spending and might cause a slowdown in telecom sector.

Mitigating actions:

As a global player with presence across 16 countries, the Company has diversified its risks and opportunities across markets. Its wide service portfolio including voice, data, Airtel Money, Digital Services and value added services helps widen its customer base.

- To mitigate currency risks, it follows a prudent risk management policy, including hedging mechanisms to protect the cash flows. No speculative positions are created; all foreign currency hedges are taken on the back of operational exposures. A prudent cash management policy ensures that surplus cash is upstreamed regularly to minimize the risks of blockages at times of capital controls. It has specifically renegotiated many operating expenditure / capex Fx contracts in Africa and converted them to local currency, thereby reducing Fx exposure.
- To mitigate interest rate risks, the Company is further spreading its debt profile across local and overseas sources of funds and to create natural hedges. It also enters in interest rate swaps to reduce the interest rate fluctuation risk.
- Finally, the Company adopts a pricing strategy that is based on principles of mark to market, profitability and affordability, which ensures that the margins are protected at times of inflation, and market shares at times of market contraction.

3. Poor quality of networks and information technology including redundancies and disaster recoveries (Operational)

Outlook from last year > Stable

Definition:

The Company's operations and assets are spread across wide geographies. The telecom networks are subject to risks of technical failures, partner failures, human errors, or wilful acts or natural disasters. Equipment delays and failures, spare shortages, energy or fuel shortages, software errors, fibre cuts, lack of redundancy paths, weak disaster recovery fall-back, and partner staff absenteeism, among others are few examples of how network failures happen.

The Company's IT systems are critical to run the customerfacing and market-facing operations, besides running internal systems. In many geographies or states, the quality of IT connectivity is sometimes erratic or unreliable, which affects the delivery of services e.g. recharges, customer query, distributor servicing, customer activation, billing, etc. In several developing countries, the quality of IT staff is rudimentary, leading to instances of failures of IT systems and / or delays in recoveries. The systems landscape is ever changing due to newer versions, upgrades and 'patches' for innovations, price changes, among others. Hence the dependence on IT staff for turnaround of such projects is huge.

Mitigating actions:

- The Company has state-of-the-art Network Operations Centre for both India as well as Africa to monitor real time network activity and to take proactive and immediate action to ensure maximum uptime of network.
- Network Planning is increasingly being done in-house, to ensure that intellectual control on architecture is retained within the Company. It continuously seeks to address issues (congestion, indoor coverage, call drops, modernisation and upgrade of data speeds, among

others) to ensure better quality of network. Recent efforts also include transformation of the microwave transmission, fibre networks, secondary rings / links and submarine cable networks. The Company consistently eliminates systemic congestion in the network, and removes causes of technical failures through a quality improvement programme, as well as embedding redundancies. Tighter SLAs are reinforced upon network partners for their delivery. The Company's Network Team performance is measured, based on network stability, customer experience and competitor benchmarking. The Company follows a conservative insurance cover policy that provides a value cover, equal to the replacement values of assets against risks, such as fire, floods and other natural disasters.

- The Company's philosophy is to share infrastructure with other operators, and enter into SLA-based outsourcing arrangements. We have been proactively seeking sharing relationships on towers, fibre, VSAT, data centres and other infrastructure. The disposal of towers in Africa to independent and well-established tower companies and long-term lease arrangements with them will ensure high quality of assets and maintenance on the passive infrastructure. The Company has put in place redundancy plans for power outages, fibre cuts, VSAT breakdowns, and so on, through appropriate backups such as generators, secondary links, among others. Similar approaches are deployed for IT hardware and software capacities; and internal IT architecture teams continuously reassess the effectiveness of IT systems.
- Information Security is managed by dedicated IT professionals, given the huge dependency on automated systems, as well as to ensure that customer privacy is protected.

4. Inadequate Quality of Customer Lifecycle Management (Operational) Outlook from last year > Stable

Definition:

Prepaid market continues to be highly competitive & price sensitive. With consolidation in the industry, several processes now have scope of building efficiencies that can help us in remaining competitive in the market, especially in respect of customer acquisitions. In the absence of such simplification, inefficiencies like high rotational churn, high acquisition costs, low lifetime value of new customers could increase, resulting in increased costs and lower quality of revenue.

- Customer mind-sets and habits are shifting rapidly, reflected in their ever-rising expectations in terms of quality, variety, features and pricing. The competitive landscape is also changing dramatically, as operators vie with one another to capture customer and revenue market shares which is accelerating customer migration from legacy 2G/3G networks to high speed 4G networks.
- The Company might see heightened competitive intensity in its non-wireless businesses on account of irrational pricing by potential new entrant leading to erosion of revenue & customers. In mobility business, the Company may face a risk of deeply discounted Volte feature phone pricing from new entrant. Content is becoming a major deciding factor for a customer to choose the operator.

Mitigating actions:

In a major step towards simplification of customer journey, company had envisioned the task to streamline the product portfolio. Over the years, lot of redundancies which got created in the product portfolio were simplified by eliminating over 60% of unused products.

5. Data Loss Prevention (Operational)

The simplification drive was initiated with the introduction of Smart Combo recharges, starting at an affordable price point of 35. These all-in-one packs provide the benefits of Data, Tariff and talktime to the customers in a single denomination. Now customers don't need to purchase different packs rather one pack will provide all benefits.

- In order to derive higher extraction & enhance ARPUs from the dormant base that enjoyed free services, company introduced plans with minimum recharge commitment, which required customers to do a monthly recharge in order to use the services. The same was done keeping the affordability factor in mind at a minimum price of ₹ 23 every month.
- The acquisition processes were further strengthened by launching mandatory first recharge. Emphases was laid on acquiring customers on unlimited bundle packs. Continued monitoring customer acquisition process like new customer acquisition churn, high acquisition recharge denominations, direct distribution, trade margins structures have yielded good results.
- In our continued effort to build and anchor the digitalfirst approach and delivering a compelling user experience and benefits, we have made Airtel Thanks App as a Centre-piece of our customer experience and engagement.
- Introduction of platform like Airtel thanks helped cater to the growing customer needs of content consumption. Clubbing additional services like Aitrel TV, Wynk Music, Handset insurance, on regular bundle recharges integrated and end-to-end experience through sharp propositions for high-value customers.

Outlook from last year > Stable

Definition

Personal data is any information relating to a customer, whether it relates to their private, professional, or public life. In the online environment, where vast amounts of personal data are shared and transferred around the globe instantaneously, it is increasingly difficult for people to maintain control of their personal information. This is where data protection comes in.

Data protection refers to the practices, safeguards, and binding rules put in place to protect your personal

information and ensure that you remain in control of it. In short, you should be able to decide whether or not you want to share some information, who has access to it, for how long, for what reason, and be able to modify some of this information, and more. Data protection must strike a balance between individual privacy rights, while still allowing data to be used for business purposes, whilst adhering to data privacy norms and regulations.

Efforts to update regulations regarding privacy and personal data protection are underway in several countries

and regions, most notably the European Union, which has introduced the General Data Protection Regulation (GDPR) package. Compliance requirements for operators are in flux, particularly as regulators seek to strike a balance between consumer protection and national security needs. India is also close to having its own data protection law.

Mitigating actions:

The customer base of Bharti Airtel limited has been expanding at a tremendous rate. We also collect and process a large amount of personal information belonging to employees, temporary staff and third party personnel. These facts, coupled with introduction of new innovative value added services, have led to increase in the personal information handled by Airtel. We are committed to ensure that privacy of personal information is maintained during its entire lifecycle, through the implementation of stringent processes and relevant technologies.

"Bharti Airtel Information Privacy Policy (BIPP)" is in alignment with the Information Technology (IT) Rules 2011 and best practices of industry and GDPR. Airtel's privacy policy provides management direction and support to ensure privacy of personal information collected by Airtel. In order to allow collection, processing, retention, dissemination and destruction of the personal information in accordance with the appropriate laws, regulations and contractual obligations.

Bharti Airtel Information Privacy Policy (BIPP) is applicable to all employees of Airtel and all third parties (including strategic partners) of Airtel who have access to personnel information of customers, employees and vendors. The BIPP is applicable across all business functions of Airtel and across all geographies of airtel in India including Airtel center office, 13 B2C circles and three airtel Business Regions.

Data leakage protection (DLP) is a strategy for making sure that those in possession of sensitive information do not advertently or inadvertently share that information outside the virtual boundaries of the corporate network. The term is also used to describe software products that help organizations control what data end users can transfer. The data leakage prevention strategy at airtel has been designed to protect information at their most vulnerable points i.e. at the endpoint, at the web layer, and at the email layer.

All airtel endpoints are equipped with specialized software. This helps monitor various channels for potential data leakage. Should a potential violation be detected, an alert is generated and/or the data transfer request is blocked in real time. Similar solutions are deployed on the central email gateway and web gateway, to monitor emails and internet bound traffic respectively. A centralized monitoring team reviews the alerts and raises an incident for investigation and resulting action.

All incidents are tracked to closure in a time bound manner. Additionally, a monthly review of all incidents and their closure is conducted, to enable the organization to regularly refine the existing policies.

6. Increase in cost structures ahead of revenues thereby impacting liquidity (Operational / Strategic)

Outlook from last year > Stable

Definition:

Across markets, costs structures have been increasing both from volumes (new sites rollouts, capacity) and/or rate increases (inflation, Fx impacts, wage hikes, energy etc.). With the entry of new operator, market pricing has been dampened putting pressure on margins and cash flows thereby leading to increased debt leverage. Increased investment in network to ensure quality of service, continued spends on distribution and maintaining world class customer service are expected to remain thereby heightening debt levels.

Mitigating actions:

The Company has institutionalized the War on Waste (WOW) Programme, an enterprise-wide cost-reduction programme. This has been rolled out across all functions, business units and countries. All functions / business units / countries are targeting cost reductions and cost efficiencies. The Company continues to focus on capex optimization through various programmes like ICR, tower-sharing, fibre sharing through IRU or co-build.

- Digitization and automation with significant programmes on self-care, paper less acquisition, e-bill penetration, online recharges, Indoor to outdoor conversion, digital customer interactions are continuously monitored through our WoW initiative etc.
- The Company has been progressively maintaining to keep the debt levels at acceptable levels. To this end it has and continues to take decisions on inorganic sources of funding including rights issue of shares, divestment of Infratel and DTH stakes.

7. Inability to provide high quality network experience with exponential growth in data demand (Strategic)

Definition:

In order to keep pace with rising data demand of customers and to ensure competitive parity traffic, telecom companies will be required to invest heavily in building data capacities and broadband coverage expansion. Operators are adopting new strategies to provide unlimited voice and significant data benefits to customers. Additionally, today's customer is looking at seamless mobile internet experience and technology agnostic.

Mitigating actions:

- Airtel is expanding its broadband network footprint to fulfill customer experience and stay ahead of the of competition It is re-farming spectrum from legacy technologies like 2G & 3G to 4G, to get better coverage & capacity. Liberalized spectrum in 900MHz band has re-farmed to 4G to provide better in-building coverage. Similarly, spectrum in 2100MHz band (which was being used for 3G) is being re-farmed to 4G for providing additional capacity.
- Having deployed 4G FDD as coverage layer, Airtel is leveraging on the TDD layer for capacity expansion across the network. It is the first network in India which has up to five layers on 4G network, with capability to generate capacity in cells as per traffic requirement. Airtel has also deployed carrier aggregation across these layers to help its subscribers in getting best in class experience across these layers.
- For capacity expansion, innovative solutions are being deployed including mMIMO, split sectors and small cells in areas with hyper consumption. Airtel is the

first operator to deploy wide scale mMIMO solutions (technology widely used in 5G networks), which is giving up to 4x capacity gains.

- Airtel is the first operator in India to deploy 4G in licensed and unlicensed band using LAA (Licensed assisted access) technology, which would help in tapping unlicensed band spectrum (over & above licensed band spectrum) for generating capacity.
- Pan India VoLTE footprint and roaming across circles on VoLTE has been established because of which 20% of the voice traffic has been offloaded from legacy core to 4G (HD) voice. Introduction to VoWifi technology, which would carry voice calls on indoor / outdoor WiFi networks as per the user location. This would help in improving indoor customer experience and offload voice traffic to WiFi networks.
- Airtel will continue to step up backhaul readiness on site with increased fiberization and expansion of transmission backbone to aggregate capacity to cater additional data load.
- Technological evolution in telecom has been quite rapid and next few years we will witness wide scale commercial deployment of 5G. We are future proof for such scenarios and are building up for 5G network deployment.
- Airtel is investing in digitization of its operations using automation and machine learning practices. This would help us in real time network orchestration and selfoptimize to get the best of capacity and user experience on a deployed base.

8. Gaps in internal controls (financial and non-financial) (Operational) Outlook from last year > Stable

Definition:

The Company serves over 403 Mn customers globally with a monthly average of 256 Bn minutes of voice on network and huge data carried on wireless networks located at more than 204,000 towers. Gaps in internal controls and / or process compliances not only lead to wastages, frauds and losses, but can also adversely impact the Airtel brand.

Mitigating actions:

The Company's business philosophy is to ensure compliance with all accounting, legal and regulatory requirements proactively. Compliance is monitored meticulously at all stages of operation. Substantial investments in IT systems and automated workflow processes help minimize human errors.

Outlook from last year > Stable

- Besides internal audits, the Company also have a process of self-validation of several checklists and compliances as well as a 'maker-checker' division of duties to identify and rectify deviations early enough. The company has implemented a "Compliance Tool" which tracks provides a comprehensive list of all the external compliances that the company needs to abide, function-wise. The Compliance Tool's ownership lies with the head of the respective function with an oversight by the Legal team to ensure compliance.
- The Company has Internal Financial Controls and the Corporate Audit Group has tested such controls. The Audit Group has asserted that the Company has in place adequate tools, procedures and policies, ensuring orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records; and timely preparation of reliable financial information.

9. Lack of Digitization and Innovations (Strategic)

Outlook from last year > Emerging

Definition

Digitization is reshaping the telecom sector and will be a key driver for innovation within the Company as companies compete in a digital ecosystem away from pure connectivity based environment. Further evolving technologies result in change in customer value propositions. Digital content and apps have now become the favorites for mobile customers. Digital Mobile money technologies, innovative mobile apps, Cloud, M2M, SaaS and other technology-based SAS products are also evolving. Such rapid technology evolution may impact the functionality of existing assets and accelerate obsolescence. Keeping pace with changing customer expectations is a big agenda for the telecom sector. Lack of Digitization of internal business processes may render the company in-able or lethargic in turn to respond to customer needs. Rapidly evolving technologies like robotics, block chain, app automation for internal processes in Customer, Finance, Supply Chain and HR can render the company slow in decision making and reacting to new and emerging customer, vendor, and partner expectations.

Mitigating actions:

Digitization for the customers continues to be the prime area of focus, with several digital initiatives being undertaken.

For digital growth, the Company has adopted a platform centric approach and created new digital platform for attracting millennials and digitally savvy customers. The homes platform will allow us to bring together services like DTH, Broadband and mobility through one install, one service and one bill. This convergence will lead a better customer experience and lower churn.

- The Company invested in building its own digital innovations such 'Wynk music', 'Airtel TV'. Wynk music and Airtel TV continues in the top 10 music and TV apps in the country. Airtel TV provides 300 live channels and 6000 movies & TV shows in 13 languages. These experiences provide a bonus layer of benefits which we can provide our customers which help reduce churn and improve ARPU.
- The company is investing in digital channels to create a great experience for our customers. Airtel Thanks app and 'Airtel.in' have seen tremendous growth in customer interaction over the course of the year. Moreover, Airtel Thanks app now comes with a loyalty program with Silver, Gold, Platinum tiers that provide our loyal customers with rewards. This reduces churn and provides additional opportunity for ARPU upgrade.
- The Company also invested in building its own digital innovations in offline distribution where the Mitra app enables new innovations like introducing assisted sales of life insurance offline.
- One of the key digital initiatives being run is creating a digital network. This covers network planning, deployment (including TOCOs and MS partners), operations and network quality. In addition the Company also partnered with SKT for creating network Data Lake and building deep analytics and intelligence on top of it. We are now using data science to aid efficient network planning.

10. Climate Change (Strategic)

Definition

Over the last decade, climate change has emerged as a credible risk to almost every business sector, including the telecommunication sector. Telecom industry's carbon footprint is likely to increase as developing markets continue to grow, network traffic increases, and companies move towards 5G. In order to address this, GSMA (Global System for Mobile Communications) has recently constituted a taskforce to develop Climate Action Plan for the telecom industry, in support of the Paris Climate Agreement. This is driven by the objective to develop methodologies that will enable the industry members to set science based targets and achieve net zero carbon emissions by 2050 or sooner. This will facilitate the industry to take a leadership position in transcending towards a carbon positive economy.

Bharti Airtel Limited is a member of the taskforce created by GSMA, supporting the endeavor to move towards cleaner operations and more energy efficient networks. Consequently, there is an urgent need for us to identify potential risks posed by climate change and their impacts on the company, to be able to develop our own mitigation strategy. At Airtel, Climate change risks are considered an integral part of our centralized enterprise risk management.

We foresee climate change manifesting in the form of following risks to our business in the coming years:

- Policy and Legal Risk: Following the Green Telecom guidelines issued by the Department of Telecom (DoT), Government of India, calling for an increase in the use of green energy technologies in telecommunication sector, climate change is emerging as a potential factor that can interfere with the realization of our strategic, operational, financial and compliance objectives.
- Technology Risk: The need to transition to lower emission technologies, necessitated by regulatory or market environment, might lead to early retirement of existing assets. For instance, Green Telecom guidelines issued by DoT require all telecom products, equipment and services to be energy and performance assessed and certified 'Green Passport', utilizing the ECR ratings.
- Physical Risk: Because of increased frequency and severity of extreme weather events, there is a greater risk of damage to our network infrastructure and physical assets exposed to such weather.

Outlook from last year > Emerging

- Market Risk: Adverse impacts of climate change might impact the livelihoods of some customers (for example, those in rural areas) thereby reducing their capacity to afford our services.
- Reputational Risks: Rising expectations of customers and other stakeholders from a business organization to contribute to a low-carbon economy, expose us to a certain degree of reputational risk.

Impact:

The above climate related risks have the potential to translate into the following impacts for Airtel:

- Higher operational expenses due to increased regulatory and compliance requirements, such as increased cost of GHG emissions and emission reporting obligations, as well as higher insurance premiums for assets exposed to climate risks.
- Increased capital investment in new technologies and green energy solutions.
- Impact on revenue from decreased operational capacity due to network failure or other interruptions.
- Increased frequency and intensity of extreme weather events interrupting our materials supply by disrupting modes of transport.
- Increased temperatures adversely impacting the health and safety of workers at our facilities, with the potential to disrupt operations and decrease revenue.

Mitigation:

We realize the considerable negative impact that climate change can have on our business and have identified 'Energy, Climate Change & Resource Optimization' as one of our high priority material issues. Following are some of the measures that we have taken to mitigate this emerging risk and build climate resilience:

- Adopting green energy solutions through installation of rooftop solar panels at Main Switching Centres (MSCs) and using advance VRLA batteries to reduce the running of Diesel Generator sets in our operating sites.
- Reducing our energy consumption through measures such as Solar-DG hybrid systems, energy efficient

lighting and equipment at our facilities and power purchase agreements, among other things.

- Working closely with network infrastructure and facility management to facilitate a shift to green mobile tower technologies that consume less power.
- Other initiatives aimed at creating green data centers, equipment optimization, outdoor BTS sites, minimizing e-waste and paper waste.
- Airtel is ISO 22301 (Business Continuity Management system) certified to reduce the likelihood of occurrence, prepare for, respond to, and recover from disruptive incidents when they arise.

For detailed information on our initiatives and measures to address climate change risks, please refer to the section on 'Natural Capital', Integrated Report 2019.

Internal Controls

The Company's philosophy towards internal control is based on the principle of healthy growth and proactive approach to risk management. Aligned to this philosophy, the Company has deployed a robust framework of internal controls that facilitates efficient conduct of business operations in compliance with the company policy; fair presentation of our financial results in a manner that is complete, reliable and understandable; ensure adherence to regulatory and statutory compliances; and safeguards investor interest by ensuring the highest level of governance. The Internal Control framework has been set up across the company and is followed at the circle and country level. This framework is assessed periodically and performance of circles and countries are measured via objective metrics and defined scorecards.

Accounting hygiene and audit scores are driven centrally through central financial reporting team and Airtel Centre of Excellence (ACE), both teams responsible for accuracy of books of accounts, preparation of financial statements and reporting the same as per the company's accounting policies. Regulatory and legal requirements, accounting standards, and other pronouncements are evaluated regularly to assess applicability and impact on financial reporting. The relevant financial reporting requirements, documented in the Group Accounting Manuals, are communicated to relevant units and enforced throughout the Group. This, together with the financial reporting calendar evidencing the tasks and timelines, forms the basis of the financial reporting process.

Deloitte Haskins & Sells LLP, the statutory auditors, have done an independent evaluation of key internal controls over financial reporting (ICOFR) and expressed an unqualified opinion stating that the company has, in all material respects, adequate internal control over financial reporting; and such internal controls over financial reporting were operating effectively as on March 31, 2019. The Company has in place an Internal Assurance (IA) function with Head - Internal Assurance / Chief Internal auditor as its head. EY and ANB & Co (ANB) are the Assurance Partners of the Company who conduct financial, compliance and process improvement audits each year. Legal & Regulatory audits are conducted by ANB while audits of the remaining areas are executed by EY. The internal assurance plan for the year is derived from a bottoms-up risk assessment and directional inputs from the Audit Committee. The Audit Committee oversees the scope and coverage of the IA plan, and evaluates the overall results of these audits during the guarterly Audit Committee meetings. Additionally, separate guarterly Audit Committee meeting are also held to review the progress made on previous gaps identified by Internal Assurance. During these meetings, functional Directors are invited from time-to-time, to provide updates on improvements on controls and compliance within their respective functions and update on the progress of any transformational projects undertaken. Internal Assurance also assesses the effectiveness of Internal Financial Controls (IFC) and no reportable material weaknesses in the design or operation were observed for the current financial year.

A CEO and CFO Certificate forming part of the Corporate Governance Report, confirm the existence and effectiveness of internal Controls and reiterate their responsibilities to report deficiencies to the Audit Committee and rectify the same. The Company's code of conduct requires compliance with law and Company policies, and also covers matters such as financial integrity, avoiding conflicts of interest, workplace behavior, dealings with external parties and responsibilities to the community.

The Airtel Centre of Excellence (ACE) based in Gurugram and Bengaluru, with its global footprint in 16 countries, is the captive shared service for financial accounting, Revenue Assurance, SCM and HR processes. Digitization of ACE is being aimed as a part of the transformation agenda and includes initiatives like system based reconciliation, reporting processes with vividly defined segregation of duties. ERP integration in Africa into an Oracle Single Instance across all African countries ensures uniformity and standardization in ERP configurations, chart of accounts, finance and SCM processes across countries. Quality of financial reporting and controls continues to show improvement. We continuously examine our governance practices to enhance investor trust and improve the Board's overall effectiveness. Initiatives such as virtual desktop interface for ultimate data security, selfvalidation checks, desktop reviews and regular physical verification are producing measurable outcomes through substantial improvement in control scores across India and Africa. Oracle Governance Risk & Compliance (GRC) module has been implemented for India and Africa to strengthen existing controls pertaining to access rights for various ERPs, ensuring segregation of duties and preventing possibilities of access conflicts.

Material Developments in Human Resources

Human Resources has been a key enabler for Airtel, as it works towards creating a digitally empowered and futureready organisation.

Airtel continues to have a strong people agenda built around the three pillars – Learn, Lead and Grow. Each pillar consists of various focused programmes, supported by state-of-art tech platforms. These initiatives have been created under the tutelage of experienced HR leaders and tech practitioners.

The first pillar – **Learn** ensures consistent upskilling and empowerment of talent to make them ready for a highly dynamic market. Airtel continues to invest significantly in its digital learning and development capabilities.

In addition to the ongoing learning at one's job & classroom programs, delivered in partnership with leading training organizations & institutes, Airtel also has 4 prominent digital learning platforms for employees.

The organization continues to partner **Coursera**, a global leader in online education and learning, to provide high level certifications from Ivy League universities. The tie up with **Pluralsight**, a leading technology learning platform, ensures our digital talent is equipped with the latest from the world of data and technology. **Linkedin Learning** continues to be a success story at Airtel and has been enabling employees to enhance leadership, functional and behaviourial skills.

Airtel 101, the mobile learning platform, provides micro learning modules based on content developed by inhouse teams. Airtel 101 continues to be one of the most frequented digital learning destinations at Airtel.

Overall, the learning agenda fortified with, more than **14,860 employees** across functions, completing nearly **10,000 courses**, clocking a combined total of more than **2,50,000** man hours.

The second pillar – **Lead**, continues to focus on growing leaders & aims to groom them for leadership roles within the organization. Airtel launched **Airtel Leadership Academy**, a common framework for leadership development of top talent across all levels. Under the initiative, Airtel currently runs **Future Leaders Program (FLP)** to groom talent for middle management roles and **Advanced Leaders Program (ALP)** to groom talent for senior management roles.

The development journey also has a built-in component of self-awareness in the form of an Individual Development Center & creation of the customized Development Plan for each of the participants. Each of these programs have flagship development modules, conducted in partnership with faculties from the world's leading universities.

The participants also get the opportunity of getting mentored by Senior Leaders and having Connect Sessions with the Airtel Leadership Team.

The third pillar – **Grow,** focuses on empowering employees to take absolute ownership of their careers within the organization. Under this pillar, career development programmes catering to different business functions, has helped employees to take up larger cross-functional roles with ease. This has also resulted in strong internal succession pipelines, providing better growth opportunities. The flexibility offered under the programme in addition to employee readiness through developmental interventions, has helped the organization to fill over 80% of the leadership roles internally itself. Today, over 15% of the employees are getting promoted regularly annually – another testament to the success of the programme.

Airtel also continued to establish itself as a viable and promising career brand on B-school and engineering campuses. As part of its **Young Leader Program**, Airtel hired 50 budding management leaders from top B schools across the country and 90 engineers as part of its **Young Technical Leader Program**. Airtel's flagship B-school case competition - **iCreate** witnessed an overwhelming response from MBA students across the country with over 10,000 participants. The top 12 teams from across the country visited the Airtel headquarters in Gurugram and competed in a hotly contested finale.

Airtel is also running focused programmes to drive a cultural change within the organization. The company has relaunched various initiatives to promote diversity as well. **'WE' – Women Empowered,** the flagship programme to drive diversity, was revived last year. One of the popular initiatives, 'She For Change', a compendium of stories documenting personal narratives of transformation by Airtel's women was launched internally and promoted well across all digital touchpoints. The company also announced the launch of WeSecure, a safety app, developed by Airtel's in-house engineering team, was announced as well. Besides, a series of initiatives were announced for women employees including empanelment of health specialists.

Outlook

India's economy is growing at a healthy rate and has been progressing on a journey of becoming a digital first nation, powered by digital highways i.e. the mobile broadband infrastructure created by the telecommunications sector. India can create over \$1 trillion of economic value from the digital economy in 2025, which is a potential of fivefold increase with mobile network playing a vital role. The Telecom industry in India is the second largest in the world and has witnessed exponential growth over the last few years primarily driven by affordable tariffs, wider availability, roll out of Mobile Number Portability (MNP), expanding 4G coverage, evolving consumption patterns of subscribers and a conducive regulatory environment. The growth is expected to continue with increased tele-density in rural areas and higher adoption and shipments of affordable smartphones. As per IDC, the smartphone market in India grew 14.5% in 2018 with shipment of 142.3 Mn units vs. 124.3 Mn units last year. This will also open up opportunities for growth in digital mobile banking, content streaming and e-commerce.

With increased economic activity, rapid urbanization, rising middle class and focus on infrastructure investment, the outlook for the Africa's telecom sector continues to remain positive. Availability of low-cost smartphones and enhanced 3G/4G connectivity in the region has paved the way for substantial growth in the mobile broadband segment. Also, the need for financial inclusion in Africa is creating opportunities for mobile money services.

With the explosion of data and the rising interest in digital services, Bharti Airtel stands to gain by being an integrated player to offer as per customer requirements. With strong network investments, unique brand and an unflinching focus on serving the customer, the company is truly well poised to capitalize on the growth opportunities that the future heralds.

Independent Auditor's Report

TO THE MEMBERS OF BHARTI AIRTEL LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Bharti Airtel Limited** ("the Company"), which comprise the Standalone Balance Sheet as at March 31 2019, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended,("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31 2019, and its loss, total comprehensive loss, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Emphasis of Matter

We draw attention to Note 23(I)(f)(vi) of the Standalone Financial Statements, which describes the uncertainties related to the legal outcome of Department of Telecommunications demand with respect to one-time spectrum charges.

Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Key audit matter	Audit Procedures to address Key Audit Matter
Revenue recognition: There is an inherent risk around accuracy of revenue recorded in respect of Mobile Services and Airtel Business segments because of the complexity of the IT systems and other support systems, significance of volumes of data processed by the systems and the impact of changing pricing models (tariff structures, incentive arrangements and discounts, etc.). In addition, for Airtel Business, we considered occurrence of revenue as a risk due to the	We involved our IT specialists to evaluate the design and test the operating effectiveness of the general IT controls and application specific controls within the IT system, including testing of system generated reports used in our audit of revenues. We also tested the controls within the billing systems, prepaid charging systems, capturing and recording of revenue, authorisation and input of changes to the IT systems and over reconciliations performed between the active customers base with billing system.

Key audit matter	Audit Procedures to address Key Audit Matter		
possibility that revenue may be recorded without active service links being provided to customers or for contracts that are cancelled/not renewed. Refer note 2.19 "Revenue recognition" for accounting policies and note 24 on disclosures related to Revenue in the standalone financial statements.	We performed substantive procedures, which included verifying the accuracy of customer invoices and tracing receipts to customer invoices, comparing the number of links/connection as per the active customer base to the billing system, testing reconciliations between billing system and the general ledger (including validation of relevant journal entries), making test calls and testing whether they are rated correctly and analytical procedures for relevant segment revenue.		
	We verified the appropriateness of the accounting policies and the disclosures related to Revenue in notes 2.19 and 24 respectively in the standalone financial statements.		
Recoverability of deferred tax assets (DTA) recognized on tax loss carry-forwards and Minimum Alternate Tax (MAT) credit DTA on tax loss carry forwards and MAT credit recognised as at March 31, 2019 amounts to ₹ 126,085 million. Significant judgement is required in assessing the recoverability of DTA on tax loss carry forwards and MAT credit. Recoverability of DTA on tax loss and MAT credit is sensitive to the assumptions used by management in projecting the ten year business plan and tax plan and to expiry of losses and restriction on utilization of MAT credit after the period specified in the Income-tax Act, 1961. Refer note 2.12 "Taxes" for accounting policies, note 3.1.b in "Critical accounting estimates and assumptions" related to taxes and note 12 "Income taxes" for disclosures related to taxes in the standalone financial statements.	We evaluated the design and tested the operating effectiveness of internal controls related to the assessment of recoverability of DTA on carry forward tax losses and MAT credit. We benchmarked and challenged the key business assumptions like revenue growth rates, amount of future capital expenditure and EBIDTA margins in the ten year business plans against historical data and trends and with market data and external sources, where available, to assess their reasonableness. We verified the tax computation for the ten year forecast period and considered whether the tax losses and MAT credit would expire in accordance with the provisions of Income tax Act, 1961. We also performed sensitivity assessment to evaluate whether it is probable that the tax losses and MAT credit would expire within the period specified in the provisions of Income tax Act, 1961 and tested the mathematical accuracy of the business plans and tax computation for the forecast period. We verified that recognition of DTA is consistent with company's accounting guidelines for recognition of deferred tax on tax loss carry forward and MAT credit. We verified the appropriateness of accounting policies, critical accounting estimates and assumptions and		
Fuchation of impoisment processor for investments	disclosures related to Income tax in notes 2.12, 3.1.b and 12 respectively in the standalone financial statements.		
Evaluation of impairment assessment for investments in subsidiaries Investments in subsidiaries as at March 31, 2019 amounts to	We evaluated the design and tested the operating effectiveness of internal controls related to evaluation of impairment assessment of investment in Bharti Infratel Limited.		
₹ 357,533 million. The management assessed that there are impairment indicators in respect of its investment in Bharti Infratel	We evaluated the management's valuation method used and the accuracy of the inputs used in the model to		

Key audit matter	Audit Procedures to address Key Audit Matter
limited (BIL). Accordingly, the management estimated the recoverable value of its investment in BIL, the carrying value of which as at March 31, 2019 is ₹ 227,516 million. The evaluation of the recoverable amount involves determination of the most appropriate valuation method and the inputs used in the valuation model. Refer note 2.10(a) for policy on "Recognition, classification and presentation" of financial instruments and note 8 "Investments" for disclosures related to details of Investments in the standalone financial statements.	determine the recoverable value. We challenged the inputs used to assess their reasonableness, tested the sensitivityof the recoverable value to the change in the inputs used and tested the arithmetical accuracy of the model. We verified the appropriateness of the accounting policies and disclosures related to Investments in notes 2.10(a) and 8 respectively in the standalone financial statements.
Evaluation of uncertain positions related to tax and regulatory matters The Company has material uncertain positions related to regulatory matters and direct and indirect tax matters under dispute that involves significant judgment to determine the possible outcome of these disputes, provisions required, if any, and/or write back of provision in respect of such matters. Refer Note 2.18 "Contingencies" for accounting policies, Note 20 "Provisions" for disclosure related to provisions for subjudice matters and Note 23(1) in respect of details of Contingent liabilities in the standalone financial statements.	We evaluated the design and tested the operating effectiveness of internal controls related to the assessment of the likely outcome of uncertain positions related to the regulatory and tax matters, the provision made, if any, and/ or write back of the provision. We discussed significant open matters and developments with the Company's regulatory and tax team. We involved our internal tax experts to understand and evaluate the status of tax matters, review legal precedence and external expert opinions, if any, obtained by the management to evaluate whether the tax and regulatory position is appropriate and has taken into account recent developments, if any. We challenged management's underlying assumptions in estimating tax and regulatory provisions and/or write back of provisions and assessed management evaluations and conclusions by understanding precedence, if any, set in similar matters and performed substantive procedures on the underlying calculation supporting the provisions required and/or write back of provisions. We verified the appropriateness of the accounting policies, disclosures related to provisions for subjudice matters and details of contingent liabilities in notes 2.18, 20 and 23(I) respectively in the standalone financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Management Discussion and Analysis, Board's Report including Annexures to the Board's Report, Business Responsibility Report, Corporate Governance and Integrated Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the

Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

 Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to explanation given to us, the remuneration paid / accrued by the Company to its Chairman and Managing Director & CEO (India and South Asia) for the year ended March 31, 2019 is in excess by ₹ 300.66 Million vis-à-vis the limits specified in section 197 of Companies Act, 2013 ('the Act') read with Schedule V thereto as the Company does not have profits. The Company has represented to us that it is in the process of complying with the prescribed statutory requirements to regularize such excess payments, including seeking approval of shareholders, as necessary.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements

- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- 2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure B"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Shyamak R Tata

Place: New Delhi Partner Date: May 06, 2019 (Membership No. 38320)

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Bharti Airtel Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Bharti Airtel Limited** ("the Company") as of March 31, 2019 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records

that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Shyamak R Tata

Place: New Delhi Partner Date: May 06, 2019 (Membership No. 38320)

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Bharti Airtel Limited of even date)

i. In respect of Company's fixed assets:

- a) The Company has maintained proper records showing full particulars with respect to most of its fixed assets, and is in the process of updating quantitative and situation details with respect to certain fixed assets in the records maintained by the Company
- b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us, the records examined by us and based on examination of property tax receipts, utility bills, lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed or court orders approving schemes of arrangements / amalgamations provided to us, we report that, the title in respect of self-constructed buildings and the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.

In respect of immovable properties that have been taken on lease and disclosed as property, plant and equipment in the financial statements, based on our examination of the lease agreements or court orders approving the schemes of arrangement or amalgamations, we report that the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

- ii. As explained to us, the inventories, except for those lying with the third parties, were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- According to information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of Section 185 and 186 of the Companies Act, 2013 are applicable.
- v. According to the information and explanations given to us, the Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable.
- vi. The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company is regular in depositing undisputed statutory dues, including Provident Fund,

Employees' State Insurance, Income-tax, Goods and Services Tax, Customs Duty, cess and other material statutory dues applicable to it to the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Services Tax, Customs Duty, cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax and Goods and Service Tax which have not been deposited as on March 31, 2019 on account of disputes are given below:

	Nature of	Amount Disputed	Period to Which	Forum where the dispute is
Name of the Statutes	the Dues	(in ₹ Million)	the amount Relates	pending
Income Tax Act, 1961	Income Tax	128	1999-05, 2002-08	Supreme Court
Income Tax Act, 1961	Income Tax	10,519	1996-08, 2001-10	High Court
Income Tax Act, 1961	Income Tax	25,816	1995-13, 2003-15	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	604	1999-00, 2004-18	Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	638	2000-06, 1996-14	Assessing Officer
Sub Total (A)		37,705		
Andhra Pradesh VAT Act, 2005	Sales Tax	87	2004-13	Tribunal
Andhra Pradesh VAT Act, 2005	Sales Tax	33	2013-15	Deputy Commissioner (Appeals)
Andhra Pradesh VAT Act, 2005	Sales Tax	39	2015-18	Assistant Commissioner
Bihar VAT Act, 2005	Sales Tax	0*	2015-16	Assistant Commissioner
Bihar VAT Act, 2005	Sales Tax	2	2006-07	Commercial Tax Officer
Bihar VAT Act, 2005	Sales Tax	1	2016-17	Deputy Commissioner
Bihar VAT Act, 2005	Sales Tax	22	2015-17	Joint Commissioner (Appeal)
Bihar VAT Act, 2005	Sales Tax	139	2005-15	Tribunal
Chhattisgarh VAT Act, 2003	Sales Tax	0*	2006-07	Assistant Commissioner
Delhi VAT Act, 2004	Sales Tax	0*	2012-13	Add. Commissioner
Delhi VAT Act, 2004	Sales Tax	6	2011-14	Add. Commissioner
The Gujarat VAT Act, 2003	Sales Tax	1	2005-07	Assistant/Deputy Commissioner
The Karnataka VAT Act, 2003	Sales Tax	291	2005-06	Supreme Court
The Karnataka VAT Act, 2003	Sales Tax	0*	2012-13	Deputy Commissioner
The Karnataka VAT Act, 2003	Sales Tax	2	2016-17	Karnataka Appellate Tribunal
The Kerala VAT Act, 2003	Sales Tax	1	2005-17	Commercial Tax Officer
The Kerala VAT Act, 2003	Sales Tax	0*	2016-17	Intelligence Officer Ernakulam
Kerala Sales Tax Act	Sales Tax	16	2005-10	Deputy Commissioner, Appeal
Kerala Sales Tax Act	Sales Tax	0*	2008-10	Intelligence Officer Squad
Kerala Sales Tax Act	Sales Tax	1	2002-05	Tribunal
The Kerala VAT Act, 2003	Sales Tax	71	2006-07	High Court of Kerala
The Kerala VAT Act, 2003	Sales Tax	44	2007-12	Asst. Commissioner, Spl Circle III, Ernakulam

Name of the Statutes	Nature of the Dues	Amount Disputed (in ₹ Million)	Period to Which the amount Relates	Forum where the dispute is pending
The Kerala VAT Act, 2003	Sales Tax	0*	2015-16	Intelligence Inspector, Squad
		0	-00 +0	No. I, Tellichery
The Kerala VAT Act, 2003	Sales Tax	O*	2015-16	Intelligence Inspector, Squad No. 3, Ernakulam
The Madhya Pradesh VAT Act, 2002	Sales Tax	7	2008-13	Tribunal
The Madhya Pradesh VAT Act, 2002	Sales Tax	0*	2004-08	Commercial Tax Officer
The Madhya Pradesh VAT Act, 2002	Sales Tax	1	2008-10	Deputy Commissioner
The Madhya Pradesh VAT Act, 2002	Sales Tax	22	1997-04	Deputy Commissioner, Appeal
The Maharashtra VAT Act, 2002	Sales Tax	0*	2003-04	Joint Commissioner, Appeal
Punjab VAT Act, 2005	Sales Tax	1	2009-17	Deputy Commissioner (Appeal)
Punjab VAT Act, 2005	Sales Tax	30	2003-04	High Court
Punjab VAT Act, 2005	Sales Tax	1	2002-03	-
Rajasthan VAT Act	Sales Tax	2	2015-16	Commercial Tax Officer
Rajasthan VAT Act	Sales Tax	0*	2015-16	Assistant Commissioner
The TN VAT Act	Sales Tax	0*	2010-11	Deputy Commercial tax Officer
The UP VAT Act	Sales Tax	11	2005-13	Assessing officer
The UP VAT Act	Sales Tax	1	2002-19	-
The UP VAT Act	Sales Tax	1	2009-10	Joint Commissioner
The UP VAT Act	Sales Tax	6	2008-10	High court
The UP VAT Act	Sales Tax	3	2003-08	Joint Commissioner, Appeal
The UP VAT Act	Sales Tax	9	2005-10	Tribunal
The UP VAT Act	Sales Tax	1	2015-16	Commissioner (Appeals)
The UP VAT Act	Sales Tax	26	2003-17	Deputy Commissioner
The West Bengal VAT Act, 2003	Sales Tax	0*	1996-97	The Deputy Commissoner of Commercial Taxes
The West Bengal VAT Act, 2003	Sales Tax	0*	1995-98	Commercial Tax Officer
The West Bengal VAT Act, 2003	Sales Tax	9	2005-06	Commissioner
The West Bengal VAT Act, 2003	Sales Tax	3	1997-12	Tribunal
Sub Total (B)		890		
Finance Act, 1994 (Service	Service Tax	278	1995-08	Supreme Court
tax provisions) Finance Act, 1994 (Service tax provisions)	Service Tax	51	2002-07	High court
Finance Act, 1994 (Service tax provisions)	Service Tax	6,083	1995-16	Tribunal

Name of the Statutes	Nature of the Dues	Amount Disputed (in ₹ Million)	Period to Which the amount Relates	Forum where the dispute is pending
Finance Act, 1994 (Service tax provisions)	Service Tax	821	1999-13	Commissioner/Deputy Commissioner of Service Tax
Finance Act, 1994 (Service tax provisions)	Service Tax	1	2003-04	Deputy Commissioner
Sub Total (C)		7,234		
Goods and Services Tax Act, 2017	UPGST	14	2017-19	Assistant Commissioner
Sub Total (D)		14		
Custom Act, 1962	Custom Act	4,128	2001-05	Supreme Court
Custom Act, 1962	Custom Act	755	2003-15	Tribunal
Sub Total (E)		4,883		
Grand Total (A+B+C+D+E):		50,728		

The above mentioned figures represent the total disputed cases without any assessment of Probable, Possible and Remote, as done in case of Contingent Liabilities. Of the above cases, total amount deposited in respect of Sales Tax is 341 Mn, Service Tax is 497 Mn, Goods & Services Tax Act, 2017 is 0* Mn, Custom Duty is 2,142 Mn and Income Tax is 16,774 Mn. *Amount less than million are appearing as '0'.

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders
- ix. During the current year, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and to the best of our information and according to explanation given to us, the remuneration paid / accrued by the Company to its Chairman and Managing Director & CEO (India and South Asia) for the year ended March 31, 2019 is in excess by ₹ 300.66 Million vis-à-vis the limits specified in section 197 of Companies Act, 2013 ('the Act') read with Schedule V thereto as the Company does not have profits. The Company has represented to us that it is in the process of complying with the prescribed statutory requirements to regularize such excess payments, including seeking approval of shareholders, as necessary.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us the Company is in compliance

with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

- xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Shyamak R Tata

Place: New Delhi Partner Date: May 06, 2019 (Membership No. 38320)

Independent Auditor's Report

TO THE MEMBERS OF **BHARTI AIRTEL LIMITED**

Report on the Abridged Standalone Financial Statements

The accompanying Abridged Standalone Financial Statements of **BHARTI AIRTEL LIMITED** ("the Company"), which comprise Abridged Standalone Balance Sheet as at March 31, 2019, Abridged Standalone Statement of Profit and Loss (including Other Comprehensive Income), Abridged Standalone Statement of Changes in Equity and Abridged Standalone Statement of Cash Flows for the year then ended, and related notes, are derived from the audited Standalone Financial Statements of the Company for the year ended March 31, 2019. We expressed an unmodified audit opinion on those Standalone Financial Statements in our report dated May 06, 2019.

The Abridged Standalone Financial Statements do not contain all the disclosures required by the Companies Act, 2013 ("the Act") and Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act and accounting principles generally accepted in India which were applied in the preparation of the audited Standalone Financial Statements of the Company. Reading the Abridged Standalone Financial Statements, therefore, is not a substitute for reading the audited Standalone Financial Statements of the Company.

Management's Responsibility for the Abridged Standalone Financial Statements

The Company's Board of Directors is responsible for the preparation of these Abridged Standalone Financial Statements in accordance with the requirements specified under Section 136(1) read with Rule 10 of the Companies (Accounts) Rules, 2014, as amended, based on the audited Standalone Financial Statements of the Company for the year ended March 31 2019, prepared in accordance with Indian Accounting Standards prescribed under Section 133 of the Act and accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Abridged Standalone Financial Statements. conducted in accordance with Standard on Auditing (SA) 810 "Engagements to Report on Summary Financial Statements" specified under Section 143(10) of the Act. In performing those procedures, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Abridged Standalone Financial Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Opinion

In our opinion and to the best of our information and explanations given to us, the accompanying Abridged Standalone Financial Statements prepared in accordance with Rule 10 of the Companies (Accounts) Rules, 2014, as amended, derived from the audited Standalone Financial Statements of the Company for the year ended March 31, 2019 prepared in accordance with the Ind AS prescribed under Section 133 of the Act and accounting principles generally accepted in India, are a fair summary of those audited Standalone Financial Statements.

The Audited Standalone Financial Statements and Our Report Thereon:

We expressed an unmodified audit opinion on Standalone Financial Statements in our report dated May 06, 2019. That report also includes:

- An Emphasis of Matter section that draws attention to Note 9(i)(f)(vi) of the Abridged Standalone Financial Statements which describes the uncertainties related to the legal outcome of Department of Telecommunications demand with respect to one time spectrum charges. Our opinion is not modified in respect of this matter
- The communication of Key audit matters. Key audit matters are those matters that in our professional judgement, were of most significance in our audit of the Standalone Financial Statements of the current period.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants (Firm Registration No. 117366W/W-100018)

> Shyamak R Tata Partner

(Membership No. 38320)

Auditor's responsibility

Our responsibility is to express an opinion on the Abridged Standalone Financial Statements based on our procedures

Place: New Delhi Date: May 06, 2019

Abridged Standalone Balance Sheet

Non-current assets	5	(All amounts are ir	n millions of Indian Rupee)
Assets			
Non-current assets		March 31, 2019	March 31, 2018
Property plant and equipment 55.54.55 474,901 Capital work-progress 52.370 27.387 Intrangible assts 75.18.85 74.18.35 Intrangible assts 30.000 481.219 Final stats 63 63 - chrivative instruments 4 80 - chrivative instruments 10.059 13.552 Deferred tax assets (net) 0 83 - investments 16.656 - - investments 16.696 - - invent assets 13.80	Assets		
Capital work-in-progress 52.970 22.7387 Intrangible assets 751.885 740.183 Intrangible assets 368.000 481.219 - in-wastments 63 63 - in-wastments 63 63 - in-wastments 63 63 - in-one assets (ret) 10.059 11.955 Deferred tax assets (ret) 67.887 22.142 Chren assets 2021.649 1.9555 Income tax assets (ret) 61.51.512 1.24.244 Chren assets 2021.649 1.9555 Income tax assets (ret) 10.656 - - invastments 16.566 - - invastments 16.566 - - invastments 16.566 - - invastments 18.75 44.626 - invastments 18.57 1.837 - invastments 18.57 4.626 - invastments 18.97 1.837 - invastments 18.930 1.935 - invastments 1.935 <td></td> <td></td> <td></td>			
Intangible assets 751,885 749,183 749,183 Intersetment in subidiaries, associates and joint ventures 368,009 481,219 Financial assets 63 63 - Derivative instruments 63 63 - Orivative instruments 63 63 - Orivative instruments 151,003 66,967 - Income assets (net) 151,003 169,867 Deferred tax assets (net) 51,512 14,244 Other non-ourrent assets 2021,649 1,492,072 Inventories 10 63 - Newstruents 10,20 42,55 - Other non-aurent assets 10,20 42,55 - Otherwhole instruments 10,33 10,17,21 - Newstruents 10,20 11,83,33 10,17,21 - Other not cent equivide instruments			
Intangible assets under development 2.703 22.040 Investments 365.009 481.219 Investments 6.3 6.3 Ober statistics 110.302 66.947 - Others 100.501 11.959 Deferred tax assets (net) 100.501 11.959 Other noncurrent assets 2021.649 1.959 Other noncurrent assets 2021.649 1.959 Investments 16.666 - Investments 16.676 - Investments 16.676 - Investments 16.676 - Investments 16.767 4.826 Investments 1.876 4.826 Investments 1.876 4.826 <td< td=""><td></td><td></td><td></td></td<>			
Investment is subsidiaries, associates and joint ventures 366,009 441,219 Financial asset 6.3 6.3 6.3 - Derivative instruments 6.3 6.3 6.3 - Derivative instruments 6.3 6.947 7 - Others 151,032 6.6947 7 200 Income tax assets (net) 10,059 13,555 14,214 Other non-current assets 2021,649 13,555 12,221,449 Current assets 2021,649 1,889,071 12,837 Inventione 16,696 - - - Order bank balances 32,00 63,31 15,357 - Order bank balances 32,00 82,55 - - Other bank balances 32,00 82,55 - - Other current assets 2025,005 15,53,002 10,987 - Other current assets 205,005 15,53,002 10,987 - Other current assets 20,206,993 10,026,293 10,026,293 - Other current assets 23,00 13,331 <td< td=""><td></td><td></td><td>- 1</td></td<>			- 1
Financial assets 6.3 6.3 Investments 4 80 - Derivative instruments 4 80 - Others 70 200 Income tax assets (net) 10.059 11.512 Deferred tax assets (net) 0.7827 22.142 Current assets 2,022,649 1,891,071 Investments 10 63 Financial assets 10 63 - Oberivative instruments 68 1105 - Tode receivables 38,490 43,195 - Cash and cash equivalents 12,671 113,831 - Other bank balances 202,020 12,844 - Cash and cash equivalents 203,020 10,026,823 Equity and liabilities 203,020 10,026,823 - Cash and cash equivalents 113,831 61,21,21 - Cash and cash equivalents			
- investments 63 63 63 - investments 4 60 - Loans and security deposits 15.10.32 66.847 - Others 70 2200 Income tax assets (net) 10.059 13.535 Deferred tax assets (net) 51.51.2 14.244 Other non-current assets 2021.649 1.691.071 Current assets 2021.649 1.991.071 Current assets 10 63 - Orbitable instruments 16.696 - - Orbitable instruments 16.696 - - Other back of cick of cick and cick 36.40 44.566 - Other back of cick and cick and cick 32.00 43.566 - Other back of cick and cick 32.00 43.566 - Other back balances 20.20 68.302 - Other current assets 20.20 68.302 - Other current assets 20.20,505 10.58.302 - Other current assets 20.20,505 10.59.302 - Other current assets 20.20,505 10.59.302		368,009	481,219
- Derivative instruments 4 60 - Others 70 260 - Others 67,827 22,142 - Others 67,827 22,142 - Others 67,827 22,142 - Others 67,827 22,142 - Otherse 2,021,649 1,891,071 - Otherse 66,86 10 63 - Financial assets 10 63 10 63 - Otherse instruments 68 105 - 4,810 1,820 1,818,97 <td></td> <td></td> <td></td>			
- Loans and security deposits 151,032 66,947 Income tax assets (net) 10,059 19,595 Deferred tax assets (net) 10,059 19,595 Other non-current assets 67,887 22,142 Other non-current assets 67,887 22,144 Inventories 10 63 Financial assets 10 63 - Investments 16,696 - - Obritative instruments 6,88 135 - Tode receivables 38,490 43,196 - Cash and cash equivalents 18,75 44,826 - Other tank balances 202 825 - Loans 113,833 61,51,302 Other current assets 206,506 156,302 Fold assets 222,6,855 2,043,373 Epily and labilities 200,506 156,302 - Other sark balances 200 10,28,699 - Other ask balances 20,016 10,006,602 - Other ask balances 20,026,695 10,006,602 - Other ask balances 20			
· Others '0 200 Income tax assets (net) 10.059 11.059 Other non-current assets 2.021.649 1.021.02 Current assets 2.021.649 1.059 Inventories 10 63 Financial assets 10 63 - Orientative instruments 68 195 - Trade receivables 32.00 825 - Cash and cash equivalents 1.0351 61.721 - Other so 2.021.649 1.0589 - Other solution instruments 68 1.0351 - Other solution instruments 1.0351 6.17.721 - Other solution instruments 1.0351 6.17.721 - Other solution instruments 2.05.006 1.05.830 - Other solution instruments 2.05.006 1.008.622 - Other equiv 99.3.606 1.008.622 - Other equiv 99.			
Income tax assets (net) 10.09 19.595 Defered tax assets (net) 51.512 14.244 Other non-current assets 2.021.649 1.891.072 Current assets 0 6.3 Inventories 10 6.3 Financial assets 10 6.3 - Derivative Instruments 6.8 1.95 - Cash and cash equivalents 1.876 4.626 - Cash and cash equivalents 1.876 4.626 - Cash and cash equivalents 1.376 11.837 Other current assets 2.022.685 2.049.373 Other current assets 2.055.206 1.00862 Equivalent itabilities 2.025.805 2.049.373 Defered revenue 19.987 1.0987 Pinancial liabilities 2.022.685 2.049.373 Equivalent and itabilities 3.00 1.04 - Other subtained itabilities 3.00 1.02 - Other subtained itabilities 3.00 1.02 - Others 0.008.621 5.86.494 5.44.681			
Deferred tax assets (ne) 51,512 14,244 Other non-current assets 2,021,649 1,891,071 Current assets 10 63 Financial assets 10 63 - Investments 16,696 - - Other on-current assets 10 63 - Cash and cash equivalents 13,876 44,826 - Other bail balances 32,00 825 - Cohers 12,671 11,831 - Other sets 12,671 11,831 - Other current assets 205,206 156,302 - Other sets 2,226,895 2,049,373 Current taxilities 9,937 19,937 - Derivative instruments 32,00 12,671 - Derivative instruments 32,00 12,649 - Derivative instruments 32,00 12,649 - Other sets 2,026,693 1,00,862 - Other sets 32,00 12,841 - Other sets 32,00 12,841 - Other sets 32,00 12,841			
Other non-current assets 67.887 2,021,649 1,891,071 1,891,071 Current assets 10 6.83 Financial assets 10 6.83 - Derivative instruments 16,696 - - Derivative instruments 6.83 195 - Tode receivables 38,490 43,136 - Other bank balances 200 825 - Other bank balances 200 825 - Loars 21,244 15,839 - Other same capital 12,671 11,8331 Other current assets 21,244 15,839 - Others 21,26,605 2,049,3331 Other current sasets 2,024,635 2,049,3331 Equity 963,606 106,6306 Non-current liabilities 983,893 1,0228,609 Financial tabilities 983,693 1,0228,609 Non-current liabilities 32,020 124 - Derivative instruments 32,020 124 - Derivative instruments 32,020 124 - Derivative instruments 1		10,059	19,595
Current assets 2,021,649 1,891,071 Inventories 10 63 Financial assets 16,696 - - Investments 16,696 - - Cash and cash equivalents 38,490 43,196 - Cash and cash equivalents 38,490 43,196 - Cher bank balances 320 825 - Other set 12,671 11,837 Other ourset assets 22,224,41 15,839 - Others 12,671 11,3837 Other ourset assets 2,226,805 2,049,373 Equity 19,837 19,987 Share capital 19,837 19,987 Other equity 983,693 1,002,803 - Derivative instruments 320 12,44 - Borrowings 32,606 1,008,622 - Derivative instruments 3200 10,028,609 - Derivative instruments 3200 12,44 - Others 32,020 13,331 Defered revenue 16,570 16,303 Provis			
Current assets 10 63 Financial assets 10 63 - Derivative Instruments 68 195 - Toder receivables 38,490 43,136 - Cath and cath equivalents 1,876 4,626 - Other bank balances 200 805 - Loans 21,244 15,839 - Others So 21,247 11,8331 - Others So 21,246,605 2,049,373 Other current disabilities 20,228,605 2,049,373 Equity 963,606 1,008,622 Share capital 19,987 19,987 - Derivative Instruments 320 124 - Others 322,00 134 - Others 323,00 124 - Derivative Instruments 323,00 124 - Others 32,320	Other non-current assets		
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Financial assets 16.06 - - Investments 16.06 - - Derivative Instruments 68 195 - Trade receivables 38.490 43.196 - Cash and cash equivalents 1.876 4.626 - Other bank balances 320 825 - Others 11.831 61.721 - Others 12.671 11.831 Other current assets 205.206 155.302 Equity 963.606 1.008.622 Share capital 9.987 1.9987 Other equity 963.606 1.008.622 Non-current liabilities 983.593 1.008.620 Non-current liabilities 320 124 - Others 32.920 19.387 Other equity 963.666 1.008.623 Non-current liabilities 320 124 - Others 32.920 19.384 Deferred revenue 19.977 18.301 - Others 32.920 19.345 Other equity 963.666		10	62
- Investments 16.696 - - Orbitable Instruments 68 195 - Trade receivables 38.490 44.166 - Other bank balances 320 625 - Loans 321 4.626 - Other bank balances 320 625 - Loans 21,244 15.839 - Other current assets 11.851 61.721 Other current assets 205,266 158.302 Fold assets 205,266 158.302 Equity and labilities 205,266 158.302 Equity and labilities 983,593 1.0028,622 Non-current liabilities 983,593 1.0228,605 - Borrowings 586.494 544.681 - Borrowings 32,02 19.34 - Borrowings 32,02 19.34 - Borrowings 22,222 28.897 - Others 19.977 1.830 - Others 19.977 1.830 - Others 22.222 28.897 - Dorrowings 22.222 </td <td></td> <td>10</td> <td>03</td>		10	03
• Derivative instruments 68 195 • Trade receivables 38.400 43.196 • Cash and cash equivalents 3.20 825 • Other bank balances 3.20 825 • Others 21.244 15.839 • Others 11.8331 81.721 Total assets 205.206 156.302 Equity and liabilities 2,226.855 2,049.373 Equity and liabilities 9.987 1.9987 Share capital 19.987 19.987 Other equity 963.006 1.008.602 Non-current liabilities 983.998 1.008.602 • Financial liabilities 983.696 1.008.602 • Others 32.200 19.384 • Others 32.200 124 • Others 32.200 <t< td=""><td></td><td>16.606</td><td></td></t<>		16.606	
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- Cash and cash equivalents 1.876 4.626 - Other bank balances 320 625 - Loans 21,244 15,839 - Other's 11,3,831 831,731 Other current assets 205,206 158,302 Equity and liabilities 205,206 158,302 Equity and liabilities 2,226,855 2,049,373 Equity and liabilities 9,987 19,987 Share capital 19,987 19,987 Other equity 963,606 1,008,622 Non-current liabilities 983,593 1,028,609 Non-current liabilities 983,593 1,028,609 Non-current liabilities 983,593 1,028,609 Other equity 963,606 1,008,622 Other exenue 1,997 19,837 - Borrowings 586,494 544,681 - Derivative instruments 320 124 - Others 32,020 19,354 - Current maturities of long-term borrowings 2,222 2,279,797 - Derivative instruments 1,455 228 - Others 31			
- Other bank balances 320 825 - Loans 21,244 15,839 - Other current assets 113,861 81,721 Other current assets 205,206 154,832 Zotal assets 2,226,855 2,049,373 Equity and liabilities 99,897 19,987 Equity and liabilities 99,897 1,008,622 Non-current liabilities 983,593 1,008,622 Financial liabilities 983,593 1,008,622 Financial liabilities 983,593 1,008,622 Other equity 963,606 1,008,622 Non-current liabilities 983,593 1,008,622 Financial liabilities 320 124 - Others 320 124 - Others 320 124 - Others 32,920 19,354 I.69770 118,371 19,977 1,830 Financial liabilities 229,183 80,0680 - Current maturities of ong-term borrowings 22,222 28,763 - Borrowings 22,222 28,763 1,455 - Tade payables 1,455			
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Financial liabilities - - Borrowings 586,494 544,681 - Derivative Instruments 32,020 12,4 - Others 32,920 19,354 Deferred revenue 16,970 18,371 Provisions 1,927 1,830 Current liabilities 688,631 584,460 - Borrowings 229,183 80,680 - Current maturities of long-term borrowings 22,222 28,797 - Derivative instruments 1,455 228 - Trade payables 31 16 - total outstanding dues of micro enterprises and small enterprises 31 16 - total outstanding dues of creditors other than micro enterprises and small 191,657 17,6,974 - Others 107,950 92,529 92,529 Deferred revenue 26,802 30,242 Provisions 10,088 1,262 Current tak liabilities (net) 2,248 2,447 Other current liabilities 21,995 23,229 Other current liabilities 21,995 23,229		983,593	
- Borrowings 586,494 544,681 - Derivative Instruments 320 124 - Others 32,920 19,354 Deferred revenue 16,970 18,371 Provisions 1,927 1,830 Current liabilities 638,631 584,360 Financial liabilities 638,631 584,360 - Ourrent naturities of long-term borrowings 229,183 80,680 - Ourrent naturities of long-term borrowings 22,222 28,797 - Derivative instruments 1,455 228 - Trade payables 31 16 - total outstanding dues of micro enterprises and small enterprises 31 16 - Others 31,957 176,974 enterprises 31 16 - Others 107,950 92,529 Deferred revenue 26,802 30,242 Provisions 1,088 1,262 Current tax liabilities (net) 2,248 2,244 Other current liabilities 21,995 23,229 Eferred revenue 21,995 23,229 Provisions 1,083	Non-current liabilities		
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Deferred revenue 16,970 18,371 Provisions 1,927 1,830 Current liabilities 638,631 584,360 Financial liabilities 638,631 584,360 - Borrowings 229,183 80,680 - Ourrent maturities of long-term borrowings 22,222 28,797 - Derivative instruments 1,455 228 - Trade payables 1 16 - total outstanding dues of micro enterprises and small enterprises and small 191,657 176,974 enterprises 31 16 - Others 107,950 92,529 Deferred revenue 26,802 30,242 Provisions 1,088 1,262 Current tax liabilities (net) 2,248 2,447 Other current liabilities 21,995 23,229 604,631 436,604 436,604 Total liabilities 1,243,262 1,020,764	- Derivative Instruments	320	124
Provisions1,9271,830638,631584,360Current liabilitiesFinancial liabilities- Borrowings229,18380,680- Current maturities of long-term borrowings229,18380,680- Derivative instruments1,455228- Trade payables- total outstanding dues of micro enterprises and small enterprises3116- total outstanding dues of creditors other than micro enterprises and small191,657176,974- Others107,95092,529Deferred revenue26,80230,242Provisions1,0881,262Current tax liabilities (net)2,2482,447Other current liabilities21,99523,229Gode,631436,404Total liabilities1,243,2621,020,764	- Others	32,920	19,354
Provisions 1,927 1,830 Current liabilities 638,631 584,360 Financial liabilities - 638,631 584,360 - Borrowings 229,183 80,680 - - Current maturities of long-term borrowings 222,222 28,797 - Derivative instruments 1,455 228 - Trade payables - - - total outstanding dues of micro enterprises and small enterprises 31 16 - total outstanding dues of creditors other than micro enterprises and small 191,657 176,974 enterprises 31 16 - Others 107,950 92,529 Deferred revenue 26,802 30,242 Provisions 1,088 1,262 Current tax liabilities (net) 2,248 2,447 Other current liabilities 21,995 23,229 604,631 436,404 1436,404 Total liabilities 1,243,262 1,020,764	Deferred revenue	16,970	18.371
Current liabilitiesFinancial liabilities- Borrowings229,183- Borrowings22,2222.2,22228,797- Derivative instruments1,455- Trade payables- total outstanding dues of micro enterprises and small enterprises31- total outstanding dues of creditors other than micro enterprises and small191,657- Others107,95092,52926,802Others26,802Provisions1,088Current tax liabilities (net)2,248Other current liabilities21,995204 liabilities1,243,2621020,7641,223,262	Provisions	1,927	
Financial liabilities Vestigation - Borrowings 229,183 80,680 - Current maturities of long-term borrowings 22,222 28,797 - Derivative instruments 1,455 228 - Trade payables 31 16 - total outstanding dues of micro enterprises and small enterprises and small 191,657 176,974 enterprises 31 16 - Others 107,950 92,529 Deferred revenue 26,802 30,242 Provisions 1,088 1,262 Current tax liabilities (net) 2,248 2,447 Other current liabilities 21,995 23,229 604,631 436,404 Total liabilities 1,243,262 1,020,764		638,631	584,360
- Borrowings 229,183 80,680 - Current maturities of long-term borrowings 22,222 28,797 - Derivative instruments 1,455 228 - Trade payables 1 16 - total outstanding dues of micro enterprises and small enterprises 31 16 - total outstanding dues of creditors other than micro enterprises and small 191,657 176,974 enterprises 107,950 92,529 Others 107,950 92,529 Deferred revenue 26,802 30,242 Provisions 1,088 1,262 Current tax liabilities (net) 2,248 2,447 Other current liabilities 21,995 23,229 Etailiabilities 1,243,262 1,020,764			
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-total outstanding dues of micro enterprises and small enterprises 31 16 -total outstanding dues of creditors other than micro enterprises and small 191,657 176,974 enterprises 107,950 92,529 Others 26,802 30,242 Provisions 1,088 1,262 Current tax liabilities (net) 2,248 2,447 Other current liabilities 21,995 23,229 Total liabilities 1,243,262 1,020,764	- Derivative instruments	1,455	228
-total outstanding dues of creditors other than micro enterprises and small 191,657 176,974 enterprises - - - - Others 107,950 92,529 Deferred revenue 26,802 30,242 Provisions 1,088 1,262 Current tax liabilities (net) 2,248 2,447 Other current liabilities 21,995 23,229 604,631 436,404 Total liabilities 1,243,262 1,020,764	- Trade payables		
enterprises 107,950 92,529 Deferred revenue 26,802 30,242 Provisions 1,088 1,262 Current tax liabilities (net) 2,248 2,447 Other current liabilities 21,995 23,229 Total liabilities 1,243,262 1,020,764	-total outstanding dues of micro enterprises and small enterprises	31	16
- Others 107,950 92,529 Deferred revenue 26,802 30,242 Provisions 1,088 1,262 Current tax liabilities (net) 2,248 2,447 Other current liabilities 21,995 23,229 604,631 436,404 1,243,262 Total liabilities 1,243,262 1,020,764	-total outstanding dues of creditors other than micro enterprises and small	191,657	176,974
Deferred revenue 26,802 30,242 Provisions 1,088 1,262 Current tax liabilities (net) 2,248 2,447 Other current liabilities 21,995 23,229 604,631 436,404 1,243,262 Total liabilities 1,243,262 1,020,764			
Provisions 1,088 1,262 Current tax liabilities (net) 2,248 2,447 Other current liabilities 21,995 23,229 Total liabilities 1,243,262 1,020,764	- Others	107,950	92,529
Provisions 1,088 1,262 Current tax liabilities (net) 2,248 2,447 Other current liabilities 21,995 23,229 604,631 436,404 1,243,262 Total liabilities 1,243,262 1,020,764	Deferred revenue	26,802	30,242
Current tax liabilities (net) 2,248 2,447 Other current liabilities 21,995 23,229 604,631 436,404 Total liabilities 1,243,262 1,020,764	Provisions	1,088	1,262
604,631 436,404 Total liabilities 1,243,262 1,020,764	Current tax liabilities (net)		2,447
604,631 436,404 Total liabilities 1,243,262 1,020,764	Other current liabilities	21,995	23,229
Total equity and liabilities 2,226,855 _ 2,049,373	Total liabilities	1,243,262	1,020,764
	Total equity and liabilities	2,226,855	2,049,373

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

As per our report of even date

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

For Deloitte Haskins & Sells LLP

Chartered Accountants (Firm's Registration No: 117366W / W-100018)

Shyamak R Tata

Partner Membership No: 38320

Place: New Delhi Date: May 6, 2019 Sunil Bharti Mittal Chairman

DIN: 00042491

Gopal Vittal

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

Badal Bagri

Chief Financial Officer

Pankaj Tewari Company Secretary

Abridged Standalone Statement of Profit and Loss

(All amounts are in	millions of Indian Rupee;	except per share data)
	For the year ended	For the year ended
	March 31, 2019	March 31, 2018
Income		
Revenue from operations	496,080	536,630
Other income	2,507	2,356
	498,587	538,986
Expenses		
Network operating expenses	161,247	139,512
Access charges	81,739	78,944
License fee / spectrum charges	49,465	55,630
Employee benefits expense	14,710	17,209
Sales and marketing expenses	25,619	30,519
Other expenses	38,394	36,171
	371,174	357,985
Profit from operating activities before depreciation, amortisation	127,413	181,001
and exceptional items	150.076	120,406
Depreciation and amortisation	150,876	130,486
Finance costs	78,437	59,107
Finance income	(23,704)	(8,417)
Non-operating expenses	1,890	596
Loss before exceptional items and tax	(80,086)	(771)
Exceptional items (net)	(28,049)	6,041
Loss before tax	(52,037)	(6,812)
Tax expense / (credit) Current tax	1 -	
	15	(2,204)
Deferred tax	(33,762)	(5,400)
(Loss) / profit for the year	(18,290)	792
Other comprehensive income		
Items not to be reclassified to profit or loss:	1.10	
- Re-measurement gains / (losses) on defined benefit plans	148	87
- Tax charge	(52)	(30)
Other comprehensive income for the year	96	57
Total comprehensive (loss) / income for the year	(18,194)	849
Earnings per share (Face value: ₹ 5/- each)	(/)	
Basic and diluted (loss) / earnings per share	(4.58)	0.20

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

As per our report of even date

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

For Deloitte Haskins & Sells LLP

Chartered Accountants (Firm's Registration No: 117366W / W-100018)

Shyamak R Tata

Partner Membership No: 38320

Place: New Delhi Date: May 6, 2019

Sunil Bharti Mittal Chairman

DIN: 00042491

Badal Bagri

Chief Financial Officer

Gopal Vittal

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

Pankaj Tewari **Company Secretary**

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	Share capital	apital			U	Other equity - Reserves and Surplus	serves and Sur	plus			
	No of		Securities	Retained	General	Business	Debenture	Share-based	Conitol		Total
	shares	Amount	premium	earnings	reserve	restructuring	redemption	payment	Capital	Total	equity
	(in '000)		account			reserve	reserve	reserve			
As of April 1, 2017	3,997,400	19,987	107,180	829,278	26,585	16,313	1	3,979	8,751	992,086	1,012,073
Profit for the year		1	1	792	1			1		792	792
Other comprehensive income		'	'	57	'		'		'	57	57
Total comprehensive income	1	1	1	849	1	•	•	•	1	849	849
Transaction with owners of equity											
Employee share-based payment expense		1	1	1	1		•	337	1	337	337
Exercise of share options					3,510			(3,646)		(136)	(136)
Creation of debenture redemption reserve		'	'	'	(7,500)		7,500		'	'	'
Dividend paid (including tax)		'	'	(15, 350)	'				'	(15, 350)	(15, 350)
Common control transactions		'		30,836	ı				'	30,836	30,836
As of March 31, 2018	3,997,400	19,987	107,180	845,613	22,595	16,313	7,500	670	8,751	1,008,622	1,028,609
Loss for the year	1	1	1	(18,290)	1					(18, 290)	(18,290)
Other comprehensive income		'	'	96	ı				'	96	96
Total comprehensive profit	1	1	1	(18,194)	1	•	•	'	1	(18,194)	(18,194)
Transaction with owners of equity											
Issue of equity shares	0	0	0							0	0
Employee share-based payment expense		'	'	'	'			333	'	333	333
Exercise of share options		'	'	'	16		'	(347)	'	(331)	(331)
Dividend paid (including tax)		'	'	(19,988)	1		'		'	(19,988)	(19,988)
Business combination	'	'	'	'	'				5,315	5,315	5,315
Common control transactions	'	ı	'	(12, 151)	ı		,		'	(12, 151)	(12, 151)
As of March 31, 2019	3,997,400	19,987	107,180	795,280	22,611	16,313	7,500	656	14,066	963,606	983,593

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

As per our report of even date

For Deloitte Haskins & Sells LLP

Chartered Accountants (Firm's Registration No: 117366W / W-100018)

Shyamak R Tata

Partner Membership No: 38320

Place: New Delhi Date: May 6, 2019

Badal Bagri Chief Financial Officer

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

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

Gopal Vittal

Sunil Bharti Mittal Chairman DIN: 00042491 Pankaj Tewari

Company Secretary

Abridged Standalone Statement of Cash Flows

	(All amounts are in m	illions of Indian Rupee)
	For the year ended March 31, 2019	For the year ended March 31, 2018
Cash flow generated from operating activities	102,368	159,543
Cash flow used in investing activities	(199,288)	(172,108)
Cash flow generated from financing activities	94,016	16,369
Net increase in cash and cash equivalents	(2,904)	3,804
Cash and cash equivalents at beginning of the year	4,626	822
Cash and cash equivalents at end of the year	1,722	4,626

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

As per our report of even date

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

For Deloitte Haskins & Sells LLP Chartered Accountants (Firm's Registration No: 117366W / W-100018)

Shyamak R Tata Partner Membership No: 38320

Place: New Delhi Date: May 6, 2019 Sunil Bharti Mittal Chairman DIN: 00042491

Badal Bagri Chief Financial Officer

Gopal Vittal

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

Pankaj Tewari Company Secretary

(All amounts are in millions of Indian Rupee; unless stated otherwise)

1. Corporate information

Bharti Airtel Limited ('the Company') is domiciled and incorporated in India as a limited liability Company with its shares being listed on the National Stock Exchange and the Bombay Stock Exchange. The registered office of the Company is situated at Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase – II, New Delhi – 110070.

The Company is principally engaged in provision of telecommunication services in India. The details as to the services provided by the Company are further provided in Note 16. For details as to the group entities, refer Note 17.

2. Basis of preparation

These abridged standalone financial statements have been prepared, on the basis of the complete set of audited annual standalone financial statements for the year ended March 31, 2019 ('annual standalone financial statements') prepared to comply in all material respects with the Indian Accounting Standard ('Ind AS') as notified under section 133 of the Companies Act, 2013 ('Act'), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act. The contents of the said abridged financial statements are in accordance with the requirement of Clause 36 of Security Exchange Board of India (Listing obligations and disclosure requirements) Regulation 2015 and Rule 10 of the Companies (Accounts) Rules, 2014.

The annual standalone financial statements are available at the Company's website <u>htpp://www.airtel.</u> <u>com</u>. The copy of financial statements is also available for inspection at the registered office of the Company during working hours for a period of 21 days before the date of AGM and at the venue of the AGM.

The annual and abridged standalone financial statements are approved for issue by the Company's Board of Directors on May 6, 2019.

All the amounts included in these abridged standalone financial statements are reported in millions of Indian Rupees ('Rupees' or '₹') and are rounded to the

nearest million, except per share data and unless stated otherwise. Further, amounts which are less than a million are appearing as '0'.

The preparation of the said annual standalone financial statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Company's accounting policies.

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, by the Company, to all the periods presented in the said financial statements, except in case of adoption of any new standards during the year.

(Note 2.1 of the annual standalone financial statements)

2.1 Basis of measurement

The annual standalone financial statements have been prepared on the accrual and going concern basis, and the historical cost convention except where the Ind AS requires a different accounting treatment. The principal variations from the historical cost convention relate to financial instruments classified as fair value through profit or loss and liability for cash-settled awards - which are measured at fair value.

(Note 2.2 of the annual standalone financial statements)

3. Summary of significant accounting policies / critical accounting estimates, assumptions and judgements

The significant accounting policies and critical accounting estimates, assumptions and judgements, used in preparing the annual standalone financial statements are set out in Note 2 and 3 of the annual standalone financial statements respectively. The critical accounting estimates and assumptions relating to impairment reviews and taxes are set out below:

a. Impairment reviews

PPE (including CWIP) and intangible assets with definite lives, are reviewed for impairment,

(All amounts are in millions of Indian Rupee; unless stated otherwise)

whenever events or changes in circumstances indicate that their carrying values may not be recoverable. Similarly, intangible assets under development is tested for impairment, at-least annually and whenever circumstances indicate that it may be impaired. For details as to the impairment policy. Accordingly the Company has performed impairment reviews for the above assets. However, the said reviews did not result in any impairment charge.

In calculating the value in use, the Company is required to make significant judgements, estimates and assumptions inter-alia concerning the earnings before interest, taxes, depreciation and amortization ('EBITDA') margins, capital expenditure, long-term growth rates and discount rates to reflect the risks involved.

The Company operates in developing market and in such market, the plan for shorter duration is not indicative of the long-term future performance. Considering this and the consistent use of such robust ten year information for management reporting purpose, the Company uses ten year plans for the purpose of impairment testing.

The Company conducts impairment reviews of investments in subsidiaries / associates/ joint arrangements whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. Determining whether an asset is impaired requires an estimation of the recoverable amount, which requires the Company to estimate the value in use which base on future cash flows, after taking into account past experience management's best estimate about future developments. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

b. Taxes

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

(Note 3 of the annual standalone financial statements)

4. Standards issued but not effective until the date of authorisation for issuance of the said financial statements

The new significant standards, amendments to Standards that are issued but not yet effective until the date of authorisation for issuance of the said financial statements are discussed below. The Company has not early adopted these amendments and intends to adopt when they become effective.

Ind AS 116, 'Leases'

In March 2019, MCA has notified the Ind AS 116, Leases. It will replace the existing leases Standard, Ind AS 17 'Leases', and related interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. It introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. A lease is required to recognise a right-of-use asset representing its right to use and the underlying leased assets and a lease liability representing its obligation to make lease payments.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The Company is in the process of evaluating its impact on the financial statements.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The following pronouncements, which are potentially relevant to the Company, have been issued and are effective for annual periods beginning on or after April 1, 2019.

- Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The Company does not expect that the adoption of the said amendment will have any significant impact on the financial Statements.

Amendment to Ind AS 12 – Income taxes : The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity accordingly to where the entity originally recognised those past transactions or events whereas hitherto it was being recognised in equity.

5. Significant transactions / new developments

- (i) Subsequent to the balance sheet date, on May 03, 2019, the Company has launched a rights issue of approximately 1,134 Mn fully paid up equity shares (face value ₹ 5 each) at a price of ₹ 220/- per share aggregating to ₹ 249,390. The right issue will close on May 17, 2019. The rights entitlement is determined as 19 equity shares for every 67 equity shares held.
- (ii) During the year ended March 31, 2019, the Company has transferred its 16.76% equity stake of Bharti Infratel Limited to Nettle Infrastructure Investments Limited, against a consideration of ₹ 100,526. Accordingly the deficit of cost of investments over the proceeds amounting to ₹ 13,069 has been recognised in other equity.
- (iii) During the year ended March 31, 2017, the Company had entered into a scheme of amalgamation for the merger of Telenor (India) Communications Private

Limited with the Company. Further, during the year ended March 31, 2019, as the closing conditions for the said merger have been fulfilled, the said transaction is consummated. The difference of 5,315 between the purchase consideration (issuance of five equity shares and working capital adjustments) and fair value of net assets has been recognised as capital reserve, a component of equity.

The fair values of the assets and liabilities recognised at the date of acquisition are as follows:

Non-current assets Property, plant and equipment	4,264
(including capital-work-in-	4,204
progress of ₹ 94)	
Other intangible assets	17,684
(including intangible assets	
under development of ₹ 655)	
Indemnification assets	8,835
Others	6,309
Current assets	
Cash and cash equivalents	6,931
Others	7,661
Non-current liabilities	
Borrowings	14,842
Others	955
Current liabilities	
Borrowings	1,229
Trade payables	17,301
Others	12,592
Net assets acquired	4,765

- (iv) During the year ended March 31, 2019, the Company's Board of Directors at its meeting held on October 25, 2018, has paid interim dividend for the financial year 2018-19 of ₹ 2.50/- per equity share (face value : ₹ 5/- each).
- (v) During the year ended March 31, 2019, the Company has invested ₹ 2,382 in non-cumulative 0.0001% Compulsorily Convertible Preference Shares ('CCPS') of Airtel Payment Bank Limited ('APBL', a subsidiary of the Company) having face value of ₹ 10 each at par. The said CCPS carries discretionary dividend and each CCPS is convertible into one equity share any time after April 1, 2021 but no later than March 31, 2022. The CCPS being equity instrument is considered as addition to Company's existing investments in APBL and hence will be carried at cost.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

- (vi) During the year ended March 31, 2019, the Company has transferred its 100% equity stake in Bharti Airtel (USA) Limited to Bharti International (Singapore) Pte. Limited ('BISPL'), an indirect subsidiary of the Company against a consideration of ₹ 2,726. Accordingly, the excess of cost of investments over the proceeds amounting to ₹ 729 has been recognised in other equity.
- (vii) During the year ended March 31, 2019, the Company has transferred its operations pertaining to passive infrastructure at the core locations to Nxtra Data Limited, a wholly owned subsidiary, against a consideration of ₹ 3,245. Accordingly, the excess of cost of net assets over the proceeds amounting to ₹ 189 has been recognised in retained earnings.
- (viii) During the year ended March 31, 2018, the Company had transferred its 100% equity stake in Bharti Airtel (Hong Kong) Limited and 37.03% equity stake in Bharti Airtel (UK) Limited to Bharti International (Singapore) Pte. Limited ('BISPL'), an indirect subsidiary of the Company against a consideration of ₹ 429 and ₹ 1,806 respectively and 44% stake in Bharti Telemedia Limited, a subsidiary of the Company to Nettle Infrastructure Investments Limited, another subsidiary of the Company, against a consideration of ₹ 47,632. Accordingly the excess of cost of investments over the proceeds amounting to ₹ 28,498 has been recognised in other equity.
- (ix) During the year ended March 31, 2018, the Company had increased its equity investment in Indo Teleports Limited from 95% to 100% for a consideration of ₹ 23.

- (x) During the year ended March 31, 2018, an understanding for demerger of consumer mobile businesses of Tata Teleservices Limited and Tata Teleservices Maharashtra Limited into the Company was entered into. Further, the board of directors have approved the scheme(s) of arrangement under section 230 to section 232 of the Companies Act, 2013 for the said demerger. The said transaction is subject to requisite regulatory approvals.
- (xi) During the year ended March 31, 2018, the Board of Directors approved a scheme of arrangement, under section 230 to section 232 of the Companies Act, 2013, for the transfer of the optical fiber cable business to the Telesonic Networks Limited, a wholly owned subsidiary of the Company. The said transaction is subject to requisite regulatory approvals.
- (xii) During the year ended March 31, 2018, the Company had completed the acquisition of 100% equity stake and compulsorily convertible debentures of Tikona Digital Networks Private Limited ('TDNPL') as all necessary closing conditions have been fulfilled and filed an application under section 230 to section 232 of the Companies Act, 2013 before the Delhi bench of the National Company Law Tribunal for the merger of TDNPL with the Company.
- (xiii) During the year ended March 31, 2017, the Company had entered into an agreement to sell the investment in subsidiary BISPL and to its wholly owned subsidiary Network i2i Limited. Further, during the year ended March 31, 2018, as the closing conditions for consummation of the transaction have been fulfilled, the said transaction is consummated.

6. Cash and bank balances

	As of	As of
	March 31, 2019	March 31, 2018
Cash and cash equivalents ('C&CE')		
Balances with banks		
- On current accounts	1,439	2,491
- Bank deposits with original maturity of 3 months or less	360	2,000
Cheques on hand	43	66
Cash on hand	34	69
	1,876	4,626
Other bank balances		
Earmarked bank balances - unpaid dividend	110	70
Term deposits with bank	126	105
Margin money deposits*	97	675
	333	850
Interest accured but not due	(13)	(25)
	320	825

For the purpose of statement of cash flows, C&CE comprise of following:

	As of	As of
	March 31, 2019	March 31, 2018
C & CE as per balance sheet	1,876	4,626
Bank overdraft	(154)	-
	1,722	4,626

*Margin money deposits represents amount given as collateral for legal cases and / or bank guarantees for disputed matters.

7. Dividend paid and proposed

		For the year ended March 31, 2019	For the year ended March 31, 2018
A	Declared and paid during the year		
	Interim dividend for 2018-19 : ₹ 2.50 per share (2017-18 : ₹ 2.84	12,048	13,664
	per share) ((including dividend distribution tax 2018-19 @ 20.56%		
	of₹2,054) (2017-18 @ 20.36% of₹2,311))*		
	Final dividend for 2017-18 : ₹ 2.50 per share (2016-17 : ₹ 1.00 per	12,048	4,811
	share) ((including dividend distribution tax @ 20.56% of ₹ 2,054		
	(2016-17 @20.36% of ₹ 814))		
		24,096	18,475
В	Proposed dividend		
	Final dividend 2017-18 : ₹ 2.50 per share	-	9,993
	Dividend distribution tax (2017-18 @ 20.56%)	-	2,055
		-	12,048

The proposed dividend being subject to approval at respective annual general meetings, accordingly no corresponding liability has been recognised in the respective financial years.

*However, against this the Company has availed credit of ₹ 4,108 and ₹ 3,125 during the year ended March 31, 2019 and March 31, 2018 respectively, on account of dividend distribution tax on dividend received from subsidiary companies.

(Note 16. of the annual standalone financial statements)

(All amounts are in millions of Indian Rupee; unless stated otherwise)

8. Borrowings

During the year ended March 31, 2018, the Company has issued 30,000 listed, unsecured, rated, redeemable, Non -Convertible Debentures ('NCDs'), Series I and series II of face value of ₹ 10 Lakhs each, at par aggregating to ₹ 30,000 on private placement basis, carrying interest rates 8.25% p.a. and 8.35% p.a. (payable annually) and principal repayable in year 2020 and 2021 respectively.

(Note 18 of the annual standalone financial statements)

9. Contingent liabilities and commitments

(i) Contingent liabilities

Claims against the Company not acknowledged as debt:

	As of March 31, 2019	As of March 31, 2018
(i) Taxes, duties and other demands (under adjudication / appeal /		
dispute)		
-Sales Tax and Service Tax	8,032	8,738
-Income Tax	9,950	9,951
-Customs Duty	4,883	4,883
-Entry Tax	6,169	6,010
-Stamp Duty	404	404
-Municipal Taxes	121	121
-Department of Telecom ('DoT') demands	93,522	40,344
-Other miscellaneous demands	1,047	1,385
(ii) Claims under legal cases including arbitration matters		
-Access charges / Port charges	11,839	10,021
-Others	719	599
	136,686	82,456

Further, refer note f(v), f(vi) and f(vii) below for other DoT matter

The category wise detail of the contingent liability has been given below:-

a) Sales tax, Service tax and GST

The claims for sales tax comprised of cases relating to the appropriateness of declarations made by the Company under relevant sales tax legislations which were primarily procedural in nature and the applicable sales tax on disposals of certain property and equipment items. Pending final decisions, the Company has deposited amounts under protest with statutory authorities for certain cases.

The service tax demands relate to cenvat claimed on tower and related material, levy of service tax on SIM cards and employee talk time, cenvat credit disallowed for procedural lapses and usage in excess of 20% limit. The Goods and Service Tax (GST) demand relates to procedural compliance in regard to ewaybills.

b) Income Tax demand

Income tax demands mainly include the appeals filed by the Company before various appellate authorities against the disallowance by income tax authorities of certain expenses being claimed and non-deduction of tax at source with respect to pre-paid dealers / distributor's margin.

c) Access charges / Port charges

 Despite the interconnect usage charges ('IUC') rates being governed by the Regulations issued by Telecom Regulatory Authority of India ('TRAI'); BSNL had raised a demand for IUC at the rates contrary to the

(All amounts are in millions of Indian Rupee; unless stated otherwise)

regulations issued by TRAI in 2009. Accordingly, the Company filed a petition against the demand with the TDSAT which allowed payments by the Company based on the existing regulations. The matter was then challenged by BSNL and is currently pending with the Hon'ble Supreme Court.

- ii. The Hon'ble TDSAT allowed BSNL to recover distance based carriage charges. The private telecom operators have jointly filed an appeal against the said order and the matter is currently pending before the Hon'ble Supreme Court.
- iii. BSNL challenged before TDSAT the port charges reduction contemplated by the regulations issued by TRAI in 2007 which passed its judgment in favour of BSNL. The said judgment has been challenged by the private operators in Hon'ble Supreme Court. Pending disposal of the said appeal, in the interim, private operators were allowed to continue paying BSNL as per the revised rates i.e. TRAI regulation issued in 2007, subject to the bank guarantee being provided for the disputed amount. The rates were further reduced by TRAI in 2012 which was challenged by BSNL before the Hon'ble Delhi High Court. The Hon'ble Delhi High Court, in the interim, without staying the rate revision, directed the private operators to secure the difference between TRAI regulation of 2007 and 2012 rates by way of bank guarantee pending final disposal of appeal.

d) Customs Duty

The custom authorities, in some states, demanded custom duty for the imports of special software on the ground that this would form part of the hardware on which it was preloaded at the time of import. The view of the Company is that such imports should not be subject to any custom duty as it is operating software exempt from any custom duty. In response to the application filed by the Company, the Hon'ble Central Excise and Service Tax Appellate Tribunal ('CESTAT') has passed an order in favour of the custom authorities. The Company has filed an appeal with Hon'ble Supreme Court against the CESTAT order.

e) Entry Tax

In certain states, an entry tax is levied on receipt of import from outside the state. This position has been challenged by the Company in the respective states, on the grounds that the specific entry tax is ultra vires the Constitution. Classification issues has also been raised, whereby, in view of the Company, the material proposed to be taxed is not covered under the specific category.

During the year ended March 31, 2017, the Hon'ble Supreme Court of India upheld the constitutional validity of entry tax levied by few States. However, Supreme Court did not conclude certain aspects such as present levies in each State is discriminatory in nature or not, leaving them open to be decided by regular benches of the Courts. Pending disposition by the regular benches, the Company has decided to maintain status-quo on its position and hence continues to disclose it as contingent liability.

f) DoT demands

Demand for license fees pertaining to computation of Adjusted Gross Revenue ('AGR') and the interest thereon, due to difference in its interpretation. The definition of AGR is sub-judice and under dispute since 2005 before the TDSAT. TDSAT had pronounced its judgment in 2015, guashed all demands raised by DoT and directed DoT to rework the demands basis the principles enunciated in its judgment. Subsequently, the Union of India ('UOI') and the Company along with various other operators have filed appeals / cross appeals before the Hon'ble Supreme Court of India against the TDSAT judgment. In 2016, all the appeals were tagged together and Hon'ble Supreme Court has permitted DOT to raise demands with a direction not to enforce any demand till the final adjudication of the matter by Hon'ble Supreme Court. Accordingly, DoT has raised the demand basis special audit done by DoT and Comptroller and Auditor General of India. The contingent liability includes such demand and interest thereto (excluding certain contentious matters, penalty and interest thereto) for the financial year for which demands have been received by the Company.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

ii. DoT had enhanced the microwave rates by introducing slab-wise rates based on the number of carriers vide circulars issued in 2006 and 2008 from erstwhile basis being allocated frequency. The Company had challenged the matter in TDSAT wherein TDSAT set aside the circular. In 2010, DOT had challenged the order of TDSAT before the Hon'ble Supreme Court which is yet to be listed for hearing. Further, TDSAT pronounced its judgment in March 2019 in relation to Unified Licenses which provides for manner of determination of such levies and dates from which such levies can be made applicable.

The Company had made a provision of ₹ 20,522 until December 2018 for the period from FY 2007-08 to FY 2018-19 (refer note 31). Subsequently, basis the recent judgment and external legal opinion the matter has now been assessed to be a contingent liability.

- Demands for the contentious matters in respect of subscriber verification norms and regulations including validity of certain documents allowed as proof of address / identity.
- iv. Penalty for alleged failure to meet certain procedural requirements for EMF radiation self-certification compliance.

The matters stated above are being contested by the Company and based on legal advice, the Company believes that it has complied with all license related regulations and does not expect any financial impact due to these matters.

In addition to the amounts disclosed in the table above, the contingent liability on DoT matters includes the following:

v. Post the Hon'ble Supreme Court judgment in 2011, on components of AGR for computation of license fee, based on the legal advice, the Company believes that the foreign exchange gain should not be included in AGR for computation of license fee thereon. Further as per TDSAT judgement in 2015, foreign exchange fluctuation does not have any bearing on the license fees. Accordingly, the license fee on foreign exchange gain has not been provided in the financial statements. Also, due to ambiguity of interpretation of 'foreign exchange differences', the license fee impact on such exchange differences is not quantifiable. The matter is currently pending adjudication by Hon'ble Kerala High Court and Hon'ble Supreme Court.

vi. On January 8, 2013, DoT issued a demand on the Company for ₹ 51,353 towards levy of one time spectrum charge, which was further revised on June 27, 2018 to ₹ 79,403. The revised demand includes a retrospective charge of ₹ 8,940 for holding GSM spectrum beyond 6.2 MHz for the period from July 1, 2008 to December 31, 2012 and also a prospective charge of ₹ 70,463 for GSM spectrum held beyond 4.4 MHz for the period from January 1, 2013, till the expiry of the initial terms of the respective licenses.

In the opinion of the Company, inter-alia, the above demand amounts to alteration of financial terms of the licenses issued in the past. Based on a petition filed by the Company, the Hon'ble High Court of Bombay, vide its order dated January 28, 2013, has directed the DoT to respond and not to take any coercive action until the next date of hearing. The DoT has filed its reply and the matter is currently pending with Hon'ble High Court of Bombay. The Company, based on independent legal opinions, till date has not given any effect to the above demand.

vii. DoT had issued notices to the Company (as well as other telecom service providers) to stop provision of services (under 3G Intra Circle Roaming ('ICR') arrangements) in the service areas where such service providers had not been allocated 3G spectrum and levied a financial penalty of ₹ 3,500 on the Company. The Company contested the notices in response to which TDSAT in 2014 held 3G ICR arrangements to be competent and compliant with the licensing conditions and quashed the notice imposing penalty. The DoT has challenged the order of TDSAT before the Hon'ble Supreme Court which is yet to be listed for hearing.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Guarantees:

Guarantees outstanding as of March 31, 2019 and March 31, 2018 amounting to ₹ 103,610 and ₹ 123,796 respectively have been issued by banks and financial institutions on behalf of the Company. These guarantees includes certain financial bank guarantees which have been given for subjudice matters / compliance with licensing requirements, the amount with respect to these have been disclosed under capital commitments, contingencies and liabilities, as applicable, in compliance with the applicable accounting standards.

(ii) Commitments

Capital commitments

The Company has contractual commitments towards capital expenditure (net of related advances) of

10. Revenue from operations

₹ 56,840 and ₹ 105,618 as of March 31, 2019 and March 31, 2018 respectively.

Lease commitments

- (i) The Company's future minimum lease payments obligation as a lessee under the operating leases as of March 31, 2019 and March 31, 2018 is ₹449,636 and ₹410,198 respectively.
- (ii) The Company's future minimum lease payments obligation as a lessee under the finance lease as of March 31, 2019 and March 31, 2018 is ₹ 247 and ₹ 430 respectively.

(Note 23 of the annual standalone financial statements)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Service Revenue	495,895	536,287
Sale of products	185	343
	496,080	536,630

(Note 24 of the annual standalone financial statements)

11. Network operating expenses

	For the year ended March 31, 2019	For the year ended March 31, 2018
Passive infrastructure charges	72,565	64,410
Power and fuel	46,847	45,647
Repair and maintenance	18,691	16,227
Internet bandwidth and leasedline charges	10,326	7,061
Others*	12,818	6,167
	161,247	139,512

*It includes charges towards managed services, installation, insurance and security.

12. Sales and marketing expenses

	For the year ended March 31, 2019	For the year ended March 31, 2018
Sales commission and distribution	17,615	22,211
Advertisement and marketing	5,609	5,787
Business promotion	1,407	1,516
Other ancillary expenses	988	1,005
	25,619	30,519

13. Other expenses

	For the year ended March 31, 2019	For the year ended March 31, 2018
Content costs	7,492	5,698
Customer care expenses	3,566	4,668
IT expenses	1,992	3,764
Collection and recovery expenses	2,778	3,690
Legal and professional fees^	3,433	2,653
Provision for doubtful debts	(14,758)	8,060
Travelling and conveyance	927	888
Bad debts written off	23,226	713
Cost of good sold	141	277
Charity and donation*	496	278
Others#	9,101	5,432
	38,394	36,171

* As per the requirements of section 135 of the Companies Act, 2013, the Company was required to spend an amount of ₹1,118 and ₹2,146 for the year ended March 31, 2019 and 2018 on corporate social responsibility expenditure. During the year ended March 31, 2019 and 2018, the Company has spent in cash an amount of ₹ 458 and ₹ 245 towards education and sanitation respectively.

It includes rent, printing and stationary, security, repairs and maintenance expenses etc. Further, it includes political contributions amounting to ₹ 412 and ₹ 250 made under Section 182 of the Companies Act, 2013 during the year ended March 31, 2019 and 2018 respectively.

^Details of Auditor's remuneration included in legal and professional fees:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Audit fee*	66	66
Reimbursement of expenses	5	5
Other services*	23	13
	94	84

*Excluding goods and service tax

14. Depreciation and amortisation

	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation	95,317	80,063
Amortisation	55,559	50,423
	150,876	130,486

(All amounts are in millions of Indian Rupee; unless stated otherwise)

15. Exceptional items

Exceptional items comprise of the following:

- (i) For the year ended March 31, 2019:
 - a. Charge of ₹ 3,422 towards operating costs on network re-farming and up-gradation program
 - b. Credit of ₹ 32,955 pertaining to re-assessment of levies, based on a recent pronouncement related to the manner of determination of such levies.
 - c. Charge of ₹ 1,368 mainly due to levies and taxes pertaining to internal restructuring
- (ii) For the year ended March 31, 2018:
 - a. Charge of ₹ 1,572 towards operating costs on network re-farming and up-gradation program
 - b. Provision of ₹ 720 towards one major delinquent receivable balance
 - c. Charge of ₹ 3,749 mainly due to levies and taxes pertaining to internal restructuring

Tax expense include:

Net charge of ₹ 9,842 and benefit of ₹ 2,129 for the year ended March 31, 2019 and 2018 respectively, on the said exceptional items.

16. Segment reporting

The Company's operating segments are organised and managed separately through the respective business managers, according to the nature of products and services provided with each segment representing a strategic business unit. These business units are reviewed by the Chairman of the Company (Chief Operating Decision Maker - 'CODM').

The amounts reported to CODM are based on the accounting principles used in the preparation of financial statements as per Ind AS. Segment's performance is evaluated based on segment revenue and segment result viz. profit or loss from operating activities before

exceptional items and tax. Accordingly, finance costs / income, non-operating income / expenses and exceptional items are not allocated to individual segment.

Inter-segment pricing and terms are reviewed and changed by the management to reflect changes in market conditions and changes to such terms are reflected in the period in which the changes occur. Inter-segment revenues are eliminated upon consolidation of segments and reflected in the 'Eliminations' column.

Segment assets / liabilities comprise assets / liabilities directly managed by each segment. Segment assets primarily includes receivables, property, plant and equipment, capital work-in-progress, intangibles assets, intangible assets under development, non-current investments, inventories and cash and cash equivalents. Segment liabilities primarily includes operating liabilities. Segment capital expenditure comprises of additions to PPE, CWIP, intangible assets, intangible assets under development, and capital advances.

The reporting segments of the Company are as below:

Mobile Services: These services cover voice and data telecom services provided through wireless technology (2G / 3G / 4G) in India. This includes the captive national long distance networks which primarily provide connectivity to the mobile services business in India. This also includes intra-city fibre networks.

Airtel Business: These services cover end-to-end telecom solutions being provided to large Indian and global corporations by serving as a single point of contact for all telecommunication needs across data and voice (domestic as well as international long distance), network integration and managed services.

Homes Services: These services cover voice and data communications through fixed-line network and broadband technology for homes.

Unallocated: It includes expenses / results, assets and liabilities of corporate headquarters of the Company, non-current investments, current taxes, deferred taxes, borrowings and certain financial assets and liabilities, not allocated to the operating segments.

Mobile ServicesMobile ServicesAirtel BusinessRevenue from external customers378,82695,496Inter-segment revenue378,82695,496Total revenues20,4228,572Segment revenue399,248104,068Less:(47,525)22,553Finance costsFinance nocmeNon-operating expenses	Mobile Services 378,826 20,422 399,248 (47,525)	Airtel Business 95,496 8,572 104,068 22,553	Homes Services 21,758 161 21,919 3,207	Unallocated	Eliminations (29,155) (29,155)	Total 496,080 496,080 (23,463) 78,437
ternal customers 378,826 venue 20,422 399,248 1 (47,525)	378,826 20,422 399,248 (47,525)	95,496 8,572 104,068 22,553	21,758 161 21,919 3,207	- - (1,698)	- (29,155) (29,155)	496,080 - 496,080 (23,463) 78,437
venue 299,248 1 (47,525) (47,525)	399,248 (47,525)	104,068 22,553	21,919 3,207	- (1,698)	(29,155)	496,080 (23,463) 78,437
(47,525) (penses	(47,525)	22,553	3,207	(1,698)	1	(23,463) 78,437
Less: Finance costs Finance income Non-operating expenses						78,437
Finance costs Finance income Non-operating expenses						78,437
Finance income Non-operating expenses						
Non-operating expenses						(23,704)
						1,890
Exceptional items (net) (refer note 15)						(28,049)
Loss before tax						(52,037)
Other segment items						
Capital expenditure 217,217 7,841	217,217	7,841	8,493	ı	(5,464)	228,087
Depreciation and amortisation 10,481	141,384	10,481	7,366	12	(8,367)	150,876
As of March 31, 2019						
Segment assets 1,535,629 100,851	1,535,629	100,851	44,692	612,581	(66,898)	2,226,855
Segment liabilities 383,481 39,236	383,481	39,236	21,458	865,985	(66,898)	1,243,262

Notes to Abridged Standalone Financial Statements (All amounts are in millions of Indian Rupee; unless stated otherwise)

Summary of the segmental information for the year ended and as of March 31, 2018 is as follows:

	Services	Alftel Business	Homes Services	Unallocated	Unallocated Eliminations	Total
Revenue from external customers Inter-segment revenue	420,208 20,947	91,899 8.655	24,523 177		- (29,779)	536,630 -
Total revenues	441,155	100,554	24,700	1	(29,779)	536,630
Segment results	21,563	26,193	4,398	(1,639)	1	50,515
Less:						
Finance costs						59,107
Finance income						(8,417)
Non-operating expenses						596
Exceptional items (net) (refer note 15)						6,041
Loss before tax						(6,812)
Other segment items					I	
Capital expenditure	188,011	7,474	10,210	6,481	(7,457)	204,719
Depreciation and amortisation	121,385	10,041	6,939	12	(7,891)	130,486
As of March 31, 2018						
Segment assets	1,356,580	101,826	43,059	617,272	(69,364)	2,049,373
Segment liabilities	303,670	38,625	20,276	727,557	(69,364)	1,020,764

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Geographical information*:

(a) Revenue from external customers:

	For the year ended March 31, 2019	For the year ended March 31, 2018
India	450,300	492,486
Others	45,780	44,144
	496,080	536,630

(b) Non-current assets:

	As of March 31, 2019	As of March 31, 2018
India	1,361,810	1,269,732
Others	11,317	12,389
	1,373,127	1,282,121

*Basis location of the customers / assets

#Non-current assets for this purpose consist of PPE, CWIP, intangible assets, intangible assets under development and capital advances.

17. Related party disclosures

Subsidiaries

- Indian

Bharti Airtel Services Limited Bharti Hexacom Limited Bharti Infratel Limited Bharti Telemedia Limited Bharti Digital Networks Private Limited Indo Teleports Limited Nxtra Data Limited Nxtra Data Limited Nettle Infrastructure Investments Limited Smartx Services Limited Telesonic Networks Limited Wynk Limited Airtel Payments Bank Limited (ceased to be subsidiary w.e.f October 25, 2018)

- Foreign

Africa Towers N.V. Airtel Africa Limited (incorporated on July 12, 2018) Airtel Africa Mauritius Limited (incorporated on June 28, 2018) Airtel (Seychelles) Limited Airtel Congo (RDC) S.A. Airtel Congo S.A. Airtel Gabon S.A.# Airtel Madagascar S.A. Airtel Malawi Limited Airtel Mobile Commerce (Kenya) Limited Airtel Mobile Commerce (Seychelles) Limited Airtel Mobile Commerce (Tanzania) Limited Airtel Mobile Commerce BV Airtel Mobile Commerce Holdings B.V. Airtel Mobile Commerce Limited, Malawi Airtel Mobile Commerce Madagascar S.A. Airtel Mobile Commerce Rwanda Limited Airtel Mobile Commerce Tchad S.a.r.l. Airtel Mobile Commerce Uganda Limited Airtel Mobile Commerce Zambia Limited Airtel Money (RDC) S.A. Airtel Money Niger S.A. Airtel Money S.A. Airtel Money Transfer Limited Airtel Money Tanzania Limited Airtel Mobile Commerce Congo B.V. (incorporated on January 29, 2019) Airtel Mobile Commerce (Seychelles) B.V. (incorporated on January 29, 2019) Airtel Mobile Commerce Madagascar B.V. (incorporated on January 29, 2019) Airtel Mobile Commerce Kenya B.V. (incorporated on January 29, 2019) Airtel Mobile Commerce Rwanda B.V. (incorporated on January 29, 2019)

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Airtel Mobile Commerce Malawi B.V. (incorporated on January 29, 2019) Airtel Mobile Commerce Uganda B.V. (incorporated on January 29, 2019) Airtel Mobile Commerce Tchad B.V. (incorporated on January 29, 2019) Airtel Mobile Commerce Zambia B.V. (incorporated on January 29, 2019) Airtel Mobile Commerce Nigeria Limited Airtel Mobile Commerce Nigeria B.V. (incorporated on December 5, 2018) Airtel Networks Kenya Limited Airtel Networks Limited Airtel Networks Zambia Plc Airtel Rwanda Limited Airtel Tanzania Public Limited Company (formerly known as Airtel Tanzania Limited) Airtel Tchad S.A. Airtel Uganda Limited Bharti Airtel (France) SAS Bharti Airtel (Hong Kong) Limited Bharti Airtel (Japan) Private Limited Bharti Airtel (UK) Limited Bharti Airtel (USA) Limited Bharti Airtel Africa B.V. Bharti Airtel Chad Holdings B.V. Bharti Airtel Congo Holdings B.V. Bharti Airtel Developers Forum Limited Bharti Airtel Gabon Holdings B.V. Bharti Airtel International (Mauritius) Limited Bharti Airtel International (Mauritius) Investments Limited Bharti Airtel International (Netherlands) B.V. Airtel International LLP Bharti Airtel Kenya B.V. Bharti Airtel Kenya Holdings B.V. Bharti Airtel Lanka (Private) Limited Bharti Airtel Madagascar Holdings B.V. Bharti Airtel Malawi Holdings B.V. Bharti Airtel Mali Holdings B.V. Bharti Airtel Niger Holdings B.V. Bharti Airtel Nigeria B.V. Bharti Airtel Nigeria Holdings II B.V. Bharti Airtel RDC Holdings B.V. Bharti Airtel Rwanda Holdings Limited

Bharti Airtel Services B.V. Bharti Airtel Tanzania B.V. Bharti Airtel Uganda Holdings B.V. Bharti Airtel Zambia Holdings B.V. Bharti International (Singapore) Pte. Limited Bharti Airtel Overseas (Mauritius) Limited (incorporated on June 28, 2018) Bharti Airtel Holding (Mauritius) Limited (incorporated on June 27, 2018) Celtel (Mauritius) Holdings Limited Celtel Niger S.A. Channel Sea Management Company (Mauritius) Limited Congo RDC Towers S.A. Indian Ocean Telecom Limited Madagascar Towers S.A. Malawi Towers Limited Mobile Commerce Congo S.A. Montana International Network i2i Limited Partnership Investments S.a.r.l. Société Malgache de Téléphone Cellulaire S.A. Tanzania Towers Limited

Ultimate controlling entity (w.e.f. November 3, 2017)

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

Entity having control over the Company (w.e.f. November 3, 2017)*

-Indian

Bharti Telecom Limited *Significant influence until November 2, 2017

Entities having significant influence over the Company

- Foreign

Singapore Telecommunications Limited Pastel Limited

Associates

- Indian

Airtel Payments Bank Limited (w.e.f October 25, 2018) Seynse Technologies Private Limited Juggernaut Books Private Limited

(All amounts are in millions of Indian Rupee; unless stated otherwise)

- Foreign

Seychelles Cable Systems Company Limited Robi Axiata Limited

Joint Ventures

- Indian

Indus Towers Limited FireFly Networks Limited

- Foreign

Bridge Mobile Pte Limited Bharti Airtel Ghana Holdings B.V Airtel Ghana Limited Airtel Mobile Commerce (Ghana) Limited Millicom Ghana Company Limited Mobile Financial Services Limited

Other entities with whom transactions have taken place during the reporting periods

a. Fellow companies (subsidiaries / joint ventures / associates other than that of the Company)

Subsidiaries

- Indian

Bharti Enterprises Limited Bharti Axa General Insurance Company Limited Bharti Axa Life Insurance Company Limited

Associates

- Indian

Bharti Life Ventures Private Limited Bharti General Private Limited

Others related parties *

Entities where Key Management Personnel and their relatives exercise significant influence

- Indian

Bharti Foundation Bharti Airtel Employees Welfare Trust Hike Private Limited

Others

- Indian

Brightstar Telecommunication India Limited Bharti Realty Holdings Limited Bharti Realty Limited Deber Technologies Private Limited Hike Messenger Limited Centum Learning Limited Fieldfresh Foods Private Limited Jersev Airtel Limited Nile Tech Limited Centum Work skills India Limited Oak Infrastructure Developers Limited Gourmet Investments Private Limited Indian School of Business Century Metal Recycling Private Limited Bharti Enterprises Limited (formerly known as Bharti Ventures Limited) Guernsey Airtel Limited

* **'Other related parties'** though not 'Related Parties' as per the definition under Ind AS 24, 'Related party disclosures', have been included by way of a voluntary disclosure, following the best corporate governance practices.

i. Key Management Personnel ('KMP')

Sunil Bharti Mittal Gopal Vittal # Under liquidation

The summary of transactions with the above mentioned parties is as follows:

SubsidiationJointJointAssociatesUnitates havingOptimeOptimeMontatesOptimeMontatesOptimeMontatesOptimeMontatesOptimeMontatesOptimeMontates<			For the yea	For the year ended March 31, 2019	31, 2019			For the yea	For the year ended March 31, 2018	31, 2018	
Purchase of fixed 7.192 294 - 817 4.951 - assets / bandwidth 3610 - - 817 4.951 - - assets / bandwidth 7081 - - - 12.37 - - Safe of fived assets / 7081 7.081 - - - 4.2912 - - Safe of fivestments 115.501 - - - 4.2912 - - Safe of fivestments 31.550 - - - 4.2912 - - Safe of fivestments 31.551 - - - 4.2912 - - Safe of fivestments 31.551 - <		Subsidiaries	Joint ventures	Associates	Entities having significant influence	ORP / FC#	Subsidiaries	Joint ventures	Associates	Entities having significant influence	ORP / FC#
asests / monunctime and the assets / 7081	Purchase of fixed	7,192	294			817	4,951				2,476
Name 7081 . . 1.237 . Rade assets / Ru assets / Ru avertments 2.382 1.237 . Ru avertments 2.382 47,632 . Sale of investments 115,591 47,632 . Sale of investments 36,185 7.9 102 940 132 36,619 38,142 Rendering of services 36,186 4.148 . 0 3 2,451 8 Rendering of services 154 . 148 . 13 2,451 8 Rendering of services 56,019 38,142 . 7 14 Rendering of services 154 . 148 . 7 14 Rendering of services 52,019 38,142 Returd of security 520 . <td< td=""><td>assets / bandwidth</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></td<>	assets / bandwidth										
Investments 2,382 - - 4,2912 - Sale of investments 115,591 - - 4,7632 - Receiving of services 36,185 70 112 2,102 30,433 37 Receiving of services 70,711 41,247 2,63 2,451 56,019 38,142 Rund transferred / 2,106 4 148 0 3 2,451 8,142 Rund transferred / 2,106 4 148 0 3 3,142 Rund transferred / 2,106 1 4 148 0 4 4 Releving of security deposit 2 1 4 1 4 4 Security deposit 520 1 1 1 1 4 4 Relund of security 520 1 1 1 1 4 4 Relund of security 520 1 1 1 1 1 4 4	Sale of fixed assets / IRU given	7,081	·	ı			1,237	ı		I	I
Sale of investments 115,501 - - 47,632 - - 47,632 - - 47,632 33,143 34,143 33,143 33,143 <th< td=""><td>Investments</td><td>2,382</td><td>I</td><td>ı</td><td></td><td></td><td>42,912</td><td>,</td><td></td><td></td><td></td></th<>	Investments	2,382	I	ı			42,912	,			
Rendering of services 36,185 79 102 940 132 30,643 31 Fund transferred / consister (consister d) 70,711 41,247 263 212 2,844 56,019 38,142 Fund transferred / consister conservices 70,711 41,247 263 212 2,844 56,019 38,142 Fund transferred / consister converse print 2106 154 263 148 74 Donation 2 154 26 154 26 264 264 266 264 74 Refund of security deposit 520 2 2 2 2 2 2 4 74 Refund of security deposit 520 2 2 2 2 2 2 4 Refund of security deposit 530 3 2 2 2 4 7 4 Advance received/ 731 2 2 2 2 2 2 4 4 Adv	Sale of investments	115,591	I				47,632				
Receiving of services 70,711 41.247 263 21.26 2.8.44 56,019 38.142 Fund transferred / 2,106 4 148 0 3 2,451 8 Fund transferred / 2,106 4 148 0 3 2,451 8 Evaluation transferred / 2,106 154 0 3 2,451 8 Donation - 0 15 154 7 9 7 Donation 50 154 50 15 15 14 74 Refund of security deposit 520 1 15 15 14 74 Refund of Security deposit 520 1 1 1 14 14 Advance received/ 731 1 1 1 14 14 Advance received/ 731 1 1 13 14 14 Advance received/ 71 1 1 13 14 14	Rendering of services	36,185	79	102	940	132	30,643	37	2	993	296
Fund transferred / expenses incurred on behalf of others 2,106 4 148 0 3 2,451 8 expenses incurred on behalf of others behalf of others 5 154 2 5 2 5 7 5 <td>Receiving of services</td> <td>70,711</td> <td>41,247</td> <td>263</td> <td>212</td> <td>2,844</td> <td>56,019</td> <td>38,142</td> <td>50</td> <td></td> <td>3,263</td>	Receiving of services	70,711	41,247	263	212	2,844	56,019	38,142	50		3,263
expenses incurred on behalf of others e 92 -	Fund transferred /	2,106	4	148	0	m	2,451	00			
Donation - 92 - - - 74 Security deposit 26 154 - 139 14 74 Security deposit 520 - - 139 14 74 Refund of security deposit taken 520 - - - 139 14 74 Refund of security deposit taken 731 - - - 100 44 Refund of security deposit taken 731 - - - 100 44 Refund of security deposit taken 731 - - - 100 44 Refund of security deposit taken 736 - - - 100 44 Refund of security deposit taken 736.105 - <td>expenses incurred on behalf of others</td> <td></td>	expenses incurred on behalf of others										
Security deposit 26 154 - 139 14 74 given/Advances paid 520 - - - - - - 74 Refund of security 520 - <td>Donation</td> <td></td> <td></td> <td></td> <td></td> <td>92</td> <td></td> <td></td> <td></td> <td></td> <td>202</td>	Donation					92					202
communication 520 communication communication <thcmmunication< th=""> <thcommunication< th=""></thcommunication<></thcmmunication<>	Security denocit	26	154			130	71	74			14
Refund of security 520 -	diven/Advances paid	0	†) 1				t H	t			ł
deposit taken 731 - - 10 44 Refund of Security 731 - 10 44 Refund of Security 731 - 10 44 Refund of Security 124,791 - - 10 44 Reposit given 124,791 - - 248 71,993 3 Loans given 124,791 - - - 248 71,512 - Repayment of noans 36,105 - - 23,075 - 13,5680 25,317 Reimbursement of noans 16,601 23,075 - 1 13,680 25,317 Reimbursement of noans 135,293 - - 1 13,680 25,317 Reimbursement of noans 135,293 - - 1 13,680 24,767 - Reimbursement of noans 135,293 - - 1 1 24,767 - Noidend paid Dividend paid -	Refund of security	520	ı	,		,		,	,		,
Advance received/ 731 - - 10 44 Refund of Security deposit given Refund of Security - - 10 44 Refund of Security deposit given 124,791 - - 248 71,993 3 Loans given 36,105 - - 248 71,512 - Repayment of loans 36,105 - - 248 71,512 - Repayment of loans 36,105 - - 248 71,512 - - Reimbursement of loans 36,105 - - 335 71,512 - - Reimbursement of loans 36,105 - - 335 71,512 - - Reimbursement of loans 135,293 - - 13,680 25,317 - <	deposit taken										
Refund of Security 248 71,993 3 deposit given 124,791 - 248 71,993 3 Loans given 36,105 - - 248 71,512 - Repayment of loans 36,105 - - 335 71,512 - Repayment of loans 36,105 - - 335 71,512 - Repayment of loans 36,105 - - 335 71,512 - Reimbursement of loans 36,105 - - 335 71,512 - Reimbursement of loans 36,105 - - 13,680 25,317 Reimbursement of loans 135,293 - - 13,680 25,317 Routantless and loand 135,293 - - 24,767 - - Dividend paid - - 13,013 414 - - Dividend paid - - - - - 4,200 -<	Advance received/	731				1	10	44			
deposit given 124,791 - 248 71,993 3 Loans given 124,791 - 248 71,993 3 Repayment of loans 36,105 - - 335 71,512 - Repayment of loans 36,105 - - 335 71,512 - Rembursement of given 16,601 23,075 - 1 13,680 25,317 Rembursement of siven 135,293 - - 1 1,3,680 25,317 Remarkes and collaterals given 135,293 - - 13,013 414 - Dividend paid - - 13,013 414 - - Dividend paid - - - - 4,200 - - Extender arties / fellow companies -	Refund of Security										
Loans given 124,791 - 248 71,993 3 Repayment of loans 36,105 - - 335 71,512 - Repayment of loans 36,105 - - - 335 71,512 - Repayment of loans 36,105 - - - 335 71,512 - Reimbursement of loans 16,601 23,075 - - 1 13,680 25,317 Reimbursement of loans 135,293 - - 1 1 13,680 25,317 energy expenses 135,293 - - 1 1 13,680 25,317 Guarantees and loand 135,293 - - 2 2 - Collaterals given - - - 2 - 2 - - Dividend paid - - - - - 2 - - - - - - - - <td>deposit given</td> <td></td>	deposit given										
Repayment of loans 36,105 - - 335 71,512 - given Reimbursement of 16,601 23,075 - 1 13,680 25,317 Reimbursement of 16,601 23,075 - - 1 13,680 25,317 Reimbursement of 135,293 - - 1 13,680 25,317 energy expenses 135,293 - - 1 13,680 25,317 energy expenses 135,293 - - 1 13,680 25,317 energy expenses 135,293 - - 1 13,667 - collaterals given 135,293 - - 24,767 - - Dividend paid - 13,013 414 - - - - Dividend income 20,014 - - - - - - - - - - - - - - -	Loans given	124,791	·			248	71,993	Ю			273
given Reimbursement of 16,601 23,075 - 1 13,680 25,317 energy expenses Guarantees and 135,293 - 24,767 - 2 Guarantees and 135,293 - 13,013 414 - 24,767 - 1 bividend paid - 20,014 - 4,200 - 1 # Other related parties / fellow companies # Other related parties / fellow companies Given the imminent merger of the Company and its wholly owned subsidiary Bharti Digital Networks Private Limited ('Tikk	Repayment of loans	36,105	ı			335	71,512				
Reimbursement of 16,601 23,075 - 1 13,680 25,317 energy expenses 0.4767 - - 24,767 - - Guarantees and 135,293 - - 24,767 - - Guarantees and 135,293 - - 24,767 - - collaterals given - - 24,767 -	given										
energy expenses Guarantees and 135,293 24,767 - 20,767 - 20,767 - 20,767 - 20,767 - 20,014 20,014 20,014 20,014 4,200 4,200 4,200 4,200 1,0000000000000000000000000000000	Reimbursement of	16,601	23,075			Η	13,680	25,317			
Guarantees and 135,293 - 24,767 - collaterals given - 24,767 - collaterals given - - 24,767 - Dividend paid - - 13,013 414 - Dividend income 20,014 - - 4,200 # Other related parties / fellow companies - - 4,200 Given the imminent merger of the Company and its wholly owned subsidiary Bharti Digital Networks Private Limited ('Tike	energy expenses										
collaterals given Dividend paid 13,013 414 Dividend income 20,014 4,200 # Other related parties / fellow companies Given the imminent merger of the Company and its wholly owned subsidiary Bharti Digital Networks Private Limited ('Tik	Guarantees and	135,293	I			,	24,767				
Dividend paid - 13,013 414 - 4,200 - 10,014 - 4,200 - 4,200 - 4,200 - 4,200 - 4,200 - 2,000 - 1,0000 - 1,000 - 1,000 - 1,000 - 1,000 - 1,000 - 1,000 - 1,000 -	collaterals given										
Dividend income 20,014 - 4,200 # Other related parties / fellow companies Given the imminent merger of the Company and its wholly owned subsidiary Bharti Digital Networks Private Limited ('Tike')	Dividend paid		I	I	13,013	414		I		9,809	501
# Other related parties / fellow companies Given the imminent merger of the Company and its wholly owned subsidiary Bharti Digital Networks Private Limited ('Tik	Dividend income	20,014	1				4,200	1	1		
Given the imminent merger of the Company and its wholly owned subsidiary Bharti Digital Networks Private Limited ('Tik	# Other related parties / f ϵ	ellow companies									
	Given the imminent r	nerger of the Col	mpany and it	s wholly owned	d subsidiary Bhart	i Digital Ne	etworks Private	Limited ('Tiko	na'); no cross-	charge has been a	applied for

the use of spectrum and assets.

The significant related party transactions are summarised below:

Bharti Airtel (UK) Ltd. 13,714 9,559 Subsidiaries 8 Bharti Infratel Limited 6,628 8,709 Bharti Infratel Limited 23,151 20,404 Bharti Infratel Limited 23,151 20,404 Bharti Infratel Limited 4,685 3,781 Nxtra Data Limited 4,685 3,781 Nxtra Data Limited 6,348 2,897 Joint Venture 7,333 1,955 Indus Towers Limited 4,661 13,604 Gill Reimburssement of energy expenses 38,046 38,046 Subsidiary 8 2,897 25,317 Indus Towers Limited 23,075 25,317 36,050 Joint Venture 23,075 25,317 25,317 Indus Towers Limited 841 1,292 36,060 Subsidiary 841 1,292 36,060 Subsidiaries 50,050 36,058 36,058 Nettle Infrastructure Investments Limited 100,828 50,504 Bharti Jurtel (Services) Limited 6,731 2,966 Wynk Limited 6,039		For the year ended March 31, 2019	For the year ended March 31, 2018
Bharti Hexacom Limited 18,042 17,414 Bharti Mirtel (UK) Ltd. 13,714 9,559 Gi) Receiving of services 5 Subsidiaries 6,628 8,700 Bharti Infratel Limited 23,151 20,404 Bharti Infratel Limited 16,134 11,481 Telesonic Networks Limited 4,685 3,731 Nxtra Data Limited 7,833 1,959 Wynk Limited 6,348 2,897 Joint venture 6,348 2,897 Indus Towers Limited 41,133 38,046 (iii) Reimbursement of energy expenses 5 5 Subsidiary 5 5 5 Bharti Infratel Limited 16,601 13,680 5 Joint Venture 1 6 3 7 Indus Towers Limited 23,075 25,317 7 (V)Fund transferred / expenses incurred on behalf of others 5 5 5 Subsidiaries 5 5 5 5 Subsidiaries 6	(i) Rendering of services		
Bharti Airtel (UK) Ltd. 13,714 9,559 Subsidiaries - Bharti Ihreacion Limited 6,628 8,709 Bharti Infratel Limited 23,151 20,404 Bharti Infratel Limited 23,151 20,404 Bharti Infratel Limited 4,685 3,781 Nxtra Data Limited 4,685 3,781 Nxtra Data Limited 6,348 2,897 Joint Venture 6,348 2,897 Indus Towers Limited 4,665 3,781 Nxtra Data Limited 6,348 2,897 Joint Venture 13,601 13,680 Indus Towers Limited 23,075 25,317 Indus Towers Limited 23,075 25,317 Indus Towers Limited 841 1,292 Subsidiaries 5 5 Subsidiaries 5 5 Nettle Infrastructure Investments Limited 100,828 50,604 Bharti Jurtel (Services) Limited 6,731 2,966 Wynk Limited 6,731 2,966 <	Subsidiaries		
(ii) Receiving of services Subsidiaries 6,628 8,709 Bharti Hexacom Limited 6,628 8,709 Bharti Hexacom Limited 23,151 20,404 Bharti Hexacom Limited 16,134 11,431 Telesonic Networks Limited 4,685 3,781 Nxtra Data Limited 7,833 1,959 Wynk Limited 6,601 3,680 (iii) Reimbursement of energy expenses 5 5 Subsidiary 16,601 13,680 Joint Venture 16,601 13,680 Indus Towers Limited 23,075 25,317 Subsidiary 1 12,927 Bharti Hexacom Limited 841 1,292 Subsidiaries 1 10,538 Subsidiaries 100,828 50,604 Subsidiaries 100,828 50,604 Nettle Infrastructure Investments Limited 100,828 50,604 Bharti Hexacom Limited 6,731 2,966 Wynk Limited 6,039 1,948 (v)Reapyment of loans given	Bharti Hexacom Limited	18,042	17,414
Subsidiaries B Bharti Infratel Limited 6.623 8.703 Bharti Infratel Limited 23,151 20,404 Bharti Infratel Limited 16,134 11,481 Telesonic Networks Limited 4,685 3.791 Nxtra Data Limited 7,833 1.959 Wynk Limited 6,348 2,897 Joint venture 6,348 2,897 Indus Towers Limited 41,133 38,046 (iii) Reimbursement of energy expenses 5 5 Subsidiary 16,601 13,680 Joint Venture 10,057 Works Limited 23,075 25,317 (iv) Fund transferred / expenses incurred on behalf of others 5 5 5 Subsidiary 841 1,292 10,538 5,658 V Loans given 100,828 50,604 8,438 10,538 Subsidiaries 100,828 50,604 4,883 1,588 Nette Infrastructure Investments Limited 100,828 50,694 4,883 1,588 Mette Infrastructure Investm	Bharti Airtel (UK) Ltd.	13,714	9,559
Bharti Hexacom Limited 6.628 8.709 Bharti Infratel Limited 23.151 20.404 Bharti Infratel Limited 16.134 11.481 Telesonic Networks Limited 4.685 3.781 Nxtra Data Limited 7.833 1.959 Wynk Limited 6.628 2.897 Joint venture 6.614 2.897 Indus Towers Limited 41,133 38.046 (iii) Reimbursement of energy expenses 5ubsidiary 5 Bharti Infratel Limited 16.601 13.680 Joint Venture 23.075 25.317 Indus Towers Limited 23.075 25.317 Indus Towers Limited 16.601 13.680 Joint Venture 23.075 25.317 Indus Towers Limited 841 1.292 Voltaransferred / expenses incurred on behalf of others 5 Subsidiaries 5 5 Nettel Infrastructure Investments Limited 100.828 50.604 Natta Data Limited 6.039 1.948 Wynk Limited 6.0	(ii) Receiving of services		
Bharti Infratel Limited 23,151 20,404 Bharti Airtel (UK) Limited 16,134 11,481 Telesonic Networks Limited 7,833 1,959 Nxtra Data Limited 7,833 1,959 Wynk Limited 6,348 2,897 Joint Venture 1 1 Indus Towers Limited 16,601 13,680 Joint Venture 23,075 25,317 Indus Towers Limited 23,075 25,317 (iv) Fund transferred / expenses incurred on behalf of others 20,000 25,317 Subsidiary 841 1,292 Bharti Infrastructure Investments Limited 841 1,292 Vol Loans given 20,000 25,317 Subsidiaries 00,828 50,604 Nettel Infrastructure Investments Limited 100,828 50,604 Bharti Digital Networks Private Limited 6,398 5,658 Nytar Data Limited 6,039 1,948 (v) Repayment of loans given 24,003 2,185 Wynk Limited 6,054 4,883 0,007 <td>Subsidiaries</td> <td></td> <td></td>	Subsidiaries		
Bharti Airtel (UK) Limited 16,134 11,481 Telesonic Networks Limited 4,685 3,781 Nxtra Data Limited 7,833 1,959 Wynk Limited 6,348 2,887 Joint venture	Bharti Hexacom Limited	6,628	8,709
Telesonic Networks Limited 4,685 3,781 Nktra Data Limited 7,833 1,955 Wynk Limited 6,348 2,897 Joint venture 1 1 Indus Towers Limited 41,133 38,046 (ii) Reimbursement of energy expenses 2 2 Subsidiary 1 13,680 3 Indus Towers Limited 16,601 13,680 3 Joint Venture 2 3,075 25,317 (iv) Fund transferred / expenses incurred on behalf of others 2 3 2 Subsidiary 841 1,292 2 1 1 3<	Bharti Infratel Limited	23,151	20,404
Nxtra Data Limited 7,833 1,959 Wynk Limited 6,348 2,897 Joint venture 1 1 38,046 (iii) Reimbursement of energy expenses 1 1 38,046 (iii) Reimbursement of energy expenses 1 1 3,601 Subsidiary 1 16,601 13,680 Joint Venture 23,075 25,317 Indus Towers Limited 23,075 25,317 Indus Towers Limited 841 1,292 Indus Towers Limited 841 1,292 Subsidiary 841 1,292 Bharti Hexacom Limited 100,828 50,604 Bharti Oigital Networks Private Limited 100,828 50,604 Bharti Oigital Networks Private Limited 100,828 50,604 Subsidiaries 6,398 5,658 Natta Data Limited 6,039 1,948 (vi) Repayment of Ioans given 2,403 2,146 Subsidiaries 2,403 2,185 Wynk Limited 5,447 2,146 <td>Bharti Airtel (UK) Limited</td> <td>16,134</td> <td>11,481</td>	Bharti Airtel (UK) Limited	16,134	11,481
Wynk Limited 6,348 2,897 Joint venture 41,133 38,046 (iii) Reimburssement of energy expenses 38,046 Subsidiary 16,601 13,680 Joint Venture 16,601 13,680 Indus Towers Limited 23,075 25,317 (iv) Fund transferred / expenses incurred on behalf of others 30,075 25,317 Subsidiary 841 1,292 (v) Loans given 841 1,292 Vol Loans given 841 1,292 Subsidiaries 00,828 50,604 Nettle Infrastructure Investments Limited 100,828 50,604 Bharti Airtel (Services) Limited 6,398 5,658 Nxtra Data Limited 6,398 5,658 Nxtra Data Limited 6,089 1,946 (vi) Repayment of Ioans given 2,966 4,883 Subsidiaries 2,403 2,186 Bharti Airtel (Services) Limited 6,054 4,883 Nettel Infrastructure Investments Limited 17,504 6,2087 Netta Data Lim	Telesonic Networks Limited	4,685	3,781
Joint venture Indus Towers Limited A1,133 A8,046 (iii) Reimbursement of energy expenses Subsidiary Bharti Infratel Limited A1,133 Bharti Mexacom Limited A1,133 Bharti Mexacom Limited A2,075 A2,075 Bharti Mexacom Limited A2,01 A2,01 A2,03 Bharti Airtel (Services) Limited A2,01 A2,03 A2,03 A4,03	Nxtra Data Limited	7,833	1,959
Indus Towers Limited 41,133 38,046 (iii) Reimbursement of energy expenses Subsidiary Bharti Infratel Limited 16,601 13,680 Joint Venture Indus Towers Limited 23,075 25,317 (iv) Fund transferred / expenses incurred on behalf of others Subsidiary Bharti Hexacom Limited 0841 1,292 (v) Loans given Subsidiaries Nettle Infrastructure Investments Limited 100,828 50,604 Bharti Digital Networks Private Limited 4,201 10,538 Bharti Airtel (Services) Limited 6,398 5,658 Nxtra Data Limited 6,398 5,658 Nxtra Data Limited 6,398 5,658 Nynk Limited 6,054 4,883 Nettel Infrastructure Investments Limited 6,054 4,883 Nettel Infrastructure Investments Limited 17,504 62,087 Nxtra Data Limited 2,403 2,188 Wynk Limited 5,447 2,146 Bharti Digital Networks Private Limited 4,310 - (vi) Purchase of investments Subsidiaries Network i2i Limited - 2,403 2,188 Subsidiaries Network i2i Limited - 2,403 2,188 Subsidiaries	Wynk Limited	6,348	2,897
(iii) Reimbursement of energy expenses Subsidiary 16,601 13,680 Jaint Venture 23,075 25,317 Indus Towers Limited 23,075 25,317 (iv) Fund transferred / expenses incurred on behalf of others 23,075 25,317 Subsidiary 841 1,292 Bharti Hexacom Limited 841 1,292 (v) Loans given 841 1,292 Subsidiaries 100,828 50,604 Mettle Infrastructure Investments Limited 100,828 50,604 Bharti Oigital Networks Private Limited 4,201 10,538 Bharti Airtel (Services) Limited 6,731 2,966 Wynk Limited 6,0731 2,966 Wynk Limited 6,0731 2,966 Wynk Limited 6,0731 2,966 Wynk Limited 6,0754 4,883 Nettel Infrastructure Investments Limited 17,504 62,087 Nxtra Data Limited 2,403 2,185 Wynk Limited 5,447 2,146 Bharti Digital Networks Private Limited 4,310 - (vii) Purchase of investments -	Joint venture		
SubsidiaryBharti Infratel Limited16,60113,680Joint Venture23,07525,317Indus Towers Limited23,07525,317(iv) Fund transferred / expenses incurred on behalf of others8411,292Subsidiary8harti Hexacom Limited8411,292(v) Loans given8411,292Subsidiaries100,82850,604Bharti Hexacom Limited100,82850,604Bharti Digital Networks Private Limited4,20110,538Bharti Oigital Networks Private Limited6,3985,658Nxtra Data Limited6,3985,658Wynk Limited6,0891,948(vi) Repayment of Ioans given81Subsidiaries81Bharti Airtel (Services) Limited17,50462,087Nxtra Data Limited17,50462,087(vii) Repayment of Ioans given2,4032,185Wynk Limited2,4032,185Wynk Limited5,4472,146Bharti Digital Networks Private Limited4,3106(vii) Purchase of investments51Subsidiaries12Network 121 Limited-29,159(vii) Sale of investment12Subsidiaries81Bharti Infratel Limited113,594-Bharti Infratel Limited13,594-Subsidiaries8147,632	Indus Towers Limited	41,133	38,046
Bharti Infratel Limited16,60113,680Joint Venture23,07525,317Indus Towers Limited23,07525,317SubsidiarySubsidiary10,828Bharti Hexacom Limited8411,292(v) Loans given100,82850,604Subsidiaries100,82850,604Bharti Digital Networks Private Limited100,82850,604Bharti Digital Networks Private Limited6,3985,658Nxtra Data Limited6,7312,966Wynk Limited6,0891,948(vi) Repayment of Ioans given6,0544,883Nettel Infrastructure Investments Limited17,50462,087Subsidiaries2,4032,185Wynk Limited5,4472,146Bharti Airtel (Services) Limited4,31060,087Nettel Infrastructure Investments Limited7,50462,087Nynk Limited5,4472,146Bharti Digital Networks Private Limited4,31060,087Vini Purchase of investments5,4472,146Bharti Digital Networks Private Limited4,31060,087Vini Purchase of investments55Subsidiaries229,159Vetwork [2] Limited-29,159Subsidiaries55Network [2] Limited-29,159Subsidiaries55Bharti Infratel Limited113,5947Bharti Infratel Limited-47,632Bharti Infratel Limited-47,632	(iii) Reimbursement of energy expenses		
Joint Venture Joint Venture Indus Towers Limited 23,075 25,317 (iv) Fund transferred / expenses incurred on behalf of others Subsidiary Bharti Hexacom Limited 0 behalf of others Subsidiaries Nettle Infrastructure Investments Limited 100,828 50,604 Bharti Digital Networks Private Limited 4,201 10,538 Bharti Airtel (Services) Limited 6,398 5,658 Nxtra Data Limited 6,398 5,658 Nxtra Data Limited 6,731 2,966 Wynk Limited 6,089 1,948 (vi) Repayment of Ioans given Subsidiaries Bharti Airtel (Services) Limited 6,054 4,883 Nettel Infrastructure Investments Limited 17,504 62,087 Nxtra Data Limited 2,403 2,185 Wynk Limited 5,447 2,146 Bharti Digital Networks Private Limited 4,310 - (vii) Purchase of investments Subsidiaries Network i2i Limited - Network i2i Limited - Subsidiaries Network i2i Limited - Subsidiaries - Subarie - Subsidiaries - Subsidiaries - Subarie - Sub	Subsidiary		
Indus Towers Limited 23,075 25,317 (iv)Fund transferred / expenses incurred on behalf of others Subsidiary Bharti Hexacom Limited 841 1,292 (v) Loans given Subsidiaries Nettle Infrastructure Investments Limited 100,828 50,604 Bharti Digital Networks Private Limited 4,201 10,538 Bharti Airtel (Services) Limited 6,398 5,658 Nktra Data Limited 6,039 1,948 (vi)Repayment of Ioans given Subsidiaries Bharti Airtel (Services) Limited 6,054 4,883 Nettel Infrastructure Investments Limited 17,504 62,087 Nktra Data Limited 2,403 2,185 Wynk Limited 5,447 2,146 Bharti Digital Networks Private Limited 4,310 - (vii) Purchase of investments Subsidiaries Network i2i Limited - Network i2i Limited - Subsidiaries - Suback i2i Limited - Suback i2i Limit	Bharti Infratel Limited	16,601	13,680
(iv)Fund transferred / expenses incurred on behalf of others Subsidiary Bharti Hexacom Limited 841 1,292 (v) Loans given Subsidiaries Nettle Infrastructure Investments Limited 100,828 50,604 Bharti Digital Networks Private Limited 4,201 10,538 Bharti Airtel (Services) Limited 6,398 5,658 Nxtra Data Limited 6,731 2,966 Wynk Limited 6,089 1,948 (vi)Repayment of Ioans given Subsidiaries Bharti Airtel (Services) Limited 6,054 4,883 Nettel Infrastructure Investments Limited 17,504 62,087 Nxtra Data Limited 2,403 2,185 Wynk Limited 5,447 2,146 Bharti Digital Networks Private Limited 4,310 - (vii) Purchase of investments Subsidiaries Network i2i Limited - 29,159 (viii) Sale of investment Subsidiaries Network i2i Limited - (viii) Purchase of investment Subsidiaries Bharti Infratel Limited - (viii) Purchase of investment Subsidiaries	Joint Venture		
SubsidiaryBharti Hexacom Limited8411,292Subsidiaries100,82850,604Nettle Infrastructure Investments Limited100,82850,604Bharti Digital Networks Private Limited4,20110,538Bharti Airtel (Services) Limited6,3985,568Nxtra Data Limited6,7312,966Wynk Limited6,0891,948(vi) Repayment of Ioans given55Subsidiaries55Bharti Airtel (Services) Limited6,0544,883Nettel Infrastructure Investments Limited17,50462,087Nxtra Data Limited2,4032,1852,146Bharti Digital Networks Private Limited4,3105Wynk Limited5,4472,146Bharti Digital Networks Private Limited4,3105Vii) Purchase of investments55Subsidiaries529,159(viii) Sale of investment53Bharti Infratel Limited113,5944Bharti Infratel Limited113,5944Bharti Infratel Limited47,6324	Indus Towers Limited	23,075	25,317
Bharti Hexacom Limited8411,292(v) Loans givenSubsidiaries100,82850,604Nettle Infrastructure Investments Limited100,82850,604Bharti Digital Networks Private Limited4,20110,538Bharti Airtel (Services) Limited6,3985,658Nxtra Data Limited6,0391,948(vi) Repayment of Ioans given6,0544,883Subsidiaries6,0544,883Nettel Infrastructure Investments Limited17,50462,087Nxtra Data Limited2,4032,185Wynk Limited5,4472,146Bharti Digital Networks Private Limited4,3101(vii) Purchase of investments4,3101Subsidiaries229,159Network i2i Limited-29,159(viii) Sale of investment113,594-Bharti Infratel Limited113,594-Subsidiaries113,594-Network i2i Limited47,632-	(iv)Fund transferred / expenses incurred on behalf of others		
(v) Loans givenSubsidiariesNettle Infrastructure Investments Limited100,82850,604Bharti Digital Networks Private Limited4,20110,538Bharti Airtel (Services) Limited6,3985,658Nxtra Data Limited6,7312,966Wynk Limited6,0891,948(vi) Repayment of Ioans given5Subsidiaries5Bharti Airtel (Services) Limited6,0544,883Nettel Infrastructure Investments Limited17,50462,087Nxtra Data Limited2,4032,185Wynk Limited5,4472,146Bharti Digital Networks Private Limited4,310-(vii) Purchase of investments4,310-Subsidiaries5-29,159(viii) Sale of investment-29,159(viii) Sale of investment113,594-Bharti Infratel Limited113,594-Bharti Infratel Limited113,594-Subsidiaries-47,632	Subsidiary		
SubsidiariesNettle Infrastructure Investments Limited100,82850,604Bharti Digital Networks Private Limited4,20110,538Bharti Airtel (Services) Limited6,3985,658Nxtra Data Limited6,7312,966Wynk Limited6,0891,948(vi) Repayment of Ioans given6,0544,883Subsidiaries6,0544,883Bharti Airtel (Services) Limited6,0544,883Nettel Infrastructure Investments Limited17,50462,087Nxtra Data Limited2,4032,185Wynk Limited5,4472,146Bharti Digital Networks Private Limited4,310-Vui) Purchase of investments4,310-Subsidiaries-29,159(vii) Sale of investment-29,159(viii) Sale of investment113,594-Bharti Infratel Limited113,594-Bharti Infratel Limited113,594-Bharti Telemedia Ltd47,632	Bharti Hexacom Limited	841	1,292
Nettle Infrastructure Investments Limited100,82850,604Bharti Digital Networks Private Limited4,20110,538Bharti Airtel (Services) Limited6,3985,658Nxtra Data Limited6,7312,966Wynk Limited6,0891,948 Subsidiaries Bharti Airtel (Services) Limited6,0544,883Nettel Infrastructure Investments Limited17,50462,087Nxtra Data Limited2,4032,185Wynk Limited5,4472,146Bharti Digital Networks Private Limited4,310-(vii) Purchase of investments4,310-Subsidiaries-29,159(viii) Sale of investment-29,159(viii) Sale of investment113,594-Bharti Infratel Limited113,594-Bharti Infratel Limited4,7632-	(v) Loans given		
Bharti Digital Networks Private Limited4,20110,538Bharti Airtel (Services) Limited6,3985,658Nxtra Data Limited6,7312,966Wynk Limited6,0891,948(vi) Repayment of Ioans given6,0544,883Subsidiaries6,0544,883Bharti Airtel (Services) Limited6,0544,883Nettel Infrastructure Investments Limited17,50462,087Nxtra Data Limited2,4032,185Wynk Limited5,4472,146Bharti Digital Networks Private Limited4,310-(vii) Purchase of investments4,310-Subsidiaries-29,159Network i2i Limited-29,159(viii) Sale of investment-29,159Bharti Infratel Limited113,594-Bharti Telemedia Ltd47,632	Subsidiaries		
Bharti Airtel (Services) Limited6,3985,658Nxtra Data Limited6,7312,966Wynk Limited6,0891,948(vi) Repayment of loans given5Subsidiaries6,0544,883Nettel Infrastructure Investments Limited17,50462,087Nxtra Data Limited2,4032,185Wynk Limited5,4472,146Bharti Digital Networks Private Limited4,3106(vii) Purchase of investments629,159(viii) Sale of investment29,1596Subsidiaries29,1596Network i2i Limited113,59447,632Bharti Infratel Limited113,59447,632	Nettle Infrastructure Investments Limited	100,828	50,604
Nxtra Data Limited6,7312,966Wynk Limited6,0891,948(vi) Repayment of loans given6,0544,883Subsidiaries6,0544,883Bharti Airtel (Services) Limited6,0544,883Nettel Infrastructure Investments Limited17,50462,087Nxtra Data Limited2,4032,185Wynk Limited5,4472,146Bharti Digital Networks Private Limited4,3101(vii) Purchase of investments22Subsidiaries22Network i2i Limited-29,159(viii) Sale of investment22Bharti Infratel Limited113,59447,632	Bharti Digital Networks Private Limited	4,201	10,538
Wynk Limited6,0891,948(vi) Repayment of Ioans given5Subsidiaries5Bharti Airtel (Services) Limited6,0544,883Nettel Infrastructure Investments Limited17,50462,087Nxtra Data Limited2,4032,185Wynk Limited5,4472,146Bharti Digital Networks Private Limited4,310-(vii) Purchase of investments2-Subsidiaries-29,159Network i2i Limited-29,159(viii) Sale of investment-29,159Bharti Infratel Limited113,594-Bharti Telemedia Ltd47,632	Bharti Airtel (Services) Limited	6,398	5,658
SubsidiariesBharti Airtel (Services) Limited6,0544,883Nettel Infrastructure Investments Limited17,50462,087Nxtra Data Limited2,4032,185Wynk Limited5,4472,146Bharti Digital Networks Private Limited4,3101(vii) Purchase of investments22Subsidiaries22Network i2i Limited-29,159(viii) Sale of investment113,59447,632Bharti Telemedia Ltd47,632	Nxtra Data Limited	6,731	2,966
SubsidiariesBharti Airtel (Services) Limited6,0544,883Nettel Infrastructure Investments Limited17,50462,087Nxtra Data Limited2,4032,185Wynk Limited5,4472,146Bharti Digital Networks Private Limited4,310-(vii) Purchase of investments-29,159Subsidiaries-29,159Network i2i Limited-29,159(viii) Sale of investment-47,632Bharti Infratel Limited113,594-Bharti Telemedia Ltd47,632	Wynk Limited	6,089	1,948
Bharti Airtel (Services) Limited6,0544,883Nettel Infrastructure Investments Limited17,50462,087Nxtra Data Limited2,4032,185Wynk Limited5,4472,146Bharti Digital Networks Private Limited4,310-(vii) Purchase of investments29,159-Subsidiaries-29,159(viii) Sale of investment-29,159Bharti Infratel Limited113,594-Bharti Telemedia Ltd47,632	(vi)Repayment of loans given		
Nettel Infrastructure Investments Limited17,50462,087Nxtra Data Limited2,4032,185Wynk Limited5,4472,146Bharti Digital Networks Private Limited4,310-(vii) Purchase of investments29,159-Subsidiaries-29,159(viii) Sale of investment-29,159Subsidiaries-47,632Bharti Infratel Limited113,594-Bharti Telemedia Ltd47,632	Subsidiaries		
Nxtra Data Limited2,4032,185Wynk Limited5,4472,146Bharti Digital Networks Private Limited4,310-(vii) Purchase of investments-29,159Subsidiaries-29,159(viii) Sale of investment-29,159Subsidiaries-47,632Bharti Infratel Limited113,594-Bharti Telemedia Ltd47,632	Bharti Airtel (Services) Limited	6,054	4,883
Nxtra Data Limited2,4032,185Wynk Limited5,4472,146Bharti Digital Networks Private Limited4,310-(vii) Purchase of investments-29,159Subsidiaries-29,159(viii) Sale of investment-29,159Subsidiaries-47,632Bharti Infratel Limited113,594-Bharti Telemedia Ltd47,632	Nettel Infrastructure Investments Limited	17,504	62,087
Bharti Digital Networks Private Limited4,310(vii) Purchase of investmentsSubsidiariesNetwork i2i Limited-SubsidiariesBharti Infratel Limited113,594Bharti Telemedia Ltd47,632	Nxtra Data Limited		2,185
Bharti Digital Networks Private Limited4,310(vii) Purchase of investmentsSubsidiariesNetwork i2i Limited-SubsidiariesBharti Infratel Limited113,594Bharti Telemedia Ltd47,632	Wynk Limited	5,447	2,146
(vii) Purchase of investments Subsidiaries Network i2i Limited - 29,159 (viii) Sale of investment Subsidiaries Bharti Infratel Limited 113,594 Bharti Telemedia Ltd 47,632			-
Subsidiaries29,159Network i2i Limited-29,159(viii) Sale of investmentSubsidiariesBharti Infratel LimitedBharti Telemedia Ltd47,632	-	,	
Network i2i Limited-29,159(viii) Sale of investmentSubsidiariesBharti Infratel Limited113,594-Bharti Telemedia Ltd47,632			
(viii) Sale of investmentSubsidiariesBharti Infratel LimitedBharti Telemedia Ltd.47,632		-	29.159
SubsidiariesBharti Infratel Limited113,594Bharti Telemedia Ltd47,632			20,200
Bharti Infratel Limited113,594Bharti Telemedia Ltd47,632			
Bharti Telemedia Ltd 47,632		113594	-
			47,632
	Bharti Airtel (USA) Limited	1,997	

	For the year ended March 31, 2019	For the year ended March 31, 2018
(ix)Dividend income		
Subsidiaries		
Bharti Hexacom Limited	-	476
Bharti Infratel Limited	20,014	3,724
(x) Dividend paid		
Entities having control over the Company / entities having		
significant influence over the Company		
Bharti Telecom Limited	10,014	7,506
Pastel Limited	2,957	2,271
(xi)Guarantees and collaterals given		
Subsidiary		
Network i2i Limited	135,163	24,767

The outstanding balances of the above mentioned related parties are as follows:

	Subsidiaries	Joint ventures	Associates	Entities having significant influence	ORP / FC#
As of March 31, 2019					
Trade payables	(12,430)	(19,466)	(52)	(33)	(190)
Trade receivables	8,026	0	358	0	43
Loans (including accrued interest)	161,866	8	0	0	538
Security deposit	1,932	4,388	0	0	1,083
Guarantees and collaterals given	712,286	0	0	0	0
(including performance guarantees)					
Unutilised facilities	109,914	-	-	-	-
As of March 31, 2018					
Trade payables	(10,108)	(10,353)	(22)	0	(194)
Trade receivables	1,592	0	0	31	77
Loans (including accrued interest)	73,180	8	0	0	625
Security deposit	2,606	3,746	0	0	944
Guarantees and collaterals given	729,881	0	0	0	0
(including performance guarantees)					
Unutilised facilities	123,600	-	-	-	-

Other related parties / fellow companies

Outstanding balances at period end are un-secured and settlement occurs in cash.

The Company has agreed to ensure appropriate financial support only if and to the extent required by its subsidiaries (namely, Bharti Hexacom Limited, Bharti Airtel Services Limited, Bharti Teleports Limited, Nxtra Data Limited, Wynk Limited, Nettle Infrastructure Investments Limited, Bharti Airtel Lanka (Private) Limited, Network i2i Limited, Bharti International (Singapore) Pte Limited, Airtel Africa Limited and associate Airtel Payment Bank Limited.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director, whether executive or otherwise. Remuneration to key management personnel were as follows:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Short-Term employee benefits	273	263
Performance linked Incentive ('PLI')#	144	150
Post-employment benefit	28	28
Share-based payment	56	62
	501	503

Value of PLI considered above represents incentive at 100% performance level. However, same will be paid on the basis of actual performance parameters in next year. Additional provision of Nil and ₹ 21 has been recorded in the books towards PLI for the year ended March 31, 2019 and March 31, 2018 respectively. During the year ended March 31, 2019 and 2018, PLI of ₹ 150 and ₹ 143 respectively, pertaining to previous year has been paid.

The remuneration accrued / paid by the Company to its Chairman and Managing Director & CEO (India and South Asia) for the year ended March 31, 2019 is in excess by ₹ 300.66 Mn. vis-à-vis the limits specified in Section 197 of Companies Act, 2013 ('the Act') read with Schedule V thereto, as the Company does not have profits. The Company is in the process of complying with the prescribed statutory requirements to regularize such excess payments, including seeking approval of shareholders, as necessary. Until then, the said excess amount is held in trust by the Chairman and Managing Director & CEO (India and South Asia).

As the liabilities for the gratuity and compensated absences are provided on an actuarial basis and calculated for the Company as a whole rather than each of the individual employees the said liabilities pertaining specifically to KMP are not known and hence, not included in the above table.

In addition to above, ₹ 1,888 thousand and ₹ 1,122 thousand have been paid as dividend to key management personnel during the year ended March 31, 2019 and March 31, 2018 respectively.

	March 3	March 31, 2019		1, 2018
Name of the Company	Outstanding balance	Maximum amount outstanding during the year	Outstanding balance	Maximum amount outstanding during the year
Subsidiaries				
Bharti Telemedia Limited	200	200	-	-
Indo Teleports Limited	649	736	692	730
Nxtra Data Limited	8,268	8,451	3,941	4,323
Bharti Airtel Services limited	1,664	2,052	1,320	1,717
Wynk Limited	675	898	33	525

The details of loans and advances as required by schedule V of SEBI (listing obligation and disclosure requirement Regulation, 2015 are given in the table below.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

	March 31, 2019		March 3	1, 2018
Name of the Company	Outstanding balance	Maximum amount outstanding during the year	Outstanding balance	Maximum amount outstanding during the year
Nettle Infrastructure Investment Limited	139,981	139,981	56,657	68,140
Bharti Digital Networks Private Limited	10,429	10,538	10,538	10,538
Joint Venture				
FireFly Networks Limited	8	8	8	8
	161,874	162,864	73,189	85,981

18. Other matters

i. In 1996, the Company had obtained the permission from DoT to operate its Punjab license through one of its wholly owned subsidiary. However DoT cancelled the permission to operate in April, 1996 and subsequently reinstated in March, 1998. Accordingly, for the period from April 1996 to March, 1998 ('blackout period') the license fee was disputed and not paid by the Company.

Subsequently, basis the demand from DoT in 2001, the Company paid the disputed license fee of ₹ 4,856 for blackout period under protest. Consequently, the license was restored subject to arbitrator's adjudication on the dispute. The arbitrator adjudicated the matter in favour of DoT, which was challenged by the Company before Hon'ble Delhi High Court. In 2012, Hon'ble Delhi High Court passed an order setting aside the arbitrator's award, which was challenged by DoT and is pending before its division bench. Meanwhile, the Company had filed a writ petition for recovery of the disputed license fee and interest thereto. However, the single bench, despite taking the view that the Company is entitled to refund, dismissed the writ petition on the ground that the case is still pending with the larger bench. The Company therefore has filed appeal against the said order with division bench and is currently pending. DoT had also filed an appeal against the single judge order. Both these appeals are tagged together and are listed for final hearing. The Hon'ble court has directed both the parties to file comprehensive written submission.

ii. TRAI vide Telecom Interconnect Usages Charges Regulation (Eleventh Amendment) 2015 has reduced the IUC charges for mobile termination charges to 14 paisa from 20 paisa and abolished the fixed-line termination charges. The Company has challenged the said Regulation before the Hon'ble Delhi High Court and the matter is currently pending.

Consolidated Financial Statements

Independent Auditor's Report

TO THE MEMBERS OF **BHARTI AIRTEL LIMITED**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **Bharti Airtel Limited** ("the Company") and its subsidiaries, (the Company and its subsidiaries together referred to as "the Group") which includes the Group's share of profit / loss in its associates and joint ventures, which comprise the Consolidated Balance Sheet as at March 31 2019, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory notes (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of the joint ventures referred to in Other Matters section below, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31 2019, and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing

specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Emphasis of Matter

We draw attention to Note 24(i)(f)(vi) of the Consolidated Financial Statements, which describes the uncertainties related to the outcome of Department of Telecommunications demand with respect to one-time spectrum charges.

Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Key Audit Matter (CFS)	Audit Procedures to address Key Audit Matter
Revenue recognition There is an inherent risk around accuracy of revenue recorded in respect of Mobile Services, Airtel Business, Digital TV Services and Tower Infrastructure Services segments because of the complexity of the IT systems and other support systems, significance of volumes of data processed by the systems and the impact of changing pricing models (tariff structures, incentive arrangements and discounts, etc.). In addition, for Airtel Business, we considered occurrence of revenue as a risk due to the possibility that revenue may be recorded without active service links being provided to customers or for contracts that are cancelled/not renewed.	We involved our IT specialists to evaluate the design and test the operating effectiveness of the general IT controls and application specific controls within the IT system, including testing of system generated reports used in our audit of revenues. We also tested the controls within the billing systems, prepaid charging systems, capturing and recording of revenue, authorisation and input of changes to the IT systems and over reconciliations performed between the active customers base with billing system.
In addition, the Group has applied Ind AS 115 'Revenue from contracts with customers' which was effective from April 1, 2018. An adjustment on presentation of revenue for the year ended March 31, 2019 is required on transition to Ind-AS 115 from Ind-AS 18. The Group has applied full retrospective method. Refer note 2.19 "Revenue recognition" for accounting policies and notes related to implementation of Ind AS- 115 and note 25 on disclosures related to Revenue in the consolidated financial statements.	We performed substantive procedures, which included verifying the accuracy of customer invoices and tracing receipts to customer invoices, comparing the number of links/connection as per the active customer base to the billing system, testing reconciliations between billing system and the general ledger (including validation of relevant journal entries), making test calls and testing whether they are rated correctly and analytical procedures for relevant segment revenue. With regard to the estimated impact of the initial adoption of Ind AS 115, we assessed the impact analysis and the accounting estimates and judgements made in respect of the revenue transactions of the Group and the appropriateness of the methods used in such analysis. We also evaluated and verified the retrospective application of Ind AS 115. We verified the appropriateness of the accounting policies, notes related to Revenue in notes 2.19 and 25 respectively in the consolidated financial statements and the consistency of the recorded revenue with the Group's accounting policies.
Evaluation of Impairment Assessment of Goodwill At least once a year, Management ensures that the net carrying amount of goodwill recognised as an asset, amounting to ₹ 332,562 million at March 31, 2019, does not exceed its recoverable amount. The impairment assessment is performed at the level of each cash generating unit ('CGU') or group of CGUs, which generally corresponds to the operating segment. The recoverable amount is determined based on value in use, which	We evaluated the design and tested the operating effectiveness of internal controls related to evaluation of impairment assessment of goodwill. We involved our internal valuation specialists to test the reasonableness of key valuation assumptions like long-term growth rates and discount rates used in determining value in use. We benchmarked and challenged the key business assumptions like revenue growth rates, amount of future

Key Audit Matter (CFS)	Audit Procedures to address Key Audit Matter
flows expected to arise from the use of the asset group comprising each CGU or group of CGUs. The determination of recoverable amount of goodwill based on value-in-use is complex and subjective as estimates of future cash flows and determination of value in use involves management's estimates and judgement in determining the variables such as the revenue growth rates, EBITDA margins, amount of future capital expenditure, discount rates applied to estimated cash flows and long-term growth rate. The carrying amount of goodwill reported in the consolidated financial statements is significant and is sensitive to the assumptions made by the Management. In March 2019, for internal management purposes, the Group has reorganised its reporting structure basis which goodwill in respect of 'Mobile Services Africa' is monitored at three group of CGUs, which is lower than the Mobile Services Africa segment level, and which requires further allocation of goodwill to the three group of CGUs. Allocation of goodwill to three group of CGUs level is impaired. This involves judgement with respect to identifying the most appropriate relative fair value approach or any other appropriate method for allocation of goodwill and the valuation assumptions like discount rates and long term growth rates that need to be applied to the future cash flows to determine the fair value of three group of CGUs. Refer note 2.9(a) for policy on "Impairment of non-financial assets"- Goodwill, note 3.1(a) on "Critical accounting estimates and assumptions" related to impairment reviews and note 7 "Intangible assets" for disclosures related to Impairment review of goodwill in the consolidated financial statements.	data and trends and with market data and external sources, where available, to assess their reasonableness. We tested the sensitivity assessment of value in use to a change in the valuation assumptions and tested the mathematical accuracy of the cash flow models. We verified management's assessment of alternatives approaches to allocate Mobile services Africa goodwill based on relative fair value, the rationale for the selected option to allocate goodwill to the three group of CGUs and the appropriateness thereof, the related workings for allocation of goodwill to three group of CGUs and the impairment assessment at the revised three group of CGUs post allocation of goodwill. We verified the appropriateness of the accounting policies, critical accounting estimates and assumptions and disclosures related to impairment review of goodwill in notes 2.9(a), 3.1(a) and 7 respectively in the consolidated financial statements.
Recoverability of deferred tax assets (DTA) recognized on tax loss carry-forwards and Minimum Alternate Tax (MAT) credit DTA on tax loss carry forwards and MAT credit recognised as at March 31, 2019 amounts to ₹ 152,447 million. Significant judgement is required in assessing the recoverability of DTA and MAT credit, particularly in respect of tax losses and MAT credit in India and tax losses in Nigeria amounting to ₹ 126,085 million and ₹ 20,148 million respectively. Recoverability of DTA on tax losses and MAT credit is sensitive to the assumptions used by management in projecting the ten year business plan and to expiry of losses and restriction on utilization of MAT credit after the period specified in tax statute of respective countries.	We evaluated the design and tested the operating effectiveness of internal controls related to the assessment of recoverability of DTA on carry forward tax losses and MAT credit. We benchmarked and challenged the key business assumptions like revenue growth rates, amount of future capital expenditure and EBIDTA margins in the ten year business plans against historical data and trends and with market data and external sources, where available, to assess their reasonableness. We verified the tax computation for the ten year forecast period and considered whether the tax losses and MAT credit would expire in accordance with the tax statute of respective countries. We also performed sensitivity assessment to evaluate whether it is probable that the

Key Audit Matter (CFS)	Audit Procedures to address Key Audit Matter
Refer notes 2.12" Taxes" for accounting policies, 3.1.b on "Critical accounting estimates and assumptions" related to taxes and note 14" Income tax" for disclosures related to taxes in the consolidated financial statements.	tax losses and MAT credit would expire within the period specified in the tax statute of respective countries and tested the mathematical accuracy of the business plans and tax computation for the forecast period. We verified that recognition of DTA is consistent with Group's accounting guidelines for recognition of deferred tax on loss carry forward and MAT credit. We verified the appropriateness of disclosures in accounting policies, critical accounting estimates and assumptions and disclosures related to Income tax in notes 2.12, 3.1.b and 14 respectively in the consolidated financial statements.
Evaluation of uncertain positions related to tax and regulatory matters The Group has material uncertain positions related to regulatory matters and direct and indirect tax matters under dispute that involves significant judgment to determine the possible outcome of these disputes, provisions required, if any, and/or write back of provision in respect of such matters. Refer notes 2.18 "Contingencies" for accounting policies, note 22 "Provisions" for disclosure related to provisions for subjudice matters and notes 24(i) in respect of details of Contingent liabilities in the consolidated financial statements.	We evaluated the design and tested the operating effectiveness of internal controls related to the assessment of the likely outcome of uncertain positions related to the regulatory and tax matters, the provision made, if any, and/ or write back of provision. We discussed significant open matters and developments with the Group's regulatory and tax team. We involved our internal tax experts to understand and evaluate the status of tax matters, review legal precedence and external expert opinions, if any, obtained by the management to evaluate whether the tax position is appropriate and has taken into account recent developments, if any. We challenged management's underlying assumptions in estimating tax and regulatory provisions and/or write back of provisions by understanding precedence, if any, set in similar matters and performed substantive procedures on the underlying calculation supporting the provisions required and/ or write back of provisions. We verified the appropriateness of the accounting policies, disclosures related to provisions for subjudice matters and details of contingent liabilities in notes 2.18, 22 and 24(i) respectively in the consolidated financial statements.

Information other than the financial statements and auditor's report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in Management Discussion and Analysis, Board's Report including Annexures to the Board's Report, Business Responsibility Report, Corporate Governance and Integrated Report, but does not include the Consolidated Financial Statements and our auditor's report thereon. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Management's responsibility for the consolidated financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its Associates and joint ventures in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and its joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and of its associates and joint ventures are

responsible for assessing the ability of the Group and of its associates and joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate or cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's responsibility for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit

procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group and its associates and joint ventures to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Conmsolidated Financial Statements, which have been audited by the other auditors, such other auditors remain responsible

for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

We communicate with those charged with governance of the Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matters

The Consolidated Financial Statements include the Group's share of net profit of ₹ 3625 Million and total comprehensive income of ₹ 3623 Million for the year

ended March 31, 2019, as considered in the Consolidated Financial Statements, in respect of two joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these joint ventures and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint ventures is based solely on the reports of the other auditors.

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

Report on other legal and regulatory requirements

- As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditors on the separate financial statements of the joint ventures referred to in the Other Matters section above we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.

- In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Company as on March 31, 2019 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture companies incorporated in India, none of the directors of the Group companies, its associate companies and joint venture companies incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Company, subsidiary companies, associate companies and joint venture companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to explanation given to us, the remuneration paid / accrued by the Company to its Chairman and Managing Director & CEO (India and South Asia) for the year ended March 31, 2019 is in excess by ₹ 300.66 Million vis-à-vis the limits specified in section 197 of Companies Act, 2013 ('the Act') read with Schedule V thereto as the Company does not have profits. The Company has represented to us that it is in the process of complying with the prescribed statutory requirements to regularize such excess payments, including seeking approval of shareholders, as necessary.

- With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014,as amended in our opinion and to the best of our information and according to the explanations given to us:
 - The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures.
 - Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on longterm contracts including derivative contracts.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies, associate companies and joint venture companies incorporated in India.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Shyamak R Tata

Place: New Delhi Partner Date: May 06, 2019 (Membership No. 38320)

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Bharti Airtel Limited of even date)

Report on the internal financial controls over financialreportingunderclause(i)ofsub-section 3 of section 143 of the companies act, 2013 ("the act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Bharti Airtel Limited ("the Company") and its subsidiary companies, its associate companies and joint venture companies, which are companies incorporated in India, as of that date.

Management's responsibility for internal financial controls

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

Auditor's responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company, its subsidiary companies, its associate companies and joint venture companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the auditor of the joint venture company which is incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of Company, its subsidiary companies, its associate companies and its joint venture companies, which are companies incorporated in India.

Meaning of internal financial controls over financial reporting

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

Inherent limitations of internal financial controls over financial reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor referred to in the Other Matters paragraph below, the Company, its subsidiary companies, its associate companies and joint venture companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the criteria for internal financial control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to a joint venture, which is a company incorporated in India, is based solely on the corresponding report of the auditor of such company incorporated in India.

Our opinion is not modified in respect of the above matter.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No. 117366W/W-100018)

Shyamak R Tata

Place: New Delhi Partner Date: May 06, 2019 (Membership No. 38320)

Independent Auditor's Report

TO THE MEMBERS OF **BHARTI AIRTEL LIMITED**

Report on the Abridged Consolidated Financial Statements

The accompanying Abridged Consolidated Financial Statements of **BHARTI AIRTEL LIMITED** (hereinafter referred to as "the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which includes the Group's share of profit/ loss in its associates and its joint ventures, which comprise the Abridged Consolidated Balance Sheet as at March 31, 2019, the Abridged Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Abridged Consolidated Statement of Changes in Equity and the Abridged Consolidated Statement of Cash Flows for the year then ended, and related notes, are derived from the audited Consolidated Financial Statements of the Group for the year ended March 31, 2019. We expressed an unmodified audit opinion on those Consolidated Financial Statements in our report dated May 06, 2019.

The Abridged Consolidated Financial Statements do not contain all the disclosures required by the Companies Act, 2013 ("the Act") and Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act and accounting principles generally accepted in India, which were applied in the preparation of the audited Consolidated Financial Statements of the Group. Reading the Abridged Consolidated Financial Statements, therefore, is not a substitute for reading the audited Consolidated Financial Statements of the Group.

Management's Responsibility for the Abridged Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation of these Abridged Consolidated Financial Statements in accordance with the requirements specified under Section 136(1) read with Rule 10 of Companies (Accounts) Rules, 2014, as amended, based on the audited Consolidated Financial Statements of the Company for the year ended March 31 2019, prepared in accordance with Indian Accounting Standards prescribed under Section 133 of the Act and accounting principles generally accepted in India. This responsibility includes

the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Abridged Consolidated Financial Statements.

Auditor's Responsibility

Our responsibility is to express an opinion on the Abridged Consolidated Financial Statements based on our procedures conducted in accordance with Standard on Auditing (SA) 810 "Engagements to Report on Summary Financial Statements" specified under Section 143(10) of the Act. In performing those procedures, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Abridged Consolidated Financial Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

Opinion

In our opinion and to the best of our information and explanations given to us, the accompanying Abridged Consolidated Financial Statements prepared in accordance with Rule 10 of the of Companies (Accounts) Rules, 2014, as amended, derived from the audited Consolidated Financial Statements of the Group for the year ended March 31, 2019, prepared in accordance with the Ind AS prescribed under Section 133 of the Act and accounting principles generally accepted in India, are a fair summary of those audited Consolidated Financial Statements.

The Audited Consolidated Financial Statements and Our Report Thereon:

The Abridged Consolidated Financial Statements have the same limitations as the audited Consolidated Financial Statements on which we have issued an unmodified audit opinion. That report also includes:

 An Emphasis of Matter section that draws attention to Note 12(i)(f)(vi) of the Abridged Consolidated Financial Statements which describes the uncertainties related to legal outcome of Department of Telecommunications demand with respect to one time spectrum charges. Our opinion is not modified in respect of this matter.

- The communication of Key audit matters. Key audit matters are those matters that in our professional judgement, were of most significance in our audit of the Consolidated Financial Statements of the current period.
- Other Matters section that draws attention that the Consolidated Financial Statements include the Group's share of net profit of ₹ 3625 Million and total comprehensive income of ₹ 3623 Million for the year ended March 31, 2019, as considered in the Consolidated Financial Statements, in respect of two joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports

have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these joint ventures and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint ventures is based solely on the reports of the other auditors. Our opinion is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants (Firm Registration No. 117366W/W-100018)

Shyamak R Tata

Place: New Delhi Date: May 06, 2019 Partner (Membership No. 38320)

Abridged Consolidated Balance Sheet

5	(All amounts are in	n millions of Indian Rupee)
	As of	As of
	March 31, 2019	March 31, 2018
Assets		
Non-current assets		
Property, plant and equipment	815,228	706,079
Capital work-in-progress	88,433	52,089
Goodwill	332,562 860,525	328,070 837,855
Other intangible assets Intangible assets under development	7,909	45,423
Investment in joint ventures and associates	88,937	86,839
Financial assets	00,537	60,039
- Investments	21,941	5,769
- Derivative instruments	3,105	2,031
- Security deposits	16,452	9,703
- Others	3,227	5,814
Income tax assets (net)	17,694	25,505
Deferred tax assets (net)	89,379	29,330
Other non-current assets	77,526	36,319
O much as a state	2,422,918	2,170,826
Current assets Inventories	884	693
Financial assets	004	093
- Investments	46,232	68,978
- Derivative instruments	40,232	8,941
- Trade receivables	43,006	58,830
- Cash and cash equivalents	62.121	49,552
- Other bank balances	18,934	17,154
- Others	20,343	27,462
Other current assets	137,111	103,380
	329,057	334,990
Total assets	2,751,975	2,505,816
Equity and Liabilities Equity		
Share capital	19.987	19.987
Other equity	694,235	675,357
Equity attributable to owners of the Parent	714,222	695,344
Non-controlling interests	135,258	88,139
5	849,480	783,483
Non-current liabilities		
Financial liabilities		
- Borrowings	872,454	849,420
- Derivative instruments	826	5,409
- Others Deferred revenue	62,131 17,986	44,547 22,117
Provisions	6,823	7,212
Deferred tax liabilities (net)	11,297	10,606
Other non-current liabilities	429	623
	971,946	939,934
Current liabilities		
Financial liabilities		
- Borrowings	310,097	129,569
- Current maturities of long-term borrowings	71,732	134,346
- Derivative instruments	12,742	283
- Trade payables	280,031	268,536
- Others Deferred revenue	159,806 43,993	140,605
Provisions	2,197	48,666 2,384
Current tax liabilities (net)	8,228	11,058
Other current liabilities	41,723	46,952
	930,549	782,399
Total liabilities	1,902,495	1,722,333
Total equity and liabilities	2,751,975	2,505,816

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

As per our report of even date

For Deloitte Haskins & Sells LLP

Chartered Accountants (Firm's Registration No: 117366W / W-100018)

Shyamak R Tata

Partner Membership No: 38320

Place: New Delhi Date: May 6, 2019 Sunil Bharti Mittal Chairman DIN: 00042491

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

Badal Bagri Chief Financial Officer **Gopal Vittal**

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

Pankaj Tewari Company Secretary

Abridged Consolidated Statement of Profit and Loss

•	(All amounts are in millions of Indian Rup	ee: except per share data)
	For the year ended	For the year ended
	March 31, 2019	March 31, 2018
Income		
Revenue	807,802	826,388
Other income	2,912	2,488
	810,714	828,876
Expenses		
Network operating expenses	223,900	197,520
Access charges	93,521	90,446
License fee / spectrum charges	69,426	75,558
Employee benefits expense	37,975	39,771
Sales and marketing expenses	41,277	45,275
Other expenses	83,514	77,027
	549,613	525,597
Profit from operating activities before depreciation, amortisation and exceptional iter		303,279
Depreciation and amortisation Finance costs	213,475	192,431
Finance costs Finance income	110,134	93,255
Finance income Non-operating expenses (net)	(14,240) 1,894	(12,540) 141
Share of profit of associates and joint ventures (net)	(3,556)	(10.609)
(Loss) / profit before exceptional items and tax	(46,606)	40,601
Exceptional items (net)	(29,288)	7,931
(Loss)/ profit before tax	(17,318)	32,670
Tax expense / (credit)	(17,316)	52,070
Current tax	19,391	18,230
Deferred tax	(53,584)	(7,395)
Profit for the year	16.875	21,835
Other comprehensive income ('OCI')		
Items to be reclassified subsequently to profit or loss :		
Net losses due to foreign currency translation differences	(15,739)	(7,181)
Net losses on net investment hedge	(1,754)	(8,024)
Net (losses) / gains on cash flow hedge	(833)	809
Net (losses) / gains on fair value through OCI investments	(45)	129
Tax credit / (charge)	5,428	(122)
	(12,943)	(14,389)
Items not to be reclassified to profit or loss :		
Re-measurement gains on defined benefit plans	47	205
Tax charge	(62)	(29)
Share of OCI of associates and joint ventures	(12)	18
	(27)	194
Other comprehensive loss for the year	(12,970)	(14,195)
Total comprehensive income for the year	3,905	7,640
Profit for the year attributable to :	16,875	21,835
Owners of the Parent	4,095	10,990
Non-controlling interests	12,780	10,845
Other comprehensive loss for the year attributable to :	(12,970)	(14,195)
Owners of the Parent	(10,216)	(13,445)
Non-controlling interests	(2,754)	(750)
Total comprehensive income for the year attributable to : Owners of the Parent	<u> </u>	7,640
	(6,121)	(2,455)
Non-controlling interests	10,026	10,095
Earnings per share (Face value: ₹ 5/- each) Basic	1.02	2.75
Diluted	1.02	
Diluteu	1.02	2.75

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

As per our report of even date

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

For Deloitte Haskins & Sells LLP Chartered Accountants

(Firm's Registration No: 117366W / W-100018)

Shyamak R Tata

Partner Membership No: 38320

Place: New Delhi Date: May 6, 2019 Sunil Bharti Mittal Chairman DIN: 00042491

Badal Bagri Chief Financial Officer

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

Pankaj Tewari Company Secretary

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				ы Ш	uity attribu	Equity attributable to owners of the Parent	ers of the P	arent					
	Share capital	pital					Other equity	ity				Non-	
	No. of				Res	Reserves and surplus	plus			+0		controlling	Total
	shares (in '000)	Amount	Securities premium	Retained earnings	General reserves	Debenture redemption reserve	Capital reserve	Share-based payment reserve	NCI	other components of equity	Total	interests ('NCI')	equity
As of April 01. 2017	3,997,400	19,987	123.456	483.638	27.030		'	4.065	77,216	(60.829)	654.576	68.750	743.313
Profit for the Year				10.990			1			-	10.990	10.845	21.835
Other comprehensive income / (loss)				194						(13.639)	(13.445)	(750)	(14.195)
Total comprehensive income / (loss)	1	1	1	11,184	1	•	1		1	(13,639)	(2,455)	10,095	7,640
Transaction with owners of equity													
Employee share-based payment expense			1	1		1		392	1		392	21	413
Purchase of treasury shares					'					(424)	(424)		(424)
Exercise of share options	,	ı	'	'	3,510	'	i	(3,675)	'	149	(16)	(13)	(29)
Transaction with NCI		I			'	' .			42,625		42,625	13,812	56,437
Creation of debenture redemption reserve					(7,500)	7,500							- 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1
Dividend (including tax) to Company's shareholders		1		(18,475)	'				'	'	(18,475)		(18,475)
Dividend (including tax) to NCI												(3,933)	(3,933)
Novement on account of court approved schemes	100 100 100	10,001	100 466	(998)	01000	001 6	1	001		(010101)	(202)	(283)	(1,459)
AS OT Marcn 31, 2018	3, 33 /, 400	13'38/	123,450	4/0,481	23,040	006'/	•	78/	119,841	(14,143)	102,070	88,139	10.07
				CFU;4						10707	4,095	12,/8U	C/2'0T
	1	1	'	(67)	'	'	1		'	(/8T'NT)	(TU,216)	(7,754)	(0/ 6'ZT)
Iotal comprehensive income / (loss)	'	1	'	4,066	'		•		'	(10,187)	(6, 121)	10,026	3,905
	0	(C								((
Issue of equity shares	Ð	C	C		'				'		0	' !	
Employee share-based payment expense								333			333	12	345
Purchase of treasury shares							1			(248)	(248)	• •	(248)
Exercise of share options		'	'	'	12	'	'	(371)	'	336	(23)	(20)	(43)
Transaction with NCI			'		'				44,439		44,439	60,365	104,804
Business combination	•	1		'			5,315		1		5,315	'	5,315
Dividend (including tax) to Company's shareholders		'	'	(24,096)	'	'	'		'		(24,096)	'	(24,096)
Dividend (including tax) to NCI					'				'			(22,638)	(22,638)
Movement on account of court approved schemes				(721)	1						(721)	(626)	(1, 347)
As of March 31, 2019	3,997,400	19,987	123,456	454,730	23,052	7,500	5,315	744	164,280	(84,842)	694,235	135,258	849,480
The accompanying notes form an integral part of these abridged consolidated financial statements.	these abridged	consolida	ited financia	al statemer	ıts.								
As per our report of even date			For	and on be	shalf of th	e Board of L	Directors	For and on behalf of the Board of Directors of Bharti Airtel Limited	tel Limited	T			
For Deloitte Hackine & Selle II D													
Chartered Accountants													
(Firm's Redistration No: 117366W / W-100018)	(8)												

Gopal Vittal Managing Director & CEO

(India and South Asia) DIN: 02291778

Pankaj Tewari Company Secretary

Badal Bagri Chief Financial Officer

Sunil Bharti Mittal Chairman DIN: 00042491

Membership No: 38320

Shyamak R Tata Partner Place: New Delhi Date: May 6, 2019

Bharti Airtel Limited Abridged Annual Report 2018-19

Abridged Consolidated Statement of Cash Flows

	(All amounts are in m	illions of Indian Rupee)
	For the year ended March 31, 2019	For the year ended March 31, 2018
Cash flow generated from operating activities	197,880	298,538
Cash flow used in investing activities	(285,009)	(279,676)
Cash flow generated from financing activities	94,638	19,205
Net increase in cash and cash equivalents	7,509	38,067
Effect of exchange rate on cash and cash equivalents	1,338	281
Cash and cash equivalents as at beginning of the year	28,468	(9,880)
Cash and cash equivalents as at end of the year	37,315	28,468

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

As per our report of even date

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

For Deloitte Haskins & Sells LLP Chartered Accountants (Firm's Registration No: 117366W / W-100018)

Shyamak R Tata

Partner Membership No: 38320

Place: New Delhi Date: May 6, 2019 Sunil Bharti Mittal Chairman DIN: 00042491

Badal Bagri Chief Financial Officer Gopal Vittal Managing Director & CEO

(India and South Asia) DIN: 02291778

Pankaj Tewari Company Secretary

(All amounts are in millions of Indian Rupee; unless stated otherwise)

1. Corporate information

Bharti Airtel Limited ('the Company' or 'the Parent') is domiciled and incorporated in India as a limited liability company with its shares being listed on the National Stock Exchange and the Bombay Stock Exchange. The registered office of the Company is situated at Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase – II, New Delhi – 110070.

The Company together with its subsidiaries (hereinafter referred to as 'the Group') has presence in India, Africa and South Asia. The principal activities of the Group, its joint ventures and associates consist of provision of telecommunication services, tower infrastructure services and direct-to-home digital television services. The details as to the services provided by the Group are further provided in note 19. For details as to the Group structure, refer note 20.

2. Basis of preparation

These abridged consolidated financial statements have been prepared, on the basis of the complete set of audited annual consolidated financial statements for the year ended March 31, 2019 ('annual consolidated financial statements') prepared to comply in all material respects with the Indian Accounting Standards ('Ind AS') notified under section 133 of the Companies Act, 2013 ('Act'), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act. The contents of the said abridged financial statements are in accordance with the requirement of Clause 36 of Security Exchange Board of India (Listing obligations and disclosure requirements) Regulation 2015 and Rule 10 of the Companies (Accounts) Rules, 2014.

The annual consolidated financial statements are available at the Company's website <u>http://www.airtel.com</u>. The financial statement is also available for inspection at the registered office of the company during working hours for a period of 21 days before the date of AGM.

The annual and abridged consolidated financial statements are approved for issue by the Company's Board of Directors on May 06, 2019.

All the amounts included in the financial statements are reported in millions of Indian Rupees ('Rupees' or '₹') and are rounded to the nearest million, except per share data and unless stated otherwise. Further, amounts which are less than a million are appearing as '0'.

The preparation of the said abridged financial statements requires the use of certain critical accounting estimates and judgments. It also requires the management to exercise judgement in the process of applying the Group's accounting policies.

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

2.1 Basis of measurement

The abridged consolidated financial statements have been prepared on the accrual and going concern basis, and the historical cost convention except where the Ind AS requires a different accounting treatment. The principal variations from the historical cost convention relate to financial instruments classified as fair value through profit or loss or through other comprehensive income, liability for cash-settled awards, the component of carrying values of recognised liabilities that are designated in fair value hedges - which are measured at fair value.

(Note 2.2 of the annual consolidated financial statements)

3. Summary of significant accounting policies

The significant accounting policies used in preparing the annual consolidated financial statements are set out in Note 2 of the annual consolidated financial statements.

3.1. Basis of consolidation

Subsidiaries are fully consolidated from the date on which control is transferred to the Group, and they are de-consolidated from the date that control ceases. Non-controlling interests is the equity in a subsidiary not attributable to a parent and presented separately from the Group's equity.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Non-controlling interests consist of the amount at the date of the business combination and its share of changes in equity since that date. Profit or loss and other comprehensive income are attributed to the controlling and non-controlling interests in proportion to their ownership interests, even if this results in the non-controlling interests having a deficit balance. However, in case where there are binding contractual arrangements that determine the attribution of the earnings, the attribution specified by such arrangement is considered.

Accounting policies of the respective individual subsidiary, joint venture and associate are aligned wherever necessary, so as to ensure consistency with the accounting policies that are adopted by the Group under Ind AS.

The standalone financial statements of subsidiaries are fully consolidated on a line-by-line basis, after adjusting for business combination adjustments (refer note 2.4). Intra-group balances and transactions, and income and expenses arising from intra-group transactions, are eliminated while preparing the said financial statements. The un-realised gains resulting from intra-group transactions are also eliminated. Similarly, the un-realised losses are eliminated, unless the transaction provides evidence as to impairment of the asset transferred.

The Group's investments in its joint ventures and associates are accounted for using the equity method. Accordingly, the investments are carried at cost less any impairment losses, as adjusted for post-acquisition changes in the Group's share of the net assets of investees. Any excess of the cost over the Group's share of net assets in its joint ventures / associates at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment. The un-realised gains / losses resulting from transactions with joint ventures and associates are eliminated against the investment to the extent of the Group's interest in the investee. However, un-realised losses are eliminated only to the extent that there is no evidence of impairment.

(Note 2.3 of the annual consolidated financial statements)

4. Critical accounting estimates, assumptions and judgements

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are set out in Note 3 of the annual consolidated financial statements. The critical accounting estimates and assumptions relating to impairment reviews and taxes are as below:

4.1 Impairment reviews

PPE (including CWIP) and intangible assets with definite lives, are reviewed for impairment, whenever events or changes in circumstances indicate that their carrying values may not be recoverable. Similarly, goodwill and intangible assets under development is tested for impairment, at-least annually and whenever circumstances indicate that it may be impaired. For details as to the impairment policy, refer note 2.9. Accordingly the Group has performed impairment reviews for the above assets. However, the said reviews did not result in any impairment charge.

In calculating the value in use, the Group is required to make significant judgements, estimates and assumptions inter-alia concerning the growth in earnings before interest, taxes, depreciation and amortization ('EBITDA') margins, capital expenditure, long-term growth rates and discount rates to reflect the risks involved. Also, judgement is involved in determining the CGU /grouping of CGUs for allocation of the goodwill.

The Group mainly operates in developing markets and in such markets, the plan for shorter duration is not indicative of the long-term future performance. Considering this and the consistent use of such robust ten year information for management reporting purpose, the Group uses ten year plans for the purpose of impairment testing.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

(Note 2.9 of the annual consolidated financial statements)

4.2 Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the relevant tax authority.

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

(Note 2.12 of the annual consolidated financial statements)

5. Standards issued but not effective until the date of authorisation for issuance of the said financial statements

The new significant standards, amendments to Standards that are issued but not yet effective until the date of authorisation for issuance of the said financial statements are discussed below. The Group has not early adopted these amendments and intends to adopt when they become effective.

Ind AS 116 'Leases'

In March 2019, MCA has notified the Ind AS 116, Leases. It will replace the existing leases Standard, Ind AS 17 'Leases', and related interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. It introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. A lease is required to recognise a right-of-use asset representing its right to use and the underlying leased assets and a lease liability representing its obligation to make lease payments.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The Group is in the process of evaluating its impact on the financial statements.

The following pronouncements, which are potentially relevant to the Group, have been issued and are effective for annual periods beginning on or after April 1, 2019.

- Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments : According to the appendix, Group need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the group have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The Group does not expect that the adoption of the said amendment will have any significant impact on the financial statements.
- Amendment to Ind AS 12 Income taxes: The amendment clarifies that an Group shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity accordingly to where the Group originally recognised those past transactions or events whereas hitherto it was being recognised in equity.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

6. Significant transactions / new developments

- a) Subsequent to the balance sheet date, on May 03, 2019, the Company has launched a rights issue of approximately 1,134 Mn fully paid up equity shares (face value ₹ 5 each) at a price of ₹ 220/- per share aggregating to ₹ 249,390. The right issue will close on May 17, 2019. The rights entitlement is determined as 19 equity shares for every 67 equity shares held.
- b) In February 2019, Airtel Kenya, the Group's operating subsidiary in Kenya, entered into an agreement with Telkom Kenya Limited, the third largest mobile network operator in Kenya, to merge their respective mobile, enterprise and carrier services businesses to operate as 'Airtel-Telkom'. As at the date of this financial statements, the transaction remains subject to approval by the relevant authorities.
- c) During the year ended March 31, 2017, the Group had entered into a scheme of amalgamation for the merger of Telenor (India) Communications Private Limited with the Company. Further, during the year ended March 31, 2019, as the closing conditions for the said merger have been fulfilled, the said transaction is consummated. The difference of ₹ 5,315 between the purchase consideration (issuance of five equity shares and working capital adjustments) and fair value of net assets has been recognised as capital reserve, a component of equity.

The fair values of the assets and liabilities recognised at the date of acquisition are as follows:

Non-current assets	
Property, plant and equipment	4,264
(including capital-work-in-	
progress of ₹94)	
Other intangible assets	17,684
(including intangible assets	
under development of ₹ 655)	
Indemnification assets	8,835
Others	6,309
Current assets	
Cash and cash equivalents	6,931
Others	7,661
Non-current liabilities	
Borrowings	14,842
Others	955

Current	liabilities	
_		

Net assets acquired	4,765
Others	12,592
Trade payables	17,301
Borrowings	1,229

- d) During the year ended March 31, 2019, Airtel Africa Limited issued to global investors 976,635,762 equity shares for an aggregate investment of USD 1,450 together with certain indemnities. These indemnities represent an obligation for adjustment of subscription amounts triggered on payouts for the indemnified contingencies. These have been recorded as derivatives measured at fair value through profit and loss and other financial liabilities initially measured at fair value and subsequently re-measured at amortised cost. The key assumptions taken into measurement of these liabilities are around the probability of the outcome on which the indemnities are based and expected settlement amount.
- e) During the year ended March 31, 2019, Bharti Airtel International (Netherlands) B.V., a subsidiary of the Group, early redeemed an amount of USD 995 from its USD 1,500 5.125% Guaranteed Senior Notes due in March 2023 at a consideration equivalent to 98.5% of the par amount of each bond plus interest accrued.
- f) During the year ended March 31, 2019, consequent to the change in shareholder rights in Airtel Payment Bank Limited ('APBL'), APBL ceased to be a subsidiary (under Ind AS, '110 Consolidated Financial Statements'). APBL has since been considered as an associate (under Ind AS 28, 'Investments in Associates and Joint Ventures'). Hence, in accordance with Ind AS 110, the difference between the fair value of retained interest and the previous carrying amount of the Group's share in the net assets of APBL, of ₹ 8,735 has been recognized as gain within exceptional items.
- g) In January 2019, the Government of Tanzania ('GoT') and the Group, on a composite basis, agreed (i) to the GoT's withdrawal of certain tax claims and regulatory fines (ii) the entry into an agreement between the GoT and Airtel Tanzania ('AT') for the provision of support services to AT on a 'best efforts' basis in order to support its development; (iii) to approve the sale of towers owned by AT; (iv) to allow a defined portion of the net sale proceeds of the tower sale towards

(All amounts are in millions of Indian Rupee; unless stated otherwise)

repayment of the outstanding shareholder loan granted to AT by Bharti Airtel Tanzania B.V. ('BATBV') which shall be treated as full repayment of said loan; (iv) to either exempt AT from the listing obligations or to ensure that the Group's beneficial ownership of AT will not decrease below 51% at any time; and (v) to an increase in the GoT's shareholding in AT, to 49% at zero effective cost. The said document also provided for execution of detailed agreements between GoT, AT and the Group, wherever required, to give effect to the above.

Pursuant to the above arrangement, the Group believes that the above-mentioned settlement amongst the shareholders of AT should be accounted for as an equity transaction on the consummation of the said agreements.

- h) During the year ended March 31, 2019, the Company's Board of Directors at its meeting held on October 25, 2018, has paid interim dividend for the financial year 2018-19 of ₹ 2.50/- per equity share (face value : ₹ 5/each).
- During the year ended March 31, 2019, Bharti Airtel International (Netherlands) B.V., a subsidiary of the Company, has redeemed Euro 1,000 Mn 4% senior notes due in December 2018 ('Notes').
- j) During the year ended March 31, 2019, the Group has acquired 7.95% equity stake in Airtel Gabon S.A. thereby, increasing its shareholding to 97.95%. The excess of consideration paid to NCI over the carrying value of the interest acquired ₹ 1,112 has been recognised in the transaction with NCI reserve, a component of equity.
- k) During the year ended March 31, 2019, the Group has acquired 8.52% equity stake in Airtel Networks Limited thereby, increasing its shareholding to 91.77%. The excess of consideration paid to NCI over the carrying value of the interest acquired ₹4,684 has been recognised in the transaction with NCI reserve, a component of equity.
- During the year ended March 31, 2018, the Group had entered into an agreement to sell 15% equity stake in Bharti Telemedia Limited, a subsidiary of the Company. Further, during the year ended March 31, 2019, as the closing conditions for the said transaction have

been fulfilled, the said transaction is consummated. Accordingly, the excess of proceeds over the NCI amounting to ₹ 19,064 has been recognised directly in NCI reserve, a component of equity.

 m) During the year ended March 31, 2018, the Group had entered into a share purchase agreement with Millicom International Cellular S.A. to acquire 100% equity interest in Tigo Rwanda Limited. The acquisition will make the Group the second largest mobile operator in Rwanda. The difference of ₹ 362 between the fair value of purchase consideration (including contingent consideration) aggregating to ₹ 3,200 and provisional fair value of net assets of ₹ 2,838 had been recognised as goodwill. The said goodwill is mainly attributable to the acquired customer base, assembled workforce and economies of scale expected from combining the operations of the Group. The initial accounting for the acquisition had only provisionally determined at the year ended March 31, 2018.

Further during the year ended March 31, 2019, the provisional accounting has been finalized and accordingly, the revised difference of ₹ 873 between the fair value of the purchase consideration aggregating to ₹ 3,377 and fair value of net assets of ₹ 2,504 has been recognised as goodwill.

Further, with effect from July 1, 2018, Tigo Rwanda Limited had merged with Airtel Rwanda Limited. Accordingly Tigo Rwanda Limited has ceased to exist.

- n) During the year ended March 31, 2018, the Group had entered into a share purchase agreement with seller of Tikona Digital Networks Private Limited ('TDNPL') to acquire 100% equity interest in TDNPL. The difference of ₹ 739 Mn between the purchase consideration and fair value of net assets has been recognised as goodwill. The said goodwill is mainly attributable to synergies expected from the combined operation of the Group and TDNPL.
- During the year ended March 31, 2017, the Group signed a definitive agreement to enter into 50-50 joint venture between Bharti Airtel Ghana Holdings B.V. and MIC Africa B.V. against consideration of their respective ownership interest of operations in Ghana. Further during the year ended March 31, 2018, as the closing conditions for consummation of the transaction have

(All amounts are in millions of Indian Rupee; unless stated otherwise)

been fulfilled, the Group and Millicom International Cellular had formed a joint venture to combine their telecommunication operations in Ghana.

p) During the year ended March 31, 2018, an understanding for demerger of consumer mobile businesses of Tata Teleservices Limited and Tata Teleservices Maharashtra Limited into the Company / Bharti Hexacom Limited (subsidiary of the Company) was entered into. Further, the boards of directors have approved the scheme(s) of arrangement under section 230 to section 232 of the Companies Act, 2013 for the said demerger. The said transaction is subject to requisite regulatory approvals.

q) During the year ended March 31, 2018, the Group has sold approx. 150.5 Mn equity shares of Bharti Infratel Limited. The excess of proceeds (net of associated transaction costs, taxes and regulatory levies) over the change in NCI amounting to ₹ 42,598 has been recognized directly in NCI reserve, a component of equity.

7. Impairment review of goodwill

The Group tests goodwill for impairment annually on December 31. During the year ended March 31, 2019, the testing did not result in any impairment in the carrying amount of goodwill.

The carrying amount of goodwill is attributable to the following CGU / group of CGUs:

	As of March 31, 2019	As of March 31, 2018
Mobile Services - Africa	285,327	281,182
Mobile Services - India	40,413	40,413
Airtel business	6,478	6,131
Homes Services	344	344
	332,562	328,070

The recoverable amount of the above CGUs are based on value-in-use, which is determined based on ten year business plans that have been approved by management for internal purposes. The said planning horizon reflects the assumptions for short-to-mid term market developments. The cash flows beyond the planning period are extrapolated using appropriate terminal growth rates. The terminal growth rates used do not exceed the long term average growth rates of the respective industry and country in which the entity operates and are consistent with the internal / external sources of information.

The key assumptions used in value-in-use calculations are as follows:

- EBITDA margins
- Discount rate
- Growth rates
- Capital expenditures

EBITDA margins: The margins have been estimated based on past experience after considering incremental revenue arising out of adoption of valued added and data services from the existing and new customers, though these benefits are partially offset by decline in tariffs in competitive scenario. Margins will be positively impacted from the efficiencies and cost rationalisation / others initiatives driven by the Group; whereas, factors like higher churn, increased cost of operations may impact the margins negatively.

Discount rate: Discount rate reflects the current market assessment of the risks specific to a CGU or group of CGUs and estimated based on the weighted average cost of capital for respective CGU / group of CGUs. Pretax discount rates used are 21.61% / 13.39% for Mobile Services – Africa / other CGUs respectively, for the year ended March 31, 2019 and 24.15% / 12.75% for Mobile Services – Africa / other CGUs respectively, for the year ended March 31, 2018.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Growth rates: The growth rates used are in line with the longterm average growth rates of the respective industry and country in which the entity operates and are consistent with the internal / external sources of information. The average growth rates used in extrapolating cash flows beyond the planning period ranged from 3.5% to 4.0% for March 31, 2019 and ranged from 3.5% to 4.0% for March 31, 2018.

Capital expenditures: The cash flow forecasts of capital expenditure are based on past experience after considering the additional capital expenditure required for roll out of incremental coverage and capacity requirements and to provide enhanced voice and data services.

Sensitivity to changes in assumptions

With regard to the assessment of value-in-use for Homes Services and Airtel Business, no reasonably possible change in any of the above key assumptions would have caused the carrying amount of these units to exceed their recoverable amount.

In case of Mobile Services - India CGU group, the recoverable amount exceeds the carrying amount by ₹ 3,38,681 (22.99%) as of December 31, 2018 and ₹3,49,671 (25.53%) as of December 31, 2017. An increase of 1.76% (December 31, 2017: 1.78%) in pre-tax discount rate shall equate the recoverable amount with the carrying amount of the Mobile Services – India CGU group as of December 31, 2018. Further, no reasonably possible change in the terminal growth rate beyond the planning horizon would cause the carrying amount to exceed the recoverable amount.

In case of Mobile Services - Africa CGU group, the recoverable amount exceeds the carrying amount by

₹1,53,714 (39.39%) as of December 31, 2018 and ₹54,087 (15.20%) as of December 31, 2017. An increase of 5.67% (December 31, 2017: 2.37%) in pre-tax discount rate shall equate the recoverable amount with the carrying amount of the Mobile Services – Africa CGU group as of December 31, 2018. Further, no reasonably possible change in the terminal growth rate beyond the planning horizon would cause the carrying amount to exceed the recoverable amount.

Mobile Services Africa Segment

During March 2019, due to revision in organisational structure of Mobile Services Africa segment, goodwill has been re-allocated to the following clusters based on implicit goodwill approach as an alternative to the relative fair value method. Implicit goodwill has been determined as the difference between value in use and carrying value of each segment relative to the total implicit goodwill. This is similar to the approach used for deriving goodwill using a purchase price allocation method in the case of a business combination. At the date of implementation of the new organisational structure; goodwill allocated to the three clusters is given in the table below:

Nigeria	104,063
	105 506
East Africa	135,536
Rest of Africa	50,414
	290,013

On reallocation of goodwill, impairment tests by Mobile Services Africa Segment for the above clusters did not result in any impairment.

(Note 7 of the annual consolidated financial statements)

8. Cash and bank balances

Cash and cash equivalents ('C&CE')

	As of March 31, 2019	As of March 31, 2018
Balances with banks		
- On current accounts	7,064	9,884
- Bank deposits with original maturity of 3 months or less	53,848	37,862
Cheques on hand	125	986
Cash on hand	1,084	820
	62,121	49,552

8. Cash and bank balances (contd..)

Other bank balances

	As of March 31, 2019	As of March 31, 2018
Restricted cash*	16,893	13,623
Earmarked bank balances - unpaid dividend	110	70
Term deposits with bank	273	2,119
Margin money deposits#	1,658	1,342
	18,934	17,154

*It represents cash received from subscriber of mobile commerce services.

#Margin money deposits represents amount given as collateral for legal cases and / or bank guarantees for disputed matters.

(Note 17 of the annual consolidated financial statements)

9. Dividend paid and proposed

	For the year ended March 31, 2019	For the year ended March 31, 2018
A. Declared and paid during the year:		
Interim dividend for 2018-19 : ₹ 2.50 per share (2017-18 : ₹ 2.84 per share)*	12,044	13,658
Dividend on treasury shares*	4	6
*((including dividend distribution tax 2018-19 @ 20.56% of ₹ 2,054) (2017-18 @ 20.36% of ₹ 2,311))		
Final dividend for 2017-18 : ₹ 2.50 per share (2016-17 : ₹ 1.00 per share)#	12,044	4,810
Dividend on treasury shares#	4	1
#((including dividend distribution tax @ 20.56% of ₹ 2,054 (2016- 17 @20.36% of ₹814))		
	24,096	18,475
B. Proposed dividend		
Final dividend 2017-18 : ₹ 2.50 per share	-	9,993
Dividend distribution tax for 2018-19 @ 20.56% (2017-18 @ 20.56%)	-	2,055
	-	12,048

The proposed dividend being subject to approval at respective annual general meetings, no related corresponding liability has been recognised in the respective financial years.

(Note 18 of the annual consolidated financial statements)

(All amounts are in millions of Indian Rupee; unless stated otherwise)

10. Other equity

Other components of equity

	Foreign currency translation reserve	Cash flow hedge reserve	Fair value through OCI reserve	Treasury shares	Total
As of April 1, 2017	(60,685)	133	90	(367)	(60,829)
Net losses due to foreign currency translation differences	(7,056)	-	-	-	(7,056)
Net losses on net investment hedge	(7,508)	-	-	-	(7,508)
Net losses on cash flow hedge	-	810	-	-	810
Net gains on fair value through OCI investments	-	-	115	-	115
Purchase of treasury shares	-	-	-	(424)	(424)
Exercise of share options	-	-		149	149
As of March 31, 2018	(75,249)	943	205	(642)	(74,743)
Net losses due to foreign currency translation differences*	(11,544)	-	-	-	(11,544)
Net gains on net investment hedge	2,264	-	-	-	2,264
Net losses on cash flow hedge	-	(881)	-	-	(881)
Net losses on fair value through OCI investments	-	-	(26)	-	(26)
Purchase of treasury shares	-	-	-	(248)	(248)
Exercise of share options	-	-	-	336	336
As of March 31, 2019	(84,529)	62	179	(554)	(84,842)

*During the year ended March 31, 2019 and 2018, the Group has reclassified gain of ₹ Nil and gain ₹ 60 respectively, from FCTR to statement of profit and loss on sale of foreign subsidiaries.

(Note 19 of the annual consolidated financial statements)

11. Borrowings

11.1 During the year ended March 31, 2018, the Group had issued 30,000 listed, unsecured, rated, redeemable, Non - Convertible Debentures ('NCDs'), Series I and series II of face value of ₹ 10 Lakhs each, at par aggregating to ₹ 30,000 on private placement basis, carrying interest rates 8.25% p.a. and 8.35% p.a. (payable annually) and principal repayable in year 2020 and 2021 respectively.

11.2 Security details

The Group has taken borrowings in various countries mainly for working capital, capital expenditure and refinancing of existing borrowings. The details of security provided by the Group in various countries are as follows:

	Outstanding	loan amount	
Entity	As of March 31, 2019		Security detail
Bharti Airtel Ltd.	10		Hypothecation of vehicles
Bharti Airtel Africa BV and its	3,061	21,838	Pledge of all fixed and floating assets -
subsidiaries			Kenya, Nigeria, Tanzania, Uganda and DRC.
	3,071	21,867	

(All amounts are in millions of Indian Rupee; unless stated otherwise)

11. Borrowings (contd..)

Africa operations acquisition related borrowing:

Borrowings include certain loans which have been taken to refinance the Africa acquisition related borrowing. These loan agreements prevents the Group (excluding Bharti Airtel Africa B.V, Bharti Infratel Limited, and their respective subsidiaries) to pledge any of its assets without prior written consent of the majority lenders except in certain agreed circumstances.

The USD bonds due in 2023 contains certain covenants relating to limitation on indebtedness. All bonds carry restriction on incurrence of any lien on its assets other than as permitted under the agreement, unless the bonds and guarantee are ranked pari- pasu with such indebtedness. The limitation on indebtedness covenant on the USD bonds due in 2023 is suspended as the agreed criteria for such covenants to be in force, has not been met. The debt covenants remained suspended as of the date of the authorisation of the financial statements.

These bonds along with the CHF bonds due in 2020, the Euro bonds due in 2021 and the USD bonds due in 2024 are guaranteed by Bharti Airtel Limited (intermediate parent entity). Such guarantee is considered an integral part of the bonds and therefore accounted for as part of the same unit of account.

(Note 20 of the annual consolidated financial statements)

12. Contingent liabilities and commitments

(i) Contingent liabilities

Claims against the Company not acknowledged as debt:

	As of March 31, 2019	As of March 31, 2018
(i) Taxes, duties and other demands (under adjudication / appeal /		
dispute)		
- Sales Tax and Service Tax	13,810	31,560
- Income Tax	14,088	15,712
- Customs Duty	6,684	7,646
- Entry Tax	9,951	9,878
- Stamp Duty	596	596
- Municipal Taxes	1,663	1,488
- Department of Telecom ('DoT') demands	97.794	40,778
- Other miscellaneous demands	5.545	5.164
(ii) Claims under legal cases including arbitration matters	-,	-, -
- Access charges / Port charges	12.640	10,733
- Others	2,816	2,708
	165,587	126,263

Further, refer note f (v), (vi) and (vii) below for other DoT matter.

In addition to the above, the Group's share of joint ventures and associates contingent liabilities is ₹ 28,089 and ₹ 21,816 as of March 31, 2019 and March 31, 2018 respectively.

The category wise detail of the contingent liability has been given below:-

a) Sales and Service Tax and GST

The claims for sales tax comprised of cases relating to the appropriateness of declarations made by the Group under relevant sales tax legislations which were primarily procedural in nature and the applicable sales tax on disposals of certain property and equipment items. Pending final decisions, the Group has deposited amounts under protest with statutory authorities for certain cases.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The service tax demands relate to cenvat claimed on tower and related material, levy of service tax on SIM cards and employee talk time, cenvat credit disallowed for procedural lapses and usage in excess of 20% limit.

The Goods and Services Tax (GST) demand relates to procedural compliance in regard to ewaybills.

b) Income Tax demand

Income tax demands mainly include the appeals filed by the Group before various appellate authorities against the disallowance by income tax authorities of certain expenses being claimed and non-deduction of tax at source with respect to pre-paid dealers / distributor's margin.

c) Access charges / Port charges

- (i) Despite the interconnect usage charges ('IUC') rates being governed by the Regulations issued by Telecom Regulatory Authority of India ('TRAI'); BSNL had raised a demand for IUC at the rates contrary to the regulations issued by TRAI in 2009. Accordingly, the Company and one of its subsidiaries filed a petition against the demand with the TDSAT which allowed payments to be on the existing regulations. The matter was then challenged by BSNL and is currently pending with the Hon'ble Supreme Court.
- (ii) The Hon'ble TDSAT allowed BSNL to recover distance based carriage charges. The private telecom operators have jointly filed an appeal against the said order and the matter is currently pending before the Hon'ble Supreme Court.
- (iii) BSNL challenged before TDSAT the port charges reduction contemplated by the regulations issued by TRAI in 2007 which passed its judgment in favour of BSNL. The said judgment has been challenged by the private operators in Hon'ble Supreme Court. Pending disposal of the said appeal, in the interim, private operators were allowed to continue paying BSNL as per the revised rates i.e. TRAI regulation issued in 2007, subject to the bank guarantee being provided for the disputed amount. The rates were further reduced by TRAI in 2012 which was challenged by BSNL before the Hon'ble Delhi High Court. The Hon'ble Delhi High Court, in the interim, without staying the

rate revision, directed the private operators to secure the difference between TRAI regulation of 2007 and 2012 rates by way of bank guarantee pending final disposal of appeal.

d) Customs Duty

The custom authorities, in some states, demanded custom duty for the imports of special software on the ground that this would form part of the hardware on which it was pre-loaded at the time of import. The view of the Group is that such imports should not be subject to any custom duty as it is operating software exempt from any custom duty. In response to the application filed by the Group, the Hon'ble Central Excise and Service Tax Appellate Tribunal ('CESTAT') has passed an order in favour of the custom authorities. The Group has filed an appeal with Hon'ble Supreme Court against the CESTAT order.

e) Entry Tax

In certain states, an entry tax is levied on receipt of material from outside the state. This position has been challenged by the Group in the respective states, on the grounds that the specific entry tax is ultra vires the Constitution. Classification issues have also been raised, whereby, in view of the Group, the material proposed to be taxed is not covered under the specific category.

During the year ended March 31, 2017, the Hon'ble Supreme Court of India upheld the constitutional validity of entry tax levied by few States. However, Supreme Court did not conclude certain aspects such as present levies in each State is discriminatory in nature or not, leaving them open to be decided by regular benches of the Courts. Pending disposition by the regular benches, the Group has decided to maintain status-quo on its position and hence continues to disclose it as contingent liability.

f) DoT demands

(i) Demand for license fees pertaining to computation of Adjusted Gross Revenue ('AGR') and the interest thereon, due to difference in its interpretation. The definition of AGR is sub-judice and under dispute since 2005 before the TDSAT. TDSAT had pronounced its judgment in 2015, quashed all demands raised

(All amounts are in millions of Indian Rupee; unless stated otherwise)

by DoT and directed DoT to rework the demands basis the principles enunciated in its judgment. Subsequently, the Union of India ('UOI') and the Company and its subsidiaries along with various other operators have filed appeals / cross appeals before the Hon'ble Supreme Court of India against the TDSAT judgment. In 2016, all the appeals were tagged together and Hon'ble Supreme Court has permitted DoT to raise demands with a direction not to enforce any demand till the final adjudication of the matter by Hon'ble Supreme Court. Accordingly, DoT has raised the demand basis special audit done by DoT and Comptroller and Auditor General of India. The contingent liability includes such demand and interest thereto (excluding certain contentious matters, penalty and interest thereto) for the financial years for which demand have been received.

(ii) DoT had enhanced the microwave rates by introducing slab-wise rates based on the number of carriers vide circulars issued in 2006 and 2008 from erstwhile basis being allocated frequency. The Company had challenged the matter in TDSAT wherein TDSAT set aside the circular. In 2010, DoT had challenged the order of TDSAT before the Hon'ble Supreme Court which is yet to be listed for hearing. Further, TDSAT pronounced its judgment in March 2019 in relation to Unified Licenses which provides for manner of determination of such levies and dates from which such levies can be made applicable.

The Company and one of its subsidiaries had made a provision of ₹ 21,676 until December 2018 for the period from FY 2007-08 to FY 2018-19. Subsequently, basis the recent judgment and external legal opinion the matter has been assessed to be a contingent liability and accordingly, the said provision has been reversed.

- (iii) Demands for the contentious matters in respect of subscriber verification norms and regulations including validity of certain documents allowed as proof of address / identity.
- (iv) Penalty for alleged failure to meet certain procedural requirements for EMF radiation self-certification compliance.

The matters stated above are being contested by the Company and one of its subsidiaries and based on

legal advice, the Company and one of its subsidiaries believes that it has complied with all license related regulations and does not expect any financial impact due to these matters.

In addition to the amounts disclosed in the table above, the contingent liability on DoT matters includes the following:

- (v) Post the Hon'ble Supreme Court judgment in 2011, on components of AGR for computation of license fee, based on the legal advice, the Company believes that the foreign exchange gain should not be included in AGR for computation of license fee thereon. Further as per TDSAT judgement in 2015, foreign exchange fluctuation does not have any bearing on the license fees. Accordingly, the license fee on foreign exchange gain has not been provided in the financial statements. Also, due to ambiguity of interpretation of 'foreign exchange differences', the license fee impact on such exchange differences is not quantifiable. The matter is currently pending adjudication by Hon'ble Kerala High Court, Hon'ble Tripura High Court and Hon'ble Supreme Court.
- (vi) On January 8, 2013, DoT issued a demand on the Company and one of its subsidiaries for ₹ 52,013 towards levy of one time spectrum charge which was further revised on June 27, 2018 to ₹ 84,140. The demand includes a retrospective charge of ₹ 9,090 for holding GSM spectrum beyond 6.2 MHz for the period from July 1, 2008 to December 31, 2012 and also a prospective charge of ₹ 75,050 for GSM spectrum held beyond 4.4 MHz for the period from January 1, 2013, till the expiry of the initial terms of the respective licenses.

In the opinion of the Company and one of its subsidiaries, inter-alia, the above demand amounts to alteration of financial terms of the licenses issued in the past. Based on a petition filed by the Company and one of its subsidiaries, the Hon'ble High Court of Bombay, vide its order dated January 28, 2013, has directed the DoT to respond and not to take any coercive action until the next date of hearing. The DoT has filed its reply and the matter is currently pending with Hon'ble High Court of Bombay. The Company and one of its subsidiaries, based on independent legal opinions, till date has not given any effect to the above demand.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

(vii) DoT had issued notices to the Company (as well as other telecom service providers) to stop provision of services (under 3G Intra Circle Roaming ('ICR') arrangements) in the service areas where such service providers had not been allocated 3G spectrum and levied a financial penalty of ₹ 3,500 on the Company. The Company contested the notices, in response to which TDSAT in 2014 held 3G ICR arrangements to be competent and compliant with the licensing conditions and quashed the notice imposing penalty. The DoT has challenged the order of TDSAT before the Hon'ble Supreme Court which is yet to be listed for hearing.

Guarantees:

Guarantees outstanding as of March 31, 2019 and March 31, 2018 amounting to ₹ 107,689 and ₹ 129,565 respectively, have been issued by banks and financial institutions on behalf of the Group. These guarantees include certain financial bank guarantees which have been given for subjudice matters / compliance with licensing requirements, the amount with respect to these have been disclosed under capital commitments, contingencies and liabilities, as applicable, in compliance with the applicable accounting standards. In addition to the above the Group's share of guarantees of joint ventures and associates is ₹ 901 and ₹ 891 as of March 31, 2019 and March 31, 2018 respectively.

(ii) Commitments

Capital commitments

The Group has contractual commitments towards capital expenditure (net of related advance) of ₹ 93,336 and ₹ 137,280 as of March 31, 2019 and March 31, 2018 respectively.

In addition to the above, the Group's share of capital commitments of joint ventures and associates is ₹ 2,904 and ₹ 4,126 as of March 31, 2019 and March 31, 2018 respectively.

Lease commitments

- (i) The Company's future minimum lease payments obligation as a lessee under the operating leases is ₹448,063 and ₹385,497 as of March 31, 2019 and March 31, 2018, respectively.
- (ii) The Company's future minimum lease payments obligation as a lessee under the finance leases is ₹ 66,152 and ₹ 72,254 as of March 31, 2019 and March 31, 2018, respectively.

(Note 24 of the annual consolidated financial statements)

13. Revenue from operations

	For the year ended March 31, 2019	For the year ended March 31, 2018
Service revenue	805,002	822,528
Sale of products	2,800	3,860
	807,802	826,388

(Note 25 of the annual consolidated financial statements)

14. Network operating expenses

	For the year ended March 31, 2019	For the year ended March 31, 2018
Passive infrastructure charges	98,667	79,636
Power and fuel	56,261	69,082
Repair and maintenance	36,419	34,667
Internet, bandwidth and leasedline charges	14,602	9,932
Others*	17,951	4,203
	223,900	197,520

*It includes charges towards managed service, installation, insurance and security.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

15. Sales and marketing expenses

	For the year ended March 31, 2019	For the year ended March 31, 2018
Sales commission and distribution	25,811	29,943
Advertisement and marketing	10,856	10,682
Business promotion	2,479	2,587
Other ancillary expenses	2,131	2,063
	41,277	45,275

16. Other expenses

	For the year ended March 31, 2019	For the year ended March 31, 2018
Content cost	24,646	21,067
Cost of good sold	10,855	9,994
IT expenses	4,337	7,771
Customer care expenses	5,878	6,797
Legal and professional fees	4,794	5,072
Provision for doubtful debts	(14,097)	9,007
Collection and recovery expenses	2,836	3,607
Travelling and conveyance	2,236	2,113
Bad debts written off	24,353	1,156
Charity and donation	1,292	874
(Reversal of earlier provision) / provision for diminution in value of	(163)	(282)
inventory		
Others*	16,547	9,851
	83,514	77,027

*It includes rent, printing and stationary, security, repair and maintenance expenses etc. Further, it includes political contributions amounting to ₹ 542 and ₹ 330 made under Section 182 of the Companies Act, 2013 during the year ended March 31, 2019 and 2018 respectively

17. Depreciation and amortisation

	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation	148,632	132,963
Amortisation	64,843	59,468
	213,475	192,431

18. Exceptional Items

Exceptional items comprise of the following:

- (i) For the year ended March 31, 2019:
- a. Charge of ₹ 6,399 mainly towards operating costs on network re-farming and up-gradation program
- b. Credit of ₹ 28,568 due to re-assessment of levies, based on a recent pronouncement related to the manner of determination of such levies and settlement of litigations
- c. Charge of₹ 1,368 mainly towards net integration related cost / reversal pertaining to the business combination

(All amounts are in millions of Indian Rupee; unless stated otherwise)

- d. Charge of ₹ 248 related to the early redemption of the USD 1,500 Mn 5.125% Guaranteed Senior Notes due in March 2023 (refer note 6 (e)).
- e. Credit of ₹ 8,735 Mn due to de-consolidation of APBL (refer note 6 (f)).
- (ii) For the year ended March 31, 2018:
- a. Charge of ₹ 4,372 mainly towards operating costs on network re-farming and up-gradation program
- b. Net charge of ₹3,457 relating to the translation impact in Nigeria due to transition from the administered to market based exchange rate given the underlying economic changes and other developments
- c. Provision of ₹ 1,094 taken against one major delinquent receivable
- Charge of ₹ 3,535 due to levies and taxes pertaining to internal restructuring and litigation related assessment
- e. Gain of ₹ 4,527 mainly pertaining to one of the earlier divestments

Tax expenses include:

- (a) Net benefit of ₹ 9,579 and ₹ 2,305 during the year ended March 31, 2019 and 2018 respectively on above exceptional items
- (b) Net charge of ₹ 407 and benefit of ₹ 1,779 on account of re-assessment of tax provisions for the year ended March 31, 2019 and 2018 respectively on above exceptional items.

The net impact for non-controlling interests is charge of ₹ 579 and benefit of ₹ 878 during the year ended March 31, 2019 and 2018 respectively, relating to the above exceptional items.

19. Segment Reporting

The Group's operating segments are organised and managed separately through the respective business managers, according to the nature of products and services provided and geographies in which services are provided, with each segment representing a strategic business unit. These business units are reviewed by the Chairman of the Group (Chief Operating Decision Maker - 'CODM').

The amounts reported to CODM are based on the accounting principles used in the preparation of financial

statements as per Ind AS. Segment's performance is evaluated based on segment revenue and segment result viz. profit or loss from operating activities before exceptional items and tax but including share of result of joint ventures and associates. Accordingly, finance costs / income, nonoperating (income) / expenses and exceptional items are not allocated to individual segment.

Inter-segment pricing and terms are reviewed and changed by the management to reflect changes in market conditions and changes to such terms are reflected in the period in which the changes occur.

Inter-segment revenues are eliminated upon consolidation of segments / Group accounting policy alignments are reflected in the 'Eliminations / Adjustments' column.

Segment assets / liabilities comprise assets / liabilities directly managed by each segment. Segment assets primarily includes receivables, property, plant and equipment, capital work-in-progress, intangibles assets, intangible assets under development, non-current investments, inventories and cash and cash equivalents. Segment liabilities primarily include operating liabilities. Segment capital expenditure comprises of additions to PPE, CWIP, intangible assets, intangible assets under development and capital advances.

The reporting segments of the Group are as below:

Mobile Services India: These services cover voice and data telecom services provided through wireless technology (2G / 3G / 4G) in India. This includes the captive national long distance networks which primarily provide connectivity to the mobile services business in India. This also includes intra-city fibre networks.

Mobile Services Africa: These services cover provision of voice and data telecom services provided through wireless technology (2G / 3G / 4G) offered to customers in Africa. This also includes corporate headquarter costs of the Group's Africa operations.

Mobile Services South Asia: These services cover voice and data telecom services provided through wireless technology (2G / 3G) in Sri Lanka and Bangladesh.

Airtel Business: These services cover end-to-end telecom solutions being provided to large Indian and global corporations by serving as a single point of contact for all

(All amounts are in millions of Indian Rupee; unless stated otherwise)

telecommunication needs across data and voice (domestic as well as international long distance), network integration and managed services.

Tower Infrastructure Services: These services include setting up, operating and maintaining wireless communication towers in India.

Homes Services: These services cover voice and data communications through fixed-line network and broadband technology for homes.

Digital TV Services: This includes digital broadcasting services provided under the direct-to-home platform.

Others: It includes certain other strategic investment in joint venture/associates, and administrative support services provided to other segments.

Unallocated: It includes expenses / results, assets and liabilities primarily of corporate headquarters of the Group, non-current investment, current taxes, deferred taxes, borrowings and certain financial assets and liabilities, not allocated to the operating segments.

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(All amounts are in millions of Indian Rupee; unless stated otherwise)

Summary of the segmental information for the year ended and as of March 31, 2019 is as follows:

			Mahila								
	Mobile Services India	Mobile Services Africa	Services South Asia	Airtel Business	Tower Infrastructure Services	Homes Services	Digital TV Services	Others#	Unallocated	Eliminations/ Adjustments	Total
Revenue from external customers	394,707	210,333	4,199	103,235	32,047	22,235	40,935	867		(756)	807,802
Inter-segment revenue	20,833	4,695	237	21,302	36,138	156	66	296	ı	(83,723)	T
Total revenue	415,540	215,028	4,436	124,537	68,185	22,391	41,001	1,163	1	(84,479)	807,802
Share of results of joint ventures and	4	(2)	1	1	10,172	Υ Υ	1	(5,324)	1	(1,292)	3,556
associates Segment results	(57,507)	52,100	(1,069)	27,466	31,429	3,333	7,410	(7,228)	(1,726)	(3,026)	51,182
Finance costs											110,134
Finance income Non-operating											(14,240) 1,894
expenses (net)											
Exceptional items (net) (refer note 18)											(29,288)
Loss before tax											(17,318)
Other segment items											
Capital expenditure	235,770	50,846	1,228	18,986	9,107	8,931	8,791	41		(5,769)	327,931
Depreciation and amortisation	150,991	31,234	1,196	13,014	10,658	7,453	8,275	50	11	(9,407)	213,475
As of Macrh 31, 2019											
Segment assets*	1,700,637	570,021	6,774	149,445	169,693	45,889	31,234	37,927	133,120	(92,765)	2,751,975
Segment liabilities [*] Investment in	408,088 66	110,986 230			22,303 52,479	21,729 3	35,423	2,181 36,159	1,313,444	(101,399) -	1,902,495 88,937
joint ventures and											
in segment assets											
above)											
#Refer Note 6(f)											

	Mobile Services India	Mobile Services Africa	Mobile Services South Asia	Airtel Business	Tower Infrastructure Services	Homes Services	Digital TV Services	Others	Unallocated	Eliminations/ Adjustments	Total
Revenue from external customers	441,295	186,074	3,783	98,244	33,221	25,056	37,505	1,199		11	826,388
counter-segment Inter-segment revenue	21,344	4,999	262	15,322	33,063	209	65	2,810	,	(78,074)	,
Total revenue	462,639	191,073	4,045	113,566	66,284	25,265	37,570	4,009	1	(78,063)	826,388
Share of results of joint ventures and associates	Q	205	1		13,025	က		(1,421)	1	(1,209)	10,609
Segment results	20,835	35,884	(1,268)	31,029	33,477	4,720	5,306	(4,097)	(1,679)	(2,750)	121,457
Finance costs											93,255
Finance income											(12,540)
Non-operating expenses, (net)											141
Exceptional items (refer note 18)											7,931
Profit before tax											32,670
Other segment items											
Capital expenditure	198,280	28,366	2,066	14,263	11,307	11,129	10,277	267	6,257	(7,498)	274,714
Depreciation and amortisation As of March 31, 2018	129,545	30,480	1,276	11,372	11,801	7,057	8,915	22	н ,	(8,070)	192,432
Segment assets*	1,515,169	508,049	6,839	154,920	199,273	44,251	26,120	39,261	88,578	(76,643)	2,505,817
Segment liabilities* Investment in	317,043 57	115,039 226	2,622	76,378	22,400 58,110	19,866 3	33,964 -	8,328 28,443	1,210,172 -	(83,479) -	1,722,333 86,839
joint ventures and associates (included in segment assets above)											

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(All amounts are in millions of Indian Rupee; unless stated otherwise)

Geographical information:*

Information concerning geographical areas by location of the entity is as follows:

(a) Revenue from external customers:

	For the year ended March 31, 2019	For the year ended March 31, 2018
India	573,002	619,000
Africa	210,333	186,074
Others	24,467	21,314
	807,802	826,388

(b) Non-current assets:

	As of	As of
	March 31, 2019	March 31, 2018
India	1,608,066	1,503,452
Africa	470,490	448,314
Others	27,040	18,897
	2,105,596	1,970,663

*Basis location of entity.

Non-current operating assets for this purpose consist of PPE, CWIP, intangible assets, intangible assets under development, capital advances and goodwill.

20 Related party disclosures

(a) List of related parties

i. Ultimate controlling entity (w.e.f. November 3, 2017)

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

ii. Entity having control over the Company (w.e.f. November 3, 2017)*

Bharti Telecom Limited *significant influence until November 2, 2017

- iii. For list of subsidiaries, joint venture and associates refer note no. 22.
- iv. Other entities with whom transactions have taken place during the reporting periods
 - Entities having significant influence over the Company
 - Pastel Limited

Singapore Telecommunications Limited

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

a) Subsidiaries

Bharti Axa General Insurance Company Limited

Bharti Axa Life Insurance Company Limited

Bharti Enterprises Limited

Bharti Insurance Holdings Private Limited (Merged with Bharti Airtel Enterprises (Holdings) Private Limited w.e.f. 18th October, 2018)

Cedar support Services Limited (Merged with Bharti Airtel Enterprises (Holdings) Private Limited w.e.f. 18th October, 2018)

b) Associates

Bharti General Ventures Private Limited Bharti Life Ventures Private Limited

(All amounts are in millions of Indian Rupee; unless stated otherwise)

- Others related parties*
 - a) Entities where Key Management Personnel and their relatives exercise significant influence

Bharti Airtel Employees Welfare Trust Bharti Foundation Hike Private Limited (formerly known as Hike Limited)

b) Others

Bharti Land Limited Bharti Realty Holdings Limited Bharti Realty Limited Bharti Support Services Private Limited (Merged with Bharti Airtel Enterprises (Holdings) Private Limited w.e.f. 18th October, 2018) Brightstar Telecommunication India Limited Centum Learning Limited Centum Work skills India Limited Deber Technologies Private Limited Fieldfresh Foods Private Limited Gourmet Investments Private Limited Indian Continent Investment Limited Jersey Airtel Limited Nile Tech Limited Oak Infrastructure Developers Limited

* **'Other related parties'** though not 'Related Parties' as per the definition under Ind AS 24, Related party disclosures have been included by way of a voluntary disclosure, following the best corporate governance practices.

v. Key Management Personnel ('KMP')

Sunil Bharti Mittal Gopal Vittal Raghunath Mandava

In the ordinary course of business, there are certain transactions among the group entities. However, the intra-group transactions and balances, and the income and expenses arising from such transactions, are eliminated on consolidation. The significant transactions with balance related parties for the years ended March 31, 2019 and 2018 respectively, are described below:

(b) The summary of transactions with the above mentioned parties is as follows:

	For	the year ended	For the year ended March 31, 2019		For	the year ended	For the year ended March 31, 2018	
Relationship	Significant influence entities	Associates	Joint ventures	ORP / FC*	Significant influence entities	Associates	Joint ventures	ORP / FC*
Purchase of assets		•	(334)	(856)				(2,761)
Sale / rendering of services	983	105	121	153	1,022		44	343
Purchase of goods / receiving of services	(200)	(287)	(43,647)	(2,985)	(217)	(20)	(39,977)	(3,504)
Reimbursement of energy expenses			(24,764)	(1)			(26,869)	
Dividend paid	(13,013)			(414)	(9,777)			(496)
Dividend received		,	(11, 261)		'	'	10,010	,
*Other related parties / fellow companies								

(All amounts are in millions of Indian Rupee; unless stated otherwise)

(c) The outstanding balances are as follows:

	Significant influence entities	Associates	Joint ventures	ORP / FC*
As of March 31, 2019				
Trade payables	(219)	(71)	(21,566)	(227)
Trade receivables	-	406	-	54
Security deposit	2	-	4,604	1,214
As of March 31, 2018				
Trade payables	(117)	(31)	(11,193)	(139)
Trade receivables	-	-	-	102
Security deposit		-	3,934	1,070

*Other related parties / fellow companies

- (1) Outstanding balances at period end are un-secured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.
- (2) In addition to the above, ₹ 544 and ₹ 410 donation has been given to Bharti Foundation during the year ended March 31, 2019 and 2018 respectively.

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director, whether executive or otherwise. Remuneration to key management personnel were as follows:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Short-term employee benefits	339	317
Performance linked incentive ('PLI')#	211	160
Post-employment benefits	28	28
Share-based payment	55	62
	633	567

Value of PLI considered above represents incentive at 100% performance level. However, same will be paid on the basis of actual performance parameters in next year. Additional provision of ₹ Nil and ₹ 21 has been recorded in the books towards PLI for the year ended March 31, 2019 and 2018 respectively. During the year ended March 31, 2019, PLI of ₹188 (March 31, 2018: ₹164) pertaining to previous year has been paid.

In addition to above, ₹ 1,888 thousand and ₹ 1,122 thousand for the year ended March 31, 2019 and 2018 respectively have been paid as dividend to key management personnel.

As the liabilities for the gratuity and compensated absences are provided on an actuarial basis, and calculated for the Company as a whole rather than each of the individual employees, the said liabilities pertaining specifically to KMP are not known and hence, not included in the above table.

21. Other Matters

(i) In 1996, the Company had obtained the permission from DoT to operate its Punjab license through one of its wholly owned subsidiary. However, DoT cancelled the permission to operate in April, 1996 and subsequently reinstated in March, 1998. Accordingly, for the period from April,1996 to March, 1998 ('blackout period') the license fee was disputed and not paid by the Company.

(All amounts are in millions of Indian Rupee; unless stated otherwise)

21. Other Matters (contd..)

Subsequently, basis the demand from DoT in 2001, the Company paid the disputed license fee of ₹ 4,856 for blackout period under protest. Consequently, the license was restored subject to arbitrator's adjudication on the dispute. The arbitrator adjudicated the matter in favour of DoT, which was challenged by the Company before Hon'ble Delhi High Court. In 2012, Hon'ble Delhi High Court passed an order setting aside the arbitrator's award, which was challenged by DoT and is pending before its division bench. Meanwhile, the Company had filed a writ petition for recovery of the disputed license fee and interest thereto. However, the single bench, despite taking the view that the Company is entitled to refund, dismissed the writ petition on the ground that the case is still pending with the larger bench. The Company therefore has filed appeal against the said order with division bench and is currently pending. DoT had also filed an appeal against the single judge order. Both these appeals are tagged together and are listed for final hearing. The Hon'ble court has directed both the parties to file comprehensive written submission.

(ii) TRAI vide Telecom Interconnect Usages Charges Regulation (Eleventh Amendment) 2015 has reduced the IUC charges for mobile termination charges to 14 paisa from 20 paisa and abolished the fixed-line termination charges. The Company has challenged the said Regulation before the Hon'ble Delhi High Court and the matter is currently pending.

22 Additional information as required under Schedule III of the Companies Act, 2013

ŝ	S. Name of the entity / Principal activities	% of	Principal place			March 31, 2019	6		
°N N		shareholding as at	of operation	Net Assets ('N A'), i.e.,	N A'), i.e.,	Share in profit or loss	or loss	Share in total	otal
		March 31, 2019 and	/ country of	/ country of total assets minus total	iinus total	(, T84,)		comprehensive	nsive
		2018	incorporation	liabilities	es			income ('TCI')	rcı')
		(Refer note 1 and 2)		As % of	Amount	As % of Amount	Amount	As % of Amount	Amount
				consolidated		consolidated		ī	
				A N		P&L			
	Parent								
	- Telecommunication services								
1	Bharti Airtel Limited	100%	India	115.79%	983,593	(446.67%) (18,290)	(18,290)	297.23% (18,194)	(18,194)

	- Telecommunication services									
-	Bharti Airtel Limited	100%	India	115.79%	983,593	(446.67%) (18,290)	(18, 290)	297.23% (18,194)	(18, 194)	
	Subsidiaries									
	A. Indian									
	- Telecommunication services									
Ļ	Bharti Hexacom Limited	70%	India	6.79%	57,676	(176.33%)	(7,220)	117.90%	(7,217)	
2	Nxtra Data Limited	100%	India	0.06%	469	11.56%	473	(7.75%)	474	
m	Smartx Services Limited	53.51% (i)	India	0.00%	(2)	(0.92%)	(37)	0.61%	(37)	
4	Telesonic Networks Limited	100%	India	0.09%	761	3.55%	145	(2.39%)	146	
Ŋ	Wynk Limited	100%	India	0.06%	491	(1.49%)	(61)	1.00%	(61)	
0	Bharti Digital Networks Private Limited (Formerly known as	100%	India	(1.67%)	(14,187)	(9.26%)	(379)	6.19%	(379)	
	Tikona Digital Networks Private Limited)									
	- Direct To Home services									
7	Bharti Telemedia Limited	80% (ii)	India	(1.35%)	(11,495)	329.63%	13,498	(220.56%)	13,501	
	 Infrastructure sharing services 									
\vdash	Bharti Infratel Limited	53.51% (i)	India	11.71%	99,461	323.46%	13,245	(216.03%)	13,224	
	- Investment Company									
\vdash	Nettle Infrastructure Investments Limited	100%	India	(1.28%)	(10, 864)	268.13%	10,979	110.88%	(6,787)	
	- Mobile commerce services									
7	Airtel Payments Bank Limited (Has become associate w.e.f 25th	80.10%	India	0.00%	'	(45.15%)	(1, 849)	30.24%	(1, 851)	
	Oct, 2018)									
	- Other									
7	Bharti Airtel Services Limited	100%	India	(0.03%)	(287)	0.54%	22	(0.49%)	30	
0	Airtel International LLP (incorporated w.e.f. March 27, 2019)	100%	India	0.00%	'	0.00%		0.00%	I	
	- Uplinking channels for broadcasters									
-	Indo Teleports Limited	100%	India	(0.07%)	(591)	(0.75%)	(31)	0.50%	(31)	
	B. Foreign									
	 Infrastructure sharing services 									
\vdash	Africa Towers Services Limited #	100%	Kenya	0.00%	0	(0.01%)	(1)	0.01%	(1)	
0	Congo RDC Towers S.A.	100%	Democratic	(0.07%)	(298)	0.03%	1	(0.02%)	1	
		R	Republic of Congo							

ပ်	Name of the entity / Principal activities	% of	Principal place			March 31, 2019	19		
No.		shareholding as at March 31, 2019 and 2018	of operation / country of incorporation	Net Assets ('N A'), i.e., total assets minus total liabilities	l A'), i.e., nus total ss	Share in profit or loss ('P&L')	t or loss	Share in total comprehensive income ('TCI')	i total iensive ('TCI')
		(Refer note 1 and 2)		As % of consolidated N A	Amount	As % of consolidated P&L	Amount	As % of TCI	Amount
m	Gabon Towers S.A. ##	97.95%(v)	Gabon	0.00%	(1)	0.00%	0	0.00%	0
4	Madagascar Towers S.A.	100%	Madagascar	0.07%	591	7.96%	326	(5.32%)	326
Ŋ	Malawi Towers Limited	100%	Malawi	(0.04%)	(307)	42.52%	1,741	(28.44%)	1,741
0	Tanzania Towers Limited	60%	Tanzania	0.00%	(34)	(0.04%)	(1)	0.02%	(1)
,	- Investment Company								
- (Africa Towers N.V.	100%	Netherlands	(0.06%)	(550)	(1.92%)	(62)	1.28%	(20)
~ (Airtei Mobile Commerce B.V.	%00T	Netherlands	(%TO:O)	(0A)	(0,78%) 0.000/	(32)	0%2C.U	(32)
m "	Airtel Mobile Commerce Holdings B.V.	100%	Netherlands	0.00%		0.00%		0.00%	- ~ ~ ~
4	Airtei Airica iviauritius Limitea (incorporatea we.r. June 26, 2018)	0600T	INIAURITIUS	L /.33%0	14 /, Z4 I	(%TO:O)	(T)	%TO.0	(T)
Ц	Airtal Africal invitad (incorraciated week high 10, 2010)	(!!!)/901009	Inited Kinedom	70 E606	207 507	70CV V	101	(7000)	101
n u	Airtei Airita Lirriiteu (iritoupurateu we.i. July 12, 2010) Airtei Mahila Commerce Nineris BV/(incornorsted w.e.f. 5th	/III)0% TC'00	Natharlands	060007	242,J97	4.43%	TOT	(060E.Z)	TOT
C	An territobile Continued of Ingenia provinced polated w.c.t. Jun December: 2018)	2-00T		2000	$\tilde{\mathbf{O}}$	0.00.0		02-00-00	
	Airtel Mobile Commerce (Sevchelles) B.V. (incorporated w.e.f.	100%	Netherlands	0.00%	(0)	0.00%		0.00%	
	29th January, 2019)								
00	Airtel Mobile Commerce Congo B.V. (incorporated w.e.f. 29th	100%	Netherlands	0.00%	0	0.00%		0.00%	
	January, 2019)								
σ	Airtel Mobile Commerce Kenya B.V. (incorporated w.e.f. 29th	100%	Netherlands	0.00%	0	0.00%		%00.0	
	January, 2019)								
10	Airtel Mobile Commerce Madagascar B.V. (incorporated w.e.f.	100%	Netherlands	0.00%	(0)	0.00%		%00.0	
	29th January, 2019)								
11	Airtel Mobile Commerce Malawi B.V. (incorporated w.e.f. 29th	100%	Netherlands	0.00%	0)	%00.0		%00.0	
	January, 2019)								
12		100%	Netherlands	0.00%	0)	%00.0		0.00%	
	January, 2019)								
13	Airtel Mobile Commerce Tchad. B.V. (incorporated w.e.f. 29th	100%	Netherlands	0.00%	0)	%00.0		%00.0	,
	January, 2019)								
14		100%	Netherlands	0.00%	(0)	%00.0	·	0.00%	·
	January, 2019)								
15		100%	Netherlands	0.00%	(0)	0.00%		0.00%	
17	Bharti Airtel Airica B.v. Bharti Airtel Burkina Faso Holdings B.V.#	100% 100%	Netherlands	0.00% 0.00%	104,648 (0)	90.37% (1218.86%)	3,940 (49,909)	(04.47%) 815.35%	3,940 (49,909)

Ś	Name of the entity / Principal activities	% of	Principal place			March 31, 2019	6		
No.		shareholding as at	of operation	Net Assets ('N A'), i.e.,	4 A'), i.e.,	Share in profit or loss	: or loss	Share in total	otal
		March 31, 2019 and 2018	/ country of incorporation	total assets minus total liabilities	inus total es	('P&L')		comprehensive income ('TCI')	nsive TCI')
		(Refer note 1 and 2)		As % of consolidated N A	Amount	As % of consolidated P&L	Amount	As % of Amount TCI	Amount
10	Bharti Airtel Chad Holdings B.V.	100%	Netherlands	(0.03%)	(287)	10.17%	417	(0%08)	417
19		100%	Netherlands	0.77%	6,561	1.83%	75	(1.23%)	75
20		96.36%	Zambia		1	0.00%		0.00%	
21	Bharti Airtel Holding (Mauritius) Limited (incorporated w.e.f. June 27, 2018)	100%	Mauritius	0.01	11,192	(0.01%)	(1)	0.01%	(1)
22		100%	Mauritius	0.01	5,790	(0.01%)	(1)	0.01%	(1)
23		100%	Netherlands	1.07%	9.078	1.89%	78	(1.27%)	78
24		100%	Mauritius	1.99%	16,945	13.60%	557	(0.10%)	557
25		100%	Netherlands	50.75%	431,142	136.45%	5,587	(91.28%)	5,587
26	Bharti Airtel Kenya B.V.	100%	Netherlands	(2.32%)	(19,667)	(%26.69)	(2,865)	46.81%	(2,865)
27	Bharti Airtel Kenya Holdings B.V.	100%	Netherlands	(0.35%)	(2,977)	(3.53%)	(144)	2.36%	(144)
28	Bharti Airtel Madagascar Holdings B.V.	100%	Netherlands	(0.46%)	(3,926)	(25.17%)	(1,031)	16.84%	(1,031)
29	Bharti Airtel Malawi Holdings B.V.	100%	Netherlands	0.21%	1,786	32.82%	1,344	(21.95%)	1,344
30	Bharti Airtel Mali Holdings B.V.	100%	Netherlands	0.01%	49	(0.57%)	(23)	0.38%	(23)
31	Bharti Airtel Niger Holdings B.V.	100%	Netherlands	1.62%	13,734	37.32%	1,528	(24.97%)	1,528
32		100%	Netherlands	(8.96%)	(76,129)	(178.05%)	(7, 291)	119.10%	(7,291)
33	Bharti Airtel Nigeria Holdings II B.V.	100%	Netherlands	(0.01%)	(114)	0.00%	0)	0.00%	0
34	Bharti Airtel RDC Holdings B.V.	100%	Netherlands	(0.11%)	(920)	(20.07%)	(2,869)	46.87%	(2,869)
35		100%	Mauritius	0.00%	(21)	(5.26%)	(215)	3.52%	(215)
36	Bharti Airtel Services B.V.	100%	Netherlands	(0.06%)	(519)	(1.20%)	(49)	0.80%	(49)
37	Bharti Airtel Tanzania B.V.	100%	Netherlands	(0.47%)	(4,000)	28.28%	1,158	(18.92%)	1,158
80 00 00	Bharti Airtel Uganda Holdings B.V.	100%	Netherlands	(0.82%)	(6,962)	92.58%	3,791	(61.93%)	3,791
39	Bharti Airtel Zambia Holdings B.V.	100%	Netherlands	4.02%	34,190	77.41%	3,170	(51.78%)	3,170
40	Celtel (Mauritius) Holdings Limited	100%	Mauritius	0.32%	2,712	5.75%	235	(3.85%)	235
41	Channel Sea Management Company (Mauritius) Limited	100%	Mauritius	0.00%	34	(0.03%)	(1)	0.02%	(1)
42	Indian Ocean Telecom Limited	100%	Jersey	0.15%	1,296	12.00%	491	(8.03%)	491
43	Montana International	100%	Mauritius	0.00%	(15)	(0.01%)	0	0.01%	0)
44	Partnership Investments Sarl	100%	Democratic		1	0.00%		0.00%	
			Republic of Congo						
45	Société Malgache de Téléphone Cellulaire S.A.	100%	Mauritius	0.01%	119	(0.02%)	(1)	0.02%	(1)
46	Bharti Airtel International (Mauritius) Investments Limited	100%	Mauritius	0.00%	0	(0.02%)	(1)	0.01%	(1)
	- Mobile commerce services								

ပ	Name of the entity / Principal activities	% of	Principal place			March 31, 2019	6		
No		shareholding as at March 31, 2019 and 2018	of operation / country of incorporation	Net Assets ('N A'), i.e., total assets minus total liabilities	۲ A'), i.e., inus total es	Share in profit or loss ('P&L')	t or loss	Share in total comprehensive income ('TCI')	otal nsive TCI')
		(Refer note 1 and 2)		As % of consolidated N A	Amount	As % of consolidated P&L	Amount	As % of TCI	Amount
1	Airtel Mobile Commerce (Kenya) Limited	100%	Kenya	0.00%	0	0.00%		0.00%	1
0	Airtel Mobile Commerce (Seychelles) Limited	100%	Seychelles	0.00%	(34)	(0.07%)	(3)	0.04%	(3)
С	Airtel Mobile Commerce (Tanzania) Limited	100%	Tanzania	0.00%	0	0.00%		0.00%	
4	Airtel Mobile Commerce Limited	100%	Malawi	0.00%	0	0.00%		0.00%	
ß	Airtel Mobile Commerce Madagascar S.A.	100%	Madagascar	0.01%	68	0.80%	33	(0.54%)	33
9	Airtel Mobile Commerce Rwanda Limited	100%	Rwanda	0.00%	1	0.00%		0.00%	
4	Airtel Mobile Commerce Tchad S.a.r.l.	100%	Chad	0.00%	0	0.00%		0.00%	
00	Airtel Mobile Commerce Uganda Limited	100%	Uganda	0.00%	0	0.00%		0.00%	
თ	Airtel Mobile Commerce Zambia Limited	100%	Zambia	0.00%	29	12.83%	526	(8.59%)	526
10	Airtel Money (RDC) S.A.	100%	Democratic	0.10%	833	16.47%	674	(11.02%)	674
			Republic of Congo						
11	Airtel Money Niger S.A.	%06	Niger	0.00%	74	3.11%	127	(2.08%)	127
12	Airtel Money S.A. (Gabon)	100%	Gabon	0.11%	950	20.09%	823	(13.44%)	823
13	Airtel Money Transfer Limited	100%	Kenya	0.00 %	14	0.00%	0	0.00%	0)
14	Mobile Commerce Congo S.A.	100%	Congo	0.00%	1	0.00%		0.00%	ı
			Brazzaville						
15	Airtel Money Tanzania Limited	60.04%	Tanzania	0.00%	0)	(0.01%)	0	0.01%	0)
16	Airtel Mobile Commerce Nigeria Limited	91.77%(iv)	Nigeria			0.00%		0.00%	
	- Submarine Cable System								
-	Network i2i Limited	100%	Mauritius	13.58%	115,398	7.75%	318	(5.19%)	318
	 Telecommunication services 								
-	Airtel (Seychelles) Limited	100%	Seychelles	0.06%	527	4.49%	184	(3.01%)	184
7	Airtei Congo (RUC) S.A.	98.50%		(0/1/./0)	(074,740)	43.44%	Т,//У	(%90.67)	1,779
Ċ.	Airtel Congo S A	%Ub	Kepublic of Condo Condo	(114%)	(9662)	(%)2 80%)	(1139)	18 60%	(1139)
			Brazzaville						
4	Airtel Gabon S.A.	97.95%(v)	Gabon	(0.55%)	(4,698)	14.75%	604	(0/36%)	604
ſŊ	Airtel Madagascar S.A.	100%	Madagascar	(0.86%)	(7,335)	(37.94%)	(1,553)	25.38%	(1, 553)
9	Airtel Malawi Limited	100%	Malawi	%60.0	794	8.17%	335	(5.47%)	335
2	Airtel Networks Kenya Limited @	100%	Kenya	(3.49%)	(29,686)	(48.06%)	(1,968)	32.15%	(1,968)
00	Airtel Networks Limited	91.77%(iv)	Nigeria	1.23%	10,431	656.45%	26,880	(439.13%)	26,880
თ	Airtel Rwanda Limited	100%	Rwanda	(1.94%)	(16,493)	(80.94%)	(3,314)	54.15%	(3,314)

Notes to Abridged Consolidated Financial Statements (All amounts are in millions of Indian Rupee; unless stated otherwise)

Table 1 - Details pertaining to share in net assets, profit or loss and total comprehensive income

Ś	Name of the entity / Principal activities	% of	Principal place			March 31, 2019	6		
Чо		shareholding as at March 31, 2019 and	of operation / country of	Net Assets ('N A'), i.e., total assets minus total	N A'), i.e., ninus total	Share in profit or loss ('P&L')	: or loss	Share in total comprehensive	otal nsive
		2018	incorporation	liabilities	ies			income ('TCI')	TCI')
		(Refer note 1 and 2)		As % of	Amount	As % of	Amount	As % of Amount	Amount
				consolidated N A		consolidated P&L		ī	
10	Airtel Tanzania Public Limited Company	60%	Tanzania	(3.44%)	(29,256)	(32.91%)	(1,348)	22.02%	(1,348)
	(Formerly known as Airtel Tanzania Limited)								
11	Airtel Tchad S.A.	100%	Chad	(0.65%)	(5,550)	(14.68%)	(601)	9.82%	(601)
12	Airtel Uganda Limited	100%	Uganda	0.39%	3,334	162.60%	6,658	(108.77%)	6,658
13	Bharti Airtel (France) SAS	100%	France	0.07%	582	5.42%	222	(3.63%)	222
14	Bharti Airtel (Hong Kong) Limited	100%	Hong Kong	0.02%	184	4.18%	171	(2.79%)	171
15	Bharti Airtel (Japan) Private Limited	100%	Japan	0.00%	Q	(0.05%)	(2)	0.03%	(2)
16	Bharti Airtel (UK) Limited	100%	United Kingdom	0.10%	831	6.11%	250	(%00%)	250
17	Bharti Airtel (USA) Limited	100%	United States of	0.10%	866	3.68%	151	(2.46%)	151
			America						
18	Bharti Airtel Lanka (Private) Limited	100%	Sri Lanka	(0.04%)	(319)	(39.61%)	(1,622)	26.57%	(1,627)
19	Bharti International (Singapore) Pte. Ltd.	100%	Singapore	1.70%	14,467	(8.60%)	(352)	5.75%	(352)
20	Celtel Niger S.A.	%06	Niger	0.03%	267	(23.56%)	(365)	15.76%	(365)
21	Airtel Networks Zambia Plc	96.36%	Zambia	(0.18%)	(1,544)	2.02%	83	(1.35%)	83
22	Tigo Rwanda Limited (merged with Airtel Rwanda Ltd w.e.f July	100%	Rwanda	0.00%	ı	1.66%	68	(1.11%)	68
	3, 2018)								
	Minority Interests in all subsidiaries			15.92%	135,258	(312.09%)	(12,780)	163.78%	(10,026)
	Associates (Investment as per the equity method)								
	A. Indian								
	- Financial Services								
1	Seynse Technologies Private Limited	22.54%	India	0.02%	205	(0.40%)	(16)	0.27%	(16)
	- Mobile commerce services								
Ч	Airtel Payments Bank Limited (W.e.f 25th Oct, 2018)	80.10%	India	1.21%	10,283	(30.15%)	(1, 235)	20.17%	(1, 235)
	- Others								
1	Juggernaut Books Private Limited	19.35%(vi)	India	0.01%	108	(0.23%)	(10)	0.16%	(10)
	B. Foreign								
	- Submarine cable system								
Ч	Seychelles Cable Systems Company Limited	26%	Seychelles	0.03%	230	(0.17%)	(2)	0.11%	(2)
	 Telecommunication services 								
1	Robi Axiata Limited	25%	Bangladesh	2.81%	23,886	29.14%	1,193	(19.33%)	1,183
	Joint Ventures (Investment as per the equity method)								

Notes to Abridged Consolidated Financial Statements (All amounts are in millions of Indian Rupee; unless stated otherwise)

Table 1 - Details pertaining to share in net assets, profit or loss and total comprehensive income

	S. Name of the entity / Principal activities	% of	Principal place			March 31, 2019	6		
No		shareholding as at	of operation	Net Assets ('N A'), i.e.,	'N A'), i.e.,	Share in profit or loss	or loss	Share in total	total
		March 31, 2019 and	/ country of	total assets minus total	ninus total	(יואאַרי)		comprehensive	ensive
		2018	incorporation	liabilities	ties			income ('TCI')	('ICI')
		(Refer note 1 and 2)		As % of consolidated N A	Amount	As % of consolidated P&L	Amount	As % of Amount TCI	Amoun
	A. Indian								
	- Passive infrastructure services								
_	Indus Towers Limited	22.47%	India	6.18%	52,482	216.83%	8,879	(145.01%)	8,876
	- Telecommunication services								
	FireFly Networks Limited	20%	India	0.00%	m	0.01%	0	(0.01%)	0
	B. Foreign								
	- Provision of regional mobile services								
7	Bridge Mobile Pte Limited	10%	Singapore	0.01%	66	0.10%	4	(%20.0)	7
	- Telecommunication services								
1	Bharti Airtel Ghana Holdings B.V.	20%	Netherlands	0.20%	1,676	(128.28%)	(5,253)	85.82%	(5,253)
	Inter-company eliminations / adjustments on consolidation				(1,379,832)		15,692		20,418
	Total			100%	849,480	100%	4.095	100%	(6,121)

Notes to Abridged Consolidated Financial Statements (All amounts are in millions of Indian Rupee; unless stated otherwise)

Table 2 - Details pertaining to share in other comprehensive income.

2018 country of income (' (Refer note 1 and 2) incorporation As % of OCI	
Parent Telecommunication services	
1 Bharti Airtel Limited 100% India (0.94%) Subsidiaries	96
- Indian - Telecommunication services	
1 Bharti Hexacom Limited 70% India (0.03%)	3
2 Nxtra Data Limited 100% India (0.01%)	1
3 Telesonic Networks Limited 100% India (0.01%)	1
4 Wynk Limited 100% India 0.00%	(0)
- Direct To Home services	
1 Bharti Telemedia Limited 80% (ii) India (0.03%)	3
- Infrastructure sharing services	
1 Bharti Infratel Limited 53.51% (i) India 0.21%	(21)
- Investment Company	
1 Nettle Infrastructure Investments Limited 100% India 173.92% - Other 100% 100% 100% 100%	(17,766)
1 Bharti Airtel Services Limited 100% India (0.08%)	8
- Mobile commerce services	
Airtel Payments Bank Limited (Has become80.10%India0.02%Airtel Payments Bank Limited (Has become80.10%India0.02%	(3)
associate w.e.f 25th Oct, 2018) - Foreign	
- Telecommunication services	
1 Bharti Airtel Lanka (Private) Limited 100% Sri Lanka 0.05%	(5)
Minority Interests in all subsidiaries (26.96%)	2,754
Associates (Investment as per the equity	
method)	
A. Foreign	
- Telecommunication services	
1 Robi Axiata Limited 25% Bangladesh 0.10%	(10)

Notes to Abridged Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Table 2 - Details pertaining to share in other comprehensive income.

S. I No.	Name of the entity	% of shareholding as at March 31, 2019 and 2018 (Refer note 1 and 2)	Principal place of operation / country of incorporation	compreh income (other ensive 'OCI')
1	Joint Ventures (Investment as per the equity method) A. Indian - Passive infrastructure services Indus Towers Limited Inter-company eliminations / adjustments on consolidation Total	22.47% (i)	India	0.02% 100%	(2) 4,726 (10,215)

Notes:

1 - Changes in shareholding during the year ended March 31, 2019:

i) The Company has reduced its shareholding to 53.51% (53.54% in March 31, 2018) during the year ended March 31, 2019.

ii) The Company has reduced its shareholding to 80% (95% in March 31, 2018) during the year ended March 31, 2019.

iii) The Company has reduced its shareholding to 68.31% during the year ended March 31, 2019.

iv) The Company has increased its shareholding to 91.77% (83.25% in March 31, 2018) during the year ended March 31, 2019.

v) The Company has increased its shareholding to 97.95% (90% in March 31, 2018) during the year ended March 31, 2019.

vi) The Company has increased its shareholding to 19.35% (10.71% in March 31, 2018) during the year ended March 31, 2019.

2 - Others

Liquidated during the year ended March 31, 2019

Under liquidation

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

The figures which are appearing as '0' are result of rounding off.

% of shareholding	100%	100%	100%	100%	100%	100%	100%	100%	100%	70%	100%	53.51%	53.51%	80%	100%	100%	100%	100%	100%	100%
Community Contribution @ ^				Q						46		545	,	37	,	1				
Capital Expenditure (during the reporting period @	165	ŋ		626	209	147	391		1,477	14,109	5	9,037	72	8,678	7,360	233	3,656	247		
Proposed Dividend**	- A 											16,723								
Profit/ (Loss) After Taxation	222	169	(2)	22	247	151	(326)	551	(1,622)	(7,220)	(31)	27,790	(26)	13,498	331	147	473	(09)	10,979	(1)
Provision for Taxation	111	31	0	20	60	(12)	119	17	23	(4,008)		8,861	(6)	(8,467)	31	102	316	(33)		1
Profit/ F (Loss) Before Taxation	333	200	(2)	78	307	136	(237)	568	(1,599)	(11,228)	(31)	36,651	(35)	5,031	362	249	789	(63)	10,979	(1)
Turnover	2,301	576	25	3,646	30,663	1,546	8,411	571	4,436	36,136	275	68,217	53	41,001	5,145	8,839	8,506	6,130	1,266	1
Investments* Turnover							26,497	,		0		108,392	,		3,337		4		475	
Total Liabilities	2,105	311	23	3,837	4,031	522	27,438	13	7,093	55,731	889	24,196	316	52,512	128,057	3,592	15,187	1,958	139,982	4
Total Assets	2,687	495	28	3,555	4,862	1,387	42,526	16,958	6,774	113,407	298	180,839	325	41,018	244,086	4,356	15,655	2,449	129,118	-
Reserves	581	141	U.	(283)	801	866	(120,713)	(232,358)	(23,436)	55,176	(821)	138,147	(21)	(16,596)	28,380	(175)	378	490	(10,864)	(1)
Share Capital	-	44	0	Ч	30	0	135,801	249,303	23,117	2,500	230	18,496	30	5,102	87,649	939	06	Ч	-	-
Exchange Rate as of March 31, 2019	77.63	8.81	0.62	1.00	90.09	69.16	69.16	69.16	0.39	1.00	1.00	1.00	1.00	1.00	69.16	1.00	1.00	1.00	1.00	69.16
Financial Year End	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019
Reporting Period	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19
Reporting Currency	EUR	HKD	YqL	INR	GBP	NSD	USD	OSD	LKR	NN	NR	NR.	NR	INR	NSD	ШN	INR	NR	Ц.	USD
Country of Reporting Registration Currency	France	Hong Kong	Japan	India	United Kingdom	United States of America	Singapore	Mauritius	Sri Lanka	India	India	India	India	India	Mauritius	India	India	India	India	Mauritius
Date on which subsidiary was acquired / incorporated	June 9, 2010 France	October 12, 2006		March 26, 2001	August 29, 2006	September 12, 2006	_	April 6, 2010	March 29, 2007	May 18, 2004 India	March 4, 2009	November 30, 2006	September 21, 2015	June 5, 2007	September 28, 2007	February 5, 2013	July 2, 2013	January 13, 2015		March 26, 2018
S. Name of the No. Subsidiary	Bharti Airtel (France) SAS	Bharti Airtel (Hong Kong) Limited	Bharti Airtel (Japan) April 5, 2010 Private Limited	Bharti Airtel Services Limited	Bharti Airtel (UK) Limited	Bharti Airtel (USA) Limited	Bharti International (Singapore) Pte Ltd	Bharti Airtel International (Mauritius) Limited	Bharti Airtel Lanka (Private) Limited	Bharti Hexacom Limited	Indo Teleports Limited	Bharti Infratel Limited	Smatrx Services Limited	Bharti Telemedia Limited	Network i2i Limited	Telesonic Networks Limited	Nxtra Data Limited	Wynk Limited	Nettle Infrastructure March 14, Investments Limited 2017 (formerty known as Nettle Developers Innited)	Bharti Airtel International (Mauritius) Investments Limited
s, s	-	0	ю	4	د ۳	9	ь Г	о о	6	10 1	11 li	12 E	13 L	14 E	15	16 T	17	18	5 5 7	8

% of shareholding	100%	100%	100%	100%	68.31%	68.31%	68.31%	68.31%	68.31%	66.91%	68.31%	61.48%	68.31%	67.29%	68.31%	68.31%	68.31%	68.31%	68.31%
Community Contribution ® ^	1				277			0		(2)				(2)				Ω.	
Capital Expenditure during the reporting period @	5,266							1,247		488		2,122		2,749				5,012	
Profit/ Proposed (Loss) Dividend** After ixation																			
Profit/ (Loss) After Taxation	(373)	(1)	(1)	(1)	5,584	2,733	389	211	74	610	63	(405)	(2,839)	1,266	(23)	(143)	(2,834)	(1,954)	1,381
Provision for Taxation					537	(3)		(41)		1,395		127		141				(202)	153
Profit/ (Loss) Before Taxation	(373)	(1)	(1)	(1)	6,121	2,730	389	170	74	2,005	63	(278)	(2,839)	1,407	(23)	(143)	(2,834)	(2,156)	1,534
Turnover								7,637		9,506		9,193		19,157			'	14,066	
Total Investments* Turnover liities			11,065		,	ı		ı	ı		'	,	'				ı	ı	
Total Liabilities	14,240			-	216,253	308,294	14,009	16,070	(4,297)	15,113	6,035	21,239	61,204	81,623	495	81,672	79,470	48,110	546
Total Assets	19,834	11,066	11,065	(1) 145,579	775,913	413,799	14,510	11,033	5,166	10,479	12,807	12,065	60,276	24,936	686	78,695	67,806	21,736	2,458
Reserves	5,573	(1)	(1)	(1)	396,492	105,467	499	(8,327)	9,461	(5,344)	6,771	(9,789)	(929)	(56,710)	190	(2,978)	(11,665)	(43,685)	1,911
Share Capital	21	11,066	11,065	145,59	163,167	00	7	3,290	Ч	710	Ч	615	Ч	24	1	7	5	17,312	1
Exchange Rate as of March 31, 2019	1.00	69.16	69.16	69.16	69.16	69.16	69.16	0.12	69.16	0.12	69.16	0.12	69.16	0.04	69.16	69.16	69.16	0.69	69.16
Financial Year End	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018	March 31, 2019	December 31, 2018	March 31, 2019	March 31, 2019	March 31, 2019	December 31, 2018	March 31,
Reporting Period	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19	Jan'18 to Dec'18	Apr'18 to Mar'19	Jan'18 to Dec'18	Apr'18 to Mar'19	Jan'18 to Dec'18	Apr'18 to Mar'19	Jan'18 to Dec'18	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19	Jan'18 to Dec'18	Apr'18 to
Reporting Currency	<u>к</u>	USD	USD	USD	USD	USD	USD	XAF	USD	XAF	USD	XAF	USD	CDF	USD	USD	USD	KES	USD
Country of Registration	India	Mauritius	Mauritius	Mauritius	Netherlands	Netherlands	Netherlands	Chad	Netherlands	Gabon		Congo Brazzavile	Netherlands	Democratic Republic of Congo	ands	Netherlands		Kenya	
Date on which subsidiary was acquired / incorporated	August 24, 2017	June 27, 2018	June 28, 2018	June 28, 2018	March 19, 2010	June 8, 2010 Netherlands	June 8, 2010 Netherlands	June 8, 2010	June 8, 2010	June 8, 2010	June 8, 2010 Netherlands	June 8, 2010	June 8, 2010	June 8, 2010	June 8, 2010	June 8, 2010 Netherlands	June 8, 2010 Netherlands	June 8, 2010 Kenya	June 8, 2010
S. Name of the No. Subsidiary	Bharti Digital Networks Private Limited (Formerly known as Tikona Digitel Networks Private Limited)	Bharti Airtel Holding (Mauritius) Limited	Bharti Airtel Overseas (Mauritius) Limited	Airtel Africa Mauritius Limited	Bharti Airtel International (Netherlands) B.V.	Bharti Airtel Africa B.V.	Bharti Airtel Chad Holdings B.V.	Airtel Tchad S.A.	Bharti Airtel Gabon Holdings B.V.	Airtel Gabon S.A.	Bharti Airtel Congo Holdings B.V.	Airtel Congo S.A.	Bharti Airtel RDC Holdings B.V.	Airtel Congo (RDC) S.A.	Bharti Airtel Mali Holdings B.V.	Bharti Airtel Kenya Holdings B.V.	Bharti Airtel Kenya B.V.	Airtel Networks Kenya Limited #	Bharti Airtel Malawi June 8, 2010 Netherlands
vi Ž	21	22	23	24	25	26	27	28	29	30	31	32	ee	34	32	36	37	89	99

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Contribution shareholding Contribution shareholding ® ^	- 68.31%	- 68.31%	- 68.31%	- 68.31%	- 68.31%	- 68.31%	- 68.31%	- 61.48%	- 68.31%	- 68.31%	- 68.31%	0 68.31%	- 68.31%	- 68.31%	- 68.31%	- 68.31%	- 68.31%	- 40.99%	
Capital Expenditure during the reporting period @			10			0	13		ı			683	113	325		117	r	,	
Proposed Dividend**		,																	
Profit/ (Loss) After Taxation		152	331		(31)	222	(648)	119	(1)		498	192		I	(78)	673		(2)	
Provision for Taxation		0	11	,		461		38				241		·		(22)			
Profit/F (Loss) Before Taxation		151	342	,	(31)	1,018	(648)	157	(1)		498	433			(78)	618		(2)	
lurnover			1,100			2,251	128	231				1,691		·		1,376		0	
Investments* Turnover		,										166			,	ı			
Total Liabilities	751	5,232	2,161	0	2,759	1,862	3,307	362	18	(2)	(487)	1,852	3,516	4,069	2,062	673	212	34	
Total Assets	751	8,006	2,045	08	2,683	2,521	1,377	421	173	(1)	1,506	2,287	3,516	4,069	1,513	1,598	214		
Reserves		2,773	(127)		(82)	658	(1,931)	(96)	151	0)	1,332	252			(253)	925		(34)	
Share Capital	0	4	11	0	Q	Ч	1	155	m	0	173	182	0	0	4	0	Ч	0	
Exchange Rate as of March 31, 2019	0.69	69.16	5.68	0.12	69.16	0.12	0.09	0.12	69.16	69.16	69.16	5.06	0.03	0.02	69.16	0.02	0.12	0.03	
Financial Year End	December 31,2018	December 31,2018	December 31, 2018	December 31, 2018	March 31, 2019	December 31. 2018	December 31, 2018	December 31, 2018	December 31, 2018	March 31, 2019	December 31, 2018	December 31, 2018	December 31, 2018	December 31, 2018	March 31, 2019	December 31, 2018	December 31.2018	December 31 2018	
Reporting Period	Jan'18 to Dec'18	Jan'18 to Dec'18	Jan'18 to Dec'18	Jan'18 to Dec'18	Apr'18 to Mar'19	Jan'18 to Dec'18	Jan'18 to Dec'18	Jan'18 to Dec'18	Jan'18 to Dec'18	Apr'18 to Mar'19	Jan'18 to Dec'18	Jan'18 to Dec'18	Jan'18 to Dec'18	Jan'18 to Dec'18	Apr'18 to Mar'19	Jan'18 to Dec'18	Jan'18 to Dec'18	Jan'18 to Der'18	
	ж Ш	USD	ZMW	XAF	USD	XAF	MWK	XOF	USD	NSD	USD	SCR	TZS	UGS	DSD	MGA	XAF	TZS	
Country of Reporting Registration Currency				Chad		Gabon	Malawi	Niger	Mauritius	Netherlands	Jersey	Seychelles	Tanzania	Uganda	Netherlands	Madagascar	ile	Tanzania	
Date on hwhich R subsidiary was acquired / in corporated	June 8, 2010 Kenya	June 8, 2010 Mauritius	June 8, 2010 Zambia	June 8, 2010 C	June 8, 2010 Netherlands	October 26, G 2010	10	010	June 8, 2010 N	June 8, 2010 N	October 19, J 2010	August 27, S 2010	November T 11, 2010	October 7, L 2010	October 5, N 2010	March 15, 2011	June 8, 2010 Congo Brazzav	March 15, T	++21
S. Name of the No. Subsidiary	Airtel Mobile Commerce (Kenya)	Aauritius) s Limited	<u></u>	obile rrce Tchad	Mobile nerce B.V.	Ŕ	owers	Airtel Money Niger S.A.	Société Malgache de Téléphone Cellulaire S.A.	oldings	Indian Ocean Telecom Limited	Airtel (Seychelles)	Airtel Mobile Commerce (Tanzania) Limited	Airtel Mobile Commerce Uganda :: Limited	Africa Towers NV.	Madagascar Towers S.A.	le Commerce to S.A.	wers	
vi Š	D D	09	61	62	63	64	65	99	67	89	69	202	71	72	73	74	52	76	

50	.0	Q.	. <u>o</u>	9	9	. <u>.</u>	ç	_o	ç	ç	ç	ç	.o	9	.o	. , 0	. <u>.</u> 0
% of shareholding	68.31%	66.91%	68.31%	68.31%	68.31%	68.31%	68.31%	40.99%	68.31%	62.69%	68.31%	68.31%	68.31%	68.31%	68.31%	68.31%	68.31%
Community Contribution © ^		,	1	0			1			1	1		1		,		
Capital Expenditure C during the reporting period @			a	1,698	00		0										
Profit/ Proposed (Loss) Dividend** After tration											ı						
Profit/ (Loss) After Taxation	(57)	0)	22	(3,147)	173	i.	(2)	0			ı		,				
rovision for Taxation	27	0	4	34	40		(1)			ı	ı	,					
Profit/ Provision (Loss) for Before Taxation Taxation	(30)	0	26	(3,113)	213		(3)	0			,						
		,	483	3,838		,	0					,	,	1			ı
Total Investments [*] Turnover ilities			,	,	ı					,	,						
Total Total Assets Liabilities	1,024	0	752	25,427	9,429	506	89	1	961								
Total Assets	430	0	804	9,923	246,036	507	Q		962	ı	0	0	0	0	0	0	0
Reserves	(601)	(2)	42	(15,511)	23,489 246,036	1	(38)	(1)			,						
Share Capital	~	1	10	00	213,118	Ч	۵	0	0	ı	0	0	0	0	0	0	0
Exchange Rate as of March 31, 2019	0.04	0.12	0.02	0.08	69.16	0.08	5.06	0.03	69.16	0.19	69.16	69.16	69.16	69.16	69.16	69.16	69.16
Financial Year End	December 31,2018	December 31,2018	December 31, 2018	December 31, 2018	March 31, 2019	December 31, 2018	December 31, 2018	December 31, 2018	March 31, 2019	December 31, 2018	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019	March 31, 2019
Reporting Period	Jan'18 to Dec'18	Jan'18 to Dec'18	Jan'18 to Dec'18	Jan'18 to Dec'18	Apr'18 to Mar'19	Jan'18 to Dec'18	Jan'18 to Dec'18	Jan'18 to Dec'18	Apr'18 to Mar'19	Jan'18 to Dec'18	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19	Apr'18 to Mar'19
	CDF	XAF	MGA	RWF	OSD	RWF	SOR	TZS	USD	NGN	USD	USD	USD	USD	USD	USD	NSD
Country of Reporting Registration Currency	Democratic Republic of Condo		Madagascar	Rwanda	E		Seychelles	Tanzania	Netherlands	Nigeria	Netherlands	Netherlands	Netherlands	Netherlands	Netherlands	Netherlands	Netherlands
Date on which subsidiary was acquired / incorporated	April 5, 2011	May 17, 2011	April 5, 2011	September 2, 2011	July 12, 2018	February 22, 2013	August 9, 2013	June 10, 2016	December 5, 2018	August 31, 2017	January 29, 2019	January 29, 2019	January 29, 2019	January 29, 2019	January 29, 2019	January 29, 2019	January 29, 2019
Name of the Subsidiary	Congo RDC Towers S.A.	Gabon Towers S.A.##	Airtel Mobile Commerce Madagascar S.A.		Airtel Africa Limited July 12, 2018 United Kingdo	Airtel Mobile Commerce Rwanda Limited	Airtel Mobile Commerce (Seychelles) Limited	Airtel Money Tanzania Limited	Airtel Mobile Commerce Nigeria B.V.	Airtel Mobile Commerce Nigeria Limited	Airtel Mobile Commerce (Seychelles) B.V.	Airtel Mobile Commerce Congo B.V.	Airtel Mobile Commerce Kenya B.V.	Airtel Mobile Commerce Madagascar B.V.	IWE	Airtel Mobile Commerce Rwanda B.V.	Airtel Mobile Commerce Tchad B.V.
si v	78	62	08	81	82	8	84	Ω 0	00	81	00	68	06	91	6	5	94

Part A - Subsidiaries

hareholding	68.31%	68.31%	68.31%
Expenditure Community (4.000) Expenditure Contribution shareholdin during the exporting period (8.000)			
Capital Expenditure during the reporting period @			
Profit/ Provision Profit/ Proposed (Loss) for (Loss) Dividend** Before Taxation After Taxation Taxation			
Profit/ (Loss) After Taxation			
Provision for Taxation	1		
	1		
Turnover		ı	
Total Investments ⁴ Turnover oilities			
Total Liabilities			
Total Assets	0	0	14
Reserves			
Share Capital	0	0	14
Exchange Rate as of March 31, 2019	69.16	69.16	0.69
ing Financial Year End	March 31, 2019	March 31, 2019	December 31, 2018
Reporting Period	Apr'18 to Mar'19	Apr'18 to Mar'19	Jan'18 to Dec'18
Reporting Currency	USD	OSU	KES
Country of Reporting Report Registration Currency Period	January 29, Netherlands USD 2019	January 29, Netherlands USD 2019	Kenya
Date on which subsidiary was acquired / incorporated	January 29, 2019		July 20, 2015 Kenya
S. Name of the No. Subsidiary	95 Airtel Mobile Janua Commerce Uganda 2019 B.V.	96 Airtel Mobile Commerce Zambia B.V.	97 Airtel Money Transfer Limited
No.	95	96	67

Notes:

1. The above financial information is basis audited / unaudited financial statements / financial information considered for the purpose of consolidated audited ind AS financial statements.

The figures which are appearing as '0' are result of rounding off.

3. All particulars has been converted using closing exchange rate except in case of capital expenditure quarterly average rate has been considered for conversion of foreign subsidiaries amount.
4. During the period effective shareholding of Alitel Africa Limited (AAL) has been changed to 68.31%, due to which effective shareholding of entities owned be AAL directly will undergo change vis avoit the 96 presented in the above table.
6. Financial information has been extracted from the submission considered for the purpose of consolidated audited in AS financial statements.

Share capital includes preference share capital. ## The subsidiary is under liquidation as at March 31, 2019. * Investments exclude investments in subsidiaries.

** Proposed dividend includes dividend distribution tax. @ Voluntary disclosure.

Other details:

- Subsidiaries yet to commence operations: _____
- Partnership Investments Sprl
- Bharti Airtel Developers Forum Limited
- Subsidiaries have been liquidated during the year: Airtel International LLP =i
 - Africa Tower services Limited
- Bharti Airtel Burkina Faso Holdings BN.
- Subsidiaries have became associate during the year: ≡́
- Airtel Payment Bank Limited

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Part

March 31, 2019 Considered in consolidation Considere consolidation 1,193 (16) (7) (7) (7) (10) (10) (10) 8,879 0 0 0 (5,253)^ (5,253)^	s. S	S. Name of the Associate / Joint Venture No.	Date on which Associate / Joint	Latest audited Share of Associates / Joint Ventures Description Net Worth Balance Sheet date held by the company as of March 31, of how there attributable to	Share of Associates / Joint Ventures held by the company as of March 31,	iates / Joint V npany as of M	entures arch 31,	Description of how there	Net Worth attributable to	(₹ in Millio Profit / (loss) for the year ended	(₹ in Million) • for the year ed
Associated of acquired Amount of acquired Katent of influence / audited Influence / audited as per latest Considered in audited Considered in audited <th< th=""><th></th><th></th><th>Venture was</th><th></th><th></th><th>2019</th><th></th><th>is significant</th><th>shareholders</th><th>March 3</th><th>1, 2019</th></th<>			Venture was			2019		is significant	shareholders	March 3	1, 2019
Ascolates Investment Incluing joint control audided consolidation Ascolates November 16, 2016 November 16, 2016 November 16, 2016 November 16, 2016 1178,355,001 23,866 Phy rule of 11,99 11,99 Ascolates November 16, 2010 November 16, 2010 November 16, 2010 November 16, 2016 11,78,355,001 23,866 Phy rule of 11,99 (11) Seychelles Cable Systems Company Limited Revolates November 16, 2010 Narch 31, 2018 11,78,355,018 Narch 31, 2018 11,78,355,018 Narch 31, 2018 11,76,96 11,99 (11) Seychelles Cable Systems Company Limited Reburs 7, 2010 Narch 31, 2018 11,76,98 23,64 Narch 31, 2018 11,76,98 11,93 11,93 Seychelles Cable Systems Company Limited November 26, 2011 Narch 31, 2018 20,088 10,078 11,94 (11) 11,94 (11) 11,94 (11) 11,94 (11) 11,94 (11) 11,94 (11) 11,94 (11) 11,94 (11) 11,94			associated or		Number of	Amount of	Extent of	influence /	as per latest	Considered in	Not
Associate bolish%Balance Sheet Lune%Balance Sheet LuneAssociate cotosiAssociate Lune%Normber 15, 2015Normber 15, 20151,175550012,38652,3661,193Seyrelete choolgies Private Limited Seyrelete choolgies Private LimitedNormber 16, 2015Normber 13, 20181,1755550012,38652,3661,193Seyrelete cologies Private LimitedNormber 16, 2017June 30, 20182,0552,364Byritue of 1,941,193Seyrelete cologies Private LimitedNormber 56, 2017June 30, 20182,0502,3681,193Jogernaut Bolis Private LimitedNormber 56, 2017June 30, 20182,0502,3681,193Jogernaut Bolis Private LimitedNormber 56, 2017March 31, 2019805,0251,1281,0081,94(1)John VentueNormber 56, 2017March 31, 20192,0508,0581,0288,177661,153John VentueNormber 7, 2007March 31, 20192,0508,0501,97661,94(1)John VentueNormber 7, 2007March 31, 20182,0050,0501,97662,37308,879Midel Privatel Channel Limited*Retruny 4, 2014March 31, 20182,0050,0501,97662,27300Briat Airtel Ohan Holdings B/rCotober 12, 2017Narch 31, 20162,47502,47762,27300Molie Financial Services Limited*Cotober 12, 2017December 31, 20162,47502,47762,57300Mitel Ohan Holding B/rCoto			acquired		shares	Investment	holding	joint control	audited	consolidation	Considered in
Associates Aoint Joint Joint Monther Joint Monther Mon						in Associate	%	-	Balance Sheet		consolidation
Associates Associates Associates November 16, 2016 December 31, 2018 1,178,535,001 238.66 259.6 By virtue of 12,669 Robi xiata Limited Rebuary 21, 2017 March 31, 2018 1,178,535,001 238.6 259.6 By virtue of 12,669 Seychelles Cable Systems Company Limited Terbuary 21, 2017 March 31, 2019 805,025,128 10.776% Inareholding 56 Airtel Payments Bank Limited Uure 8, 2010 Une 8, 2010 Une 3, 2018 805,025,128 10.8 Invitue of 11,348 (C Juggernaut Books Private Limited October 25, 2013 March 31, 2019 805,025,128 10.08 By virtue of 11,348 (C Joint Venuers Doctober 12, 2017 March 31, 2018 2,098385 10.08 By virtue of 11,348 (C Airtel Payments Bank Limited November 3, 2004 March 31, 2018 2,093885 10.08 By virtue of 11,348 (C Joint Venuers Dovernber 26, 2017 March 31, 2018 1,000,000 50,68 By virtue of Na*						/ Joint Venture					
Associates Associates Robi Aviata Limited November 16, 2016 December 31, 2018 1,178, 535,001 23,886 25% By virtue of 12,669 Solvase Technologies Private Limited Tebuvary 21, 2017 March 31, 2018 1,178, 535,001 23,886 25% By virtue of 12,669 Seyneer Technologies Private Limited Unre 8, 2010 June 8, 2010 June 8, 2010 June 8, 2019 805,025,128 10,283 By virtue of 1,548 (1) Airtel Payments Bank Limited October 75, 2018 March 31, 2018 805,025,128 10,283 By virtue of 1,548 (1) Jungemaut Books Private Limited November 26, 2017 March 31, 2018 805,055,128 10,283 By virtue of 1,548 (1) Jungemaut Books Private Limited November 26, 2018 March 31, 2018 800,0000 66 1,098 Briareholder 16 Joint Ventures December 7, 2007 March 31, 2018 800,0000 66 109 97 27/330 FireFly Networks Limited* December 31, 2017 December 31, 2015 <th></th> <th></th> <th></th> <th></th> <th></th> <th></th> <th>ĺ</th> <th></th> <th></th> <th></th> <th></th>							ĺ				
Robi Axiata Limited November 16, 2016 December 31, 2018 1,178,355,001 23,886 25% By virtue of 12,669 Seynse Technologies Frivate Limited February 21, 2017 March 31, 2018 6,824 205 2234% shareholding 56 Seychelles Cable Systems Company Limited June 8, 2010 June 30, 2018 March 31, 2018 805,025,128 10,06 By virtue of 1,548 (1) Arter Payments Bank Limited October 25, 2018 March 31, 2018 805,025,128 10,08 By virtue of 1,548 (1) Juggernaut Books Private Limited November 36, 2017 March 31, 2018 800,000 66 10,9 56 57,330 57,330 58 Joint Ventures November 3, 2004 March 31, 2018 800,000 66 10,9 57,330 58 57,330 58		Associates									
Seyrare Technologies Private LimitedFebruary 21, 2017March 31, 2018 $6,824$ 205 2.254% shareholding 56 Seychelles Cable Systems Company LimitedJune 8, 2010June 8, 2010June 8, 2010June 8, 2010 194 Airtel Payments Bank LimitedOctober 25, 2018March 31, 2018 $805,025,128$ $10,283$ $80,10\%$ $8y$ virtue of $1,548$ Juggernaut Books Private LimitedNovember 26, 2017March 31, 2018 $805,025,128$ $10,283$ $80,10\%$ $8y$ virtue of $1,548$ Juggernaut Books Private LimitedNovember 26, 2017March 31, 2018 $2,089,885$ $10,88$ $8y$ virtue of $1,548$ Joint VenturesNovember 26, 2017March 31, 2018 $800,000$ 66 10% 8 $800,000$ 66 10% Jerief Networks LimitedNovember 7, 2007March 31, 2019 $500,504$ $52,482$ $22,47\%$ $27,330$ Bridge Mobile Pte Limited*December 7, 2017March 31, 2016 $2,497,500$ $35,482$ $2,47\%$ $27,330$ Airtel Mobile Commerce (Ghana) Limited*October 12, 2017December 31, 2016 $2,497,500$ 50% $8nreholdingNa^*Mobile Financial Services Limited*October 12, 2017December 31, 20162,550,00001,67\%50\%Na^*Airtel Ghana Limited*October 12, 2017December 31, 20162,497,5001,67\%899\%Na^*Mobile Financial Services Limited*October 12, 2017December 31, 20162,497,5001,67\%$	-	Robi Axiata Limited	November 16, 2016	December 31, 2018	1,178,535,001	23,886	25%	By virtue of	12,669	1,193	
Seycheles Cable Systems Company Limited June 8, 2010 June 30, 2018 260 230 17,76% 194 Airtel Payments Bank Limited October 25, 2018 March 31, 2019 805,025,128 10,08 By virtue of 1,548 Juggernaut Books Private Limited October 26, 2017 March 31, 2018 805,025,128 10,08 By virtue of 1,548 Juggernaut Books Private Limited November 26, 2017 March 31, 2018 2,089,885 10,08 By virtue of 1,548 Joint Ventures November 3, 2004 March 31, 2018 2,00300 66 10% 57,330 Bridge Mobile Pte Limited December 7, 2007 March 31, 2019 500,5004 52,482 27,330 Bridge Mobile Pte Limited* December 7, 2007 March 31, 2017 1,000,000 50% By virtue of NA* Bridge Mobile Romance (Ghana) Limited* December 13, 2016 2,497,500 50% By virtue of NA* Mobile Financial Services Limited* October 12, 2017 December 31, 2016 2,497,500 60% NA* Mobile Financial Services Lim	0	Seynse Technologies Private Limited	February 21, 2017	March 31, 2018	6,824	205	22.54%	shareholding	56	(16)	
Airtel Payments Bank Limited October 25, 2018 March 31, 2019 805,025,128 10,283 80,10% By virtue of 1,548 Juggernaut Books Private Limited November 26, 2017 March 31, 2018 2,089,885 10,8 19,35% Shareholder 16 Juggernaut Books Private Limited November 26, 2017 March 31, 2018 2,089,885 10,8 19,35% Shareholder 16 Joint Ventures November 3, 2004 March 31, 2018 800,000 66 10% 5,330 Bridge Mobile Pte Limited December 7, 2007 March 31, 2018 1,000,000 5,247% 27,330 FrieFly Networks Limited* Eebruary 4, 2014 March 31, 2016 1,000,000 3 50% Shareholding 1,2330 FrieFly Networks Limited* October 12, 2017 March 31, 2016 2,497,500 36% Shareholding NA* Mobile Financial Services Limited* October 12, 2017 December 31, 2016 2,590,000 1,676 50% NA* Mobile Financial Services Limited* October 12, 2017 December 31, 2016 2,500,00	c	Seychelles Cable Systems Company Limited	June 8, 2010	June 30, 2018	260	230	17.76%		194	(2)	
Juggernaut Books Private Limited November 26, 2017 March 31, 2018 2,089,885 108 19,35% shareholder 16 Joint Ventures Anterburge Anterburge <t< td=""><td>4</td><td>Airtel Payments Bank Limited</td><td>October 25, 2018</td><td>March 31, 2019</td><td>805,025,128</td><td>10,283</td><td>80.10%</td><td>By virtue of</td><td>1,548</td><td>(1,235)</td><td></td></t<>	4	Airtel Payments Bank Limited	October 25, 2018	March 31, 2019	805,025,128	10,283	80.10%	By virtue of	1,548	(1,235)	
Joint Ventures agreement Bridge Mobile Fle Limited November 3, 2004 March 31, 2018 800,000 66 10% 58 FineFly Networks Limited December 7, 2007 March 31, 2018 800,000 66 10% 53 FineFly Networks Limited December 7, 2007 March 31, 2018 1,000,000 50% 89'vitue of 27,330 Rinefly Networks Limited February 4, 2014 March 31, 2018 1,000,000 3 50% 8y'vitue of Nath Airtel Mobile Financial Services Limited* October 12, 2017 December 31, 2016 2,497,500 50% By virtue of Nath Mobile Financial Services Limited* October 12, 2017 December 31, 2016 2,900,000 1,676^{\circ} 50% NAth Airtel Ghana Limited* October 12, 2017 December 31, 2016 2,500,000 1,676^{\circ} 50% NAth Mitcl Ghana Limited* October 12, 2017 December 31, 2016 2,900,000 1,676^{\circ} 50% NAth Mitcl Ghana Limited* October 12, 2017 December 31, 2016 2,900,0	IJ	Juggernaut Books Private Limited	November 26, 2017	March 31, 2018	2,089,885	108	19.35%	shareholder	16	(10)	ı
Joint Ventures Solution Ventures								agreement			
Bridge Mobile Pte Limited November 3, 2004 March 31, 2018 800,000 66 10% 58 Indus Towers Limited * December 7, 2007 March 31, 2019 500,504 52,482 22,47% 27,330 FireFly Networks Limited * February 4, 2014 March 31, 2018 1,000,000 3 50% By virtue of NA* Airtel Ghana Holdings BX* October 12, 2017 March 31, 2016 2,497,500 3 50% By virtue of NA* Airtel Mobile Commerce (Ghana) Limited * October 12, 2017 December 31, 2016 2,497,500 1,676^{A} 50% By virtue of NA* Airtel Ghana Limited * October 12, 2017 December 31, 2016 2,600,000 1,676^{A} 50% By virtue of NA* Airtel Ghana Limited * October 12, 2017 December 31, 2016 2,600,000 1,676^{A} 50% By virtue of NA* Airtel Ghana Limited * October 12, 2017 December 31, 2016 2,600,000 1,676^{A} 50% By virtue of NA* Mifcoron Ghana Company Limited * October 12		Joint Ventures									
Indus Towers Limited* December 7, 2007 March 31, 2019 500,504 52,482 22,47% 27,330 FireFly Networks Limited February 4, 2014 March 31, 2018 1,000,000 3 50% 27,330 Bharti Airtel Ghana Holdings BX* October 12, 2017 March 31, 2017 18,000 50% By wirtue of NA* Airtel Mobile Commerce (Ghana) Limited* October 12, 2017 December 31, 2016 2,497,500 1,676^A 50% By wirtue of NA* Mobile Financial Services Limited* October 12, 2017 December 31, 2016 2,500,000 1,676^A 50% Shareholding NA* Airtel Ghana Limited* October 12, 2017 December 31, 2016 2,600,000 1,676^A 50% Shareholding NA* Airtel Ghana Limited* October 12, 2017 December 31, 2016 2,497,500 1,676^A 50% Shareholding NA* Millicom Ghana Company Limited* October 12, 2017 December 31, 2016 2,497,500 1,676^A 50% NA*	-	Bridge Mobile Pte Limited	November 3, 2004	March 31, 2018	800,000	66	10%		58	4	
FireFly Networks Limited February 4, 2014 March 31, 2018 1,000,000 3 50% By virtue of 2 Bharti Airtel Ghana Holdings BN* October 12, 2017 March 31, 2017 18,000 50% By virtue of NA* Airtel Mobile Commerce (Ghana) Limited* October 12, 2017 December 31, 2016 2,497,500 1,676^{A} 50% By virtue of NA* Mobile Financial Services Limited* October 12, 2017 December 31, 2016 2,500,000 1,676^{A} 50% Shareholding NA* Airtel Ghana Limited* October 12, 2017 December 31, 2016 2,407,09,862 49.95% Shareholding NA* Millicom Ghana Company Limited* October 12, 2017 December 31, 2016 249,750 49.95% NA*	0	Indus Towers Limited *	December 7, 2007	March 31, 2019	500,504	52,482	22.47%		27,330	8,879	
Bharti Airtel Ghana Holdings BN# October 12, 2017 March 31, 2017 18,000 50% By virtue of NA# Airtel Mobile Commerce (Ghana) Limited* October 12, 2017 December 31, 2016 2,497,500 49.95% shareholding NA# Mobile Financial Services Limited* October 12, 2017 December 31, 2016 2,500,000 1,676^{A} 50% NA# Airtel Ghana Limited* October 12, 2017 December 31, 2016 2,500,000 1,676^{A} 50% NA# Airtel Ghana Limited* October 12, 2017 December 31, 2016 249,750 49.95% NA# Millicom Ghana Company Limited* October 12, 2017 December 31, 2016 249,750 49.95% NA#	m	FireFly Networks Limited	February 4, 2014	March 31, 2018	1,000,000	С	50%		2	0	
Airtel Mobile Commerce (Ghana) Limited* October 12, 2017 December 31, 2016 2,497,500 49.95% shareholding NA* Mobile Financial Services Limited* October 12, 2017 December 31, 2016 2,500,000 1,676^{A} 50% NA* Airtel Ghana Limited* October 12, 2017 December 31, 2016 440,709,862 49.95% NA* Millicom Ghana Company Limited* October 12, 2017 December 31, 2016 249,750 49.95% NA*	4	Bharti Airtel Ghana Holdings B.V.*	October 12, 2017	March 31, 2017	18,000		50%	By virtue of	NA*		
Mobile Financial Services Limited * October 12, 2017 December 31, 2016 2,500,000 1,676^{A} 50% NA* Airtel Ghana Limited * October 12, 2017 December 31, 2016 440,709,862 4995% NA* Millicom Ghana Company Limited * October 12, 2017 December 31, 2016 249,750 4995% NA*	ß	Airtel Mobile Commerce (Ghana) Limited #	October 12, 2017	December 31, 2016	2,497,500		49.95%	shareholding	NA#		
Airtel Ghana Limited # October 12, 2017 December 31, 2016 440,709,862 49,95% Millicom Ghana Company Limited # October 12, 2017 December 31, 2016 249,750 49,95%	9	Mobile Financial Services Limited #	October 12, 2017	December 31, 2016	2,500,000	1,676^	50%		NA#	(5,253)^	
Millicom Ghana Company Limited # October 12, 2017 December 31, 2016 249,750 49,95%	⊳	Airtel Ghana Limited #	October 12, 2017	December 31, 2016	440,709,862		49.95%		NA#		
	00	Miliicom Ghana Company Limited #	October 12, 2017	December 31, 2016	249,750		49.95%		NA*		

* Profit / (loss) considered for consolidation is based on direct shareholding of Bharti Infratel Limited as against effective shareholding of the Company.

* The group has acquired stake in joint venture during the year ended March 31, 2018. However, the latest audited balance sheet is pertaining to the period prior to the acquisition date. ^Amount considered for Ghana entities are consolidated number.

Notes :

Amount of investment in joint venture / associate is based on the carrying value of investments in the consolidated financial statements of Bharti Airtel Limited.

Notes

Notes

Notes

Circle Offices

Andhra Pradesh

1-8-437, 438 & 445, Splendid Towers Opp begumpet Police Station, Huda Road, Begumpet, Hyderabad - 500016, Telangana

Assam & North East States

Bharti House, Six Mile, Khanapara, Srimanta Sankardev Path, Guwahati - 781022, Assam

Bihar & Jharkhand

Airtel Campus, Plot no 18, Patliputra Industrial Area, Patna - 800013, Bihar

Haryana, Punjab, Himachal

Rajiv Gandhi Technology Park,

Delhi NCR

Plot No. 16, NH-8 Udyog Vihar, Phase-IV, Gurgaon - 122015, Haryana

Karnataka

Divyasree Towers, No.55, Bannerghatta Main Road, Opp Jayadeva Hospital, Bangalore - 560029, Karnataka

Maharashtra & Goa

Vega Centre, A - Building, 2nd Floor, Shankarsheth Road, Next to Income tax office Swargate, Pune - 411037, Maharashtra

Uttar Pradesh & Uttaranchal

TCG - 7/7 Vibhuti Khand, Gomti Nagar, Lucknow - 226010, Uttar Pradesh

Gujarat

2nd Floor, Zodiac Square, Opp. Gurudwara, S. G. Highway, Ahmedabad - 380054 Gujarat

Kerala & Tamil Nadu

Bharti Airtel Ltd. No-42/147 & 44/146, Santhome high road & Rosary Church Road, Mylapore- 600 004

Chhattisgarh

Madhya Pradesh &

Chandigarh - 160101

and J&K

Plot No. 21,

Bharti Airtel Limited 3rd & 4th Floor, Scheme no -54, A. B. Road, Metro Tower, Near Vijay Nagar Square, Indore – 452010 (M.P.)

Mumbai

6th & 7th Floor, Interface Building No. 7, Mindspace, Malad Link Road, Malad (W), Mumbai - 400064, Maharashtra

West Bengal & Odisha

1st, 5th, 6th & 7th Floor, Infinity Building, Salt Lake Electronics Complex, Block GP, Sector V, Kolkata - 700091 West Bengal

Rajasthan

K-21, Sunny House, Malviya Marg, C-Scheme, Jaipur - 302001, Rajasthan

📣 a K&A creation | www.kalolwala.co.in

bharti

Registered & Corporate Office

Bharti Airtel Limited

Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070, India. CIN No.: L74899DL1995PLC070609 Telephone No.: +91 11 46666100 Fax No.: +91 11 46666137 Email: compliance.officer@bharti.in Website: www.airtel.com