



Bharti Airtel Limited

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Statement of Audited Consolidated Financial Results for the quarter ended June 30, 2019

(Rs. Millions; except per share data)

Particulars	Quarter ended		Year ended	
	June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
	Audited	Audited	Audited	Audited
<b>Income</b>				
Revenue	207,379	206,022	197,992	807,802
Other income	746	546	997	2,912
	<b>208,125</b>	<b>206,568</b>	<b>198,989</b>	<b>810,714</b>
<b>Expenses</b>				
Network operating expenses	45,957	59,622	50,677	223,900
Access charges	25,627	24,410	21,355	93,521
License fee / spectrum charges	17,930	17,288	16,972	69,426
Employee benefits expense	8,641	9,429	9,656	37,975
Sales and marketing expenses	8,364	10,408	10,144	41,277
Other expenses	17,972	18,549	21,930	83,514
	<b>124,491</b>	<b>139,706</b>	<b>130,734</b>	<b>549,613</b>
<b>Profit from operating activities before depreciation, amortisation and exceptional items</b>	<b>83,634</b>	<b>66,862</b>	<b>68,255</b>	<b>261,101</b>
Depreciation and amortisation expense	67,587	54,934	51,452	213,475
Finance costs	37,840	29,156	25,498	110,134
Finance income	(6,025)	(3,833)	(4,232)	(14,240)
Non-operating expenses (net)	461	59	40	1,894
Share of results of associates and joint ventures	(931)	(368)	(1,653)	(3,556)
<b>Loss before exceptional items and tax</b>	<b>(15,298)</b>	<b>(13,086)</b>	<b>(2,850)</b>	<b>(16,606)</b>
Exceptional items (net)	14,694	(20,221)	3,621	(29,288)
<b>(Loss) / profit before tax</b>	<b>(29,992)</b>	<b>7,135</b>	<b>(6,471)</b>	<b>(17,318)</b>
<b>Tax expense / (credit)</b>				
Current tax	7,763	3,034	7,176	19,391
Deferred tax	(13,833)	(1,660)	(18,443)	(53,584)
<b>(Loss) / profit for the period</b>	<b>(23,922)</b>	<b>5,761</b>	<b>4,796</b>	<b>16,875</b>
<b>Other comprehensive income ('OCI')</b>				
Items to be reclassified subsequently to profit or loss :				
- Net losses due to foreign currency translation differences	(2,470)	(2,028)	(6,009)	(15,739)
- Net (losses) / gains on net investment hedge	(153)	1,289	(1,496)	(1,754)
- Net (losses) / gains on cash flow hedge	(79)	45	(507)	(833)
- Net gains / (losses) on fair value through OCI investments	19	(11)	(24)	(45)
- Tax credit	68	670	163	5,428
Items not to be reclassified to profit or loss :				
- Re-measurement (losses) / gains on defined benefit plans	(291)	(43)	86	47
- Tax credit / (charge)	80	0	(55)	(62)
- Share of OCI of associates and joint ventures	(6)	(3)	(1)	(12)
<b>Other comprehensive loss for the period</b>	<b>(2,832)</b>	<b>(81)</b>	<b>(7,843)</b>	<b>(12,970)</b>
<b>Total comprehensive (loss) / income for the period</b>	<b>(26,754)</b>	<b>5,680</b>	<b>(3,047)</b>	<b>3,905</b>
<b>(Loss) / profit for the period attributable to :</b>				
Owners of the Parent	(23,922)	5,761	4,796	16,875
Non-controlling interests	(28,660)	1,072	973	4,095
	4,738	4,689	3,823	12,780
<b>Other comprehensive (loss) / income for the period attributable to:</b>				
Owners of the Parent	(2,832)	(81)	(7,843)	(12,970)
Non-controlling interests	(1,950)	982	(7,043)	(10,216)
	(882)	(1,063)	(800)	(2,754)
<b>Total comprehensive (loss) / income for the period attributable to:</b>	<b>(26,754)</b>	<b>5,680</b>	<b>(3,047)</b>	<b>3,905</b>
Owners of the Parent	(30,610)	2,054	(6,070)	(6,121)
Non-controlling interests	3,856	3,626	3,023	10,026
Paid-up equity share capital (Face value: Rs. 5/- each)	25,655	19,987	19,987	19,987
Other equity	888,091	694,235	673,888	694,235
<b>Earnings per share (Face value: Rs. 5/- each) *</b>				
Basic	(6.18)	0.25	0.23	0.96
Diluted	(6.18)	0.25	0.23	0.96

\* Basic and diluted earnings per share for the previous periods have been adjusted retrospectively for the bonus element in respect of rights issue made during the quarter ended June 30, 2019



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Audited Consolidated Segment-wise Revenue, Results, Assets and Liabilities for the quarter ended June 30, 2019

Particulars	(Rs. Millions)			
	Quarter ended			Year ended
	June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
	Audited	Audited	Audited	Audited
<b>1. Segment Revenue</b>				
- Mobile Services India	108,668	106,323	104,803	415,540
- Mobile Services Africa	55,433	55,115	50,036	215,028
- Mobile Services South Asia	1,089	1,124	1,060	4,436
- Airtel Business	32,080	30,039	29,923	124,537
- Tower Infrastructure Services	17,262	16,704	16,949	68,185
- Homes Services	5,705	5,536	5,745	22,391
- Digital TV Services	7,389	10,505	9,924	41,001
- Others	(80)	37	373	1,163
<b>Total segment revenue</b>	<b>227,546</b>	<b>225,383</b>	<b>218,813</b>	<b>892,281</b>
Less: Inter-segment eliminations*	20,167	19,361	20,821	84,479
<b>Total revenue</b>	<b>207,379</b>	<b>206,022</b>	<b>197,992</b>	<b>807,802</b>
<b>2. Segment Results ^</b>				
(Loss) / profit before net finance costs, non-operating expenses (net), exceptional items and tax				
- Mobile Services India	(12,418)	(13,778)	(8,780)	(57,507)
- Mobile Services Africa	13,775	13,171	11,839	52,100
- Mobile Services South Asia	(260)	(220)	(331)	(1,069)
- Airtel Business	6,149	5,623	7,435	27,466
- Tower Infrastructure Services	8,999	7,832	8,004	31,429
- Homes Services	1,055	487	1,030	3,333
- Digital TV Services	3,612	1,853	2,084	7,410
- Others	(1,727)	(2,249)	(1,857)	(7,228)
<b>Total</b>	<b>19,185</b>	<b>12,719</b>	<b>19,424</b>	<b>55,934</b>
- Unallocated	(403)	(329)	(387)	(1,726)
- Inter-segment eliminations*	(1,804)	(94)	(581)	(3,026)
<b>Total segment results</b>	<b>16,978</b>	<b>12,296</b>	<b>18,456</b>	<b>51,182</b>
Less:				
(i) Net finance costs	31,815	25,323	21,266	95,894
(ii) Non-operating expenses (net)	461	59	40	1,894
(iii) Exceptional items (net)	14,694	(20,221)	3,621	(29,288)
<b>(Loss) / profit before tax</b>	<b>(29,992)</b>	<b>7,135</b>	<b>(6,471)</b>	<b>(17,318)</b>
<b>3. Segment Assets ^ #</b>				
- Mobile Services India	1,845,796	1,700,637	1,607,541	1,700,637
- Mobile Services Africa	592,743	570,021	538,205	570,021
- Mobile Services South Asia	7,760	6,774	7,136	6,774
- Airtel Business	158,317	149,445	135,352	149,445
- Tower Infrastructure Services	183,355	169,693	205,743	169,693
- Homes Services	46,209	45,889	44,709	45,889
- Digital TV Services	34,174	31,234	26,023	31,234
- Others	49,935	37,927	38,306	37,927
<b>Total segment assets</b>	<b>2,918,289</b>	<b>2,711,620</b>	<b>2,603,015</b>	<b>2,711,620</b>
- Unallocated	176,256	133,120	96,667	133,120
- Inter-segment eliminations*	(138,293)	(92,765)	(81,146)	(92,765)
<b>Total assets</b>	<b>2,956,252</b>	<b>2,751,975</b>	<b>2,618,536</b>	<b>2,751,975</b>
<b>4. Segment Liabilities #</b>				
- Mobile Services India	603,198	408,088	383,694	408,088
- Mobile Services Africa	180,617	110,986	107,952	110,986
- Mobile Services South Asia	3,740	2,515	2,885	2,515
- Airtel Business	102,032	87,225	81,414	87,225
- Tower Infrastructure Services	42,959	22,303	24,008	22,303
- Homes Services	23,465	21,729	20,961	21,729
- Digital TV Services	35,842	35,423	32,278	35,423
- Others	448	2,181	7,758	2,181
<b>Total segment liabilities</b>	<b>992,301</b>	<b>690,450</b>	<b>660,950</b>	<b>690,450</b>
- Unallocated	1,079,799	1,313,444	1,257,941	1,313,444
- Inter-segment eliminations*	(156,297)	(101,399)	(85,242)	(101,399)
<b>Total liabilities</b>	<b>1,915,803</b>	<b>1,902,495</b>	<b>1,833,649</b>	<b>1,902,495</b>

\* Includes accounting policy alignment

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

# Segment assets / segment liabilities as at June 30, 2019 include right-of-use assets / lease liabilities.



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Notes to the Audited Consolidated Financial Results

1. The financial results for the quarter ended June 30, 2019 have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on August 1, 2019.
2. The financial results are extracted from the Audited Interim Condensed Consolidated Financial Statements, which are prepared in accordance with Indian Accounting Standard ('Ind AS') 34, 'Interim Financial Reporting' as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder. The said financial results represent results of the Group, and its share in the results of joint ventures and associates.
3. Pursuant to the closure of rights issue on May 17, 2019, the Company allotted approximately 1,134 Mn fully paid up equity shares of face value Rs.5 each at the price of Rs. 220/- per equity share (including a premium of Rs. 215 per share) to the eligible shareholders.
4. Effective April 1, 2019, the Group adopted Ind AS 116 'Leases' using the modified retrospective method. Under this method, the Group (lessee) recognizes a lease liability at the present value of all the remaining lease payments on April 1, 2019, and a right-of-use asset at its carrying amount as if Ind AS 116 had been applied since the commencement of the lease. Accordingly, this has resulted in recognising a right-of-use asset of Rs. 222,806 Mn and a corresponding lease liability of Rs. 239,721 Mn and a decreasing Equity of Rs. 24,098 Mn (including the impact of deferred tax and other adjustments) as at April 1, 2019. Right-to-use assets are depreciated and the lease liabilities are reduced when paid, with the interest on the lease liabilities being recognized as finance costs. Further, as required under the modified retrospective method, the previous period information is not restated and hence not comparable. The net impact of adopting the said standard on the results and earnings per share for the quarter is not material.
5. Exceptional items during the quarter ended June 30, 2019 comprises of, (i) charge of Rs 1,427 Mn towards accelerated depreciation of 3G network equipments / operating costs on network re-farming and up-gradation program; (ii) incremental provision aggregating Rs. 15,863 Mn on account of derivative liabilities pertaining to customary indemnities provided to a clutch of investors of Airtel Africa Plc ('AAP', a subsidiary of the Group), and expenses relating to its listing; (iii) net charge of Rs. 216 Mn due to adjustments towards certain indemnity assets / liabilities pertaining to past transactions and (iv) net credit of Rs. 2,812 Mn due to re-assessment of levies based on ex-parte judgment. Net tax benefit on the above exceptional items and deferred tax asset pertaining to one of the subsidiary recognised in this quarter, aggregating Rs. 241 Mn is included in tax expense. The net impact for non-controlling interests on the above exceptional items is benefit of Rs. 206 Mn.
6. Subsequent to the quarter ended June 30, 2019, the Scheme of Arrangement ('Scheme') with respect to the merger of Consumer Mobile Businesses of Tata Teleservices Limited ('TTSL') and Tata Teleservices (Maharashtra) Limited ('TTML') with the Group, became effective on July 1, 2019 pursuant to fulfillment of the conditions as set out in the Scheme.
7. Subsequent to the quarter ended June 30, 2019, AAP was listed on London Stock and Nigeria Stock Exchange by issuing approximately 744 Mn equity shares at 80 pence per share. Subsequent to the transaction, the shareholding of the Group in AAP has reduced to approximately 56%.
8. On January 8, 2013, the Department of Telecommunications ('DoT') issued a demand on the Company and one of its subsidiaries for Rs. 52,013 Mn towards levy of one time spectrum charge ('OTSC'), which was further revised on June 27, 2018 to Rs. 84,140 Mn. Based on a petition filed by the Company, the Hon'ble High Court of Bombay, through its order dated January 28, 2013, has directed DoT to respond and not to take any coercive action until the next date of hearing. On July 4, 2019, the Telecom Disputes Settlement and Appellate Tribunal in the similar matter of another unrelated telecom service provider, has passed an order providing partial relief and confirming the basis for the balance. The Group, based on independent legal opinions, till date has not given any effect to the above demand.

For Bharti Airtel Limited

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

New Delhi  
August 1, 2019

**Notes:**

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



**INDEPENDENT AUDITORS' REPORT ON AUDIT OF INTERIM CONSOLIDATED  
FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF  
BHARTI AIRTEL LIMITED**

1. We have audited the accompanying Statement of Consolidated Financial Results of **BHARTI AIRTEL LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit/(loss) and total comprehensive income/(loss) of its joint ventures and associates for the quarter ended June 30, 2019 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been compiled on the basis of the related Interim Condensed Consolidated Financial Statements, which has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit.
3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

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

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in paragraph 6 below, is sufficient and appropriate to provide a basis for our audit opinion.

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4. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of other auditors on separate financial information of joint ventures referred to in paragraph 6 below, the Statement:
- (i) includes the results of the entities as given in Annexure to this report;
  - (ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
  - (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the aforesaid Accounting Standard and other accounting principles generally accepted in India of the net loss and Total comprehensive loss and other financial information of the Group, its joint ventures and associates for the quarter ended June 30, 2019.
5. We draw attention to Note 8 of the Statement, which describes the uncertainties related to legal outcome of Department of Telecommunications demand with respect to one-time spectrum charges. Our opinion on the Statement is not modified in respect of this matter.
6. The consolidated financial results includes the Group's share of profit of Rs. 1,724 Million and Total comprehensive income of Rs. 1,723 Million for the quarter ended June 30, 2019, as considered in the Statement in respect of two joint ventures whose interim financial information have not been audited by us. These interim financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these joint ventures, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our opinion on the Statement is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors. *h*

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

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**Shyamak R Tata**  
Partner  
(Membership No.38320)  
UDIN: 19038320AAAAAD3941

Place: New Delhi  
Date: August 1, 2019

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**Annexure to Auditor's Report**

**List of Entities:**

1	Bharti Airtel Limited		
	<b>Subsidiaries</b>		
2	Bharti Infratel Limited	35	Bharti Airtel Niger Holdings B.V.
3	Bharti Hexacom Limited	36	Bharti Airtel Nigeria B.V.
4	Bharti Telemedia Limited	37	Bharti Airtel Nigeria Holdings II B.V.
5	Telesonic Networks Limited	38	Bharti Airtel RDC Holdings B.V.
6	Bharti Airtel Services Limited	39	Bharti Airtel Services B.V.
7	Nxtra Data Limited	40	Bharti Airtel Tanzania B.V.
8	Wynk Limited	41	Bharti Airtel Uganda Holdings B.V.
9	Nettle Infrastructure Investments Limited	42	Bharti Airtel Zambia Holdings B.V.
10	Indo Teleports Limited	43	Airtel Mobile Commerce (Seychelles) B.V.
11	SmarTx Services Limited	44	Airtel Mobile Commerce Congo B.V.
12	Bharti Airtel Employees Welfare Trust	45	Airtel Mobile Commerce Kenya B.V.
13	Bharti Infratel Employee Welfare Trust	46	Airtel Mobile Commerce Madagascar B.V.
14	Airtel International LLP	47	Airtel Mobile Commerce Malawi B.V.
15	Bharti Airtel (UK) Limited	48	Airtel Mobile Commerce Rwanda B.V.
16	Bharti International (Singapore) Pte Ltd	49	Airtel Mobile Commerce Tchad B.V.
17	Network i2i Ltd.	59	Airtel Mobile Commerce Uganda B.V.
18	Bharti Airtel Lanka (Private) Limited	51	Airtel Mobile Commerce Zambia B.V.
19	Bharti Airtel (France) SAS	52	Bharti Airtel Africa B.V.
20	Bharti Airtel (USA) Limited	53	Celtel (Mauritius) Holdings Limited
21	Bharti Airtel (Hong Kong) Limited	54	Montana International
22	Bharti Airtel (Japan) Private Limited	55	Channel Sea Management Company (Mauritius) Limited
23	Bharti Airtel International (Mauritius) Limited	56	Société Malgache de Telephonie Cellulaire SA
24	Bharti Airtel International (Netherlands) B.V.	57	Bharti Airtel Rwanda Holdings Limited
25	Africa Towers N.V.	58	Indian Ocean Telecom Limited
26	Airtel Mobile Commerce B.V.	59	Bharti Airtel International (Mauritius) Investments Limited
27	Airtel Mobile Commerce Holdings B.V.	60	Bharti Airtel Overseas (Mauritius) Limited
28	Bharti Airtel Chad Holdings B.V.	61	Airtel Africa Plc. (Formerly known as Airtel Africa Limited)
29	Bharti Airtel Congo Holdings B.V.	62	Airtel Africa Mauritius Limited
30	Bharti Airtel Gabon Holdings B.V.	63	Airtel Mobile Commerce Nigeria B.V.
31	Bharti Airtel Kenya B.V.	64	Airtel Networks Limited
32	Bharti Airtel Kenya Holdings B.V.	65	Airtel Uganda Limited
33	Bharti Airtel Madagascar Holdings B.V.	66	Tanzania Towers Limited
34	Bharti Airtel Malawi Holdings B.V.	67	Bharti Airtel Mali Holdings B.V.

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68	Airtel Mobile Commerce Nigeria Limited	86	Airtel Congo (RDC) S.A.
69	Airtel Mobile Commerce Uganda Limited	87	Airtel Money (RDC) S.A.
70	Airtel Tanzania Public Limited Company (Formerly known as Airtel Tanzania Limited)	88	Partnership Investments SARL
71	Airtel Mobile Commerce (Tanzania) Limited	89	Airtel Mobile Commerce Tchad SARL
72	Airtel Money Tanzania Limited	90	Congo RDC Towers S.A.
73	Airtel Networks Zambia Plc	91	Airtel Congo S.A.
74	Airtel Mobile Commerce Zambia Limited	92	Mobile Commerce Congo S.A.
75	Airtel Money Transfer Ltd	93	Airtel Gabon S.A.
76	Airtel Networks Kenya Limited <sup>@</sup>	94	Airtel Money S.A. (Gabon)
77	Bharti Airtel Developers Forum Limited	95	Gabon Towers S.A.*
78	Airtel Mobile Commerce (Kenya) Limited	96	Airtel Money Niger S.A.
79	Airtel Malawi Limited	97	Celtel Niger S.A.
80	Airtel Mobile Commerce Limited, Malawi	98	Airtel Tchad S.A.
81	Airtel Rwanda Limited	99	Airtel Madagascar S.A.
82	Airtel Mobile Commerce Rwanda Limited	100	Madagascar Towers S.A.
83	Airtel (Seychelles) Limited	101	Airtel Mobile Commerce Madagascar S.A.
84	Airtel Mobile Commerce (Seychelles) Limited	102	Malawi Towers Limited
85	Bharti Airtel Holding (Mauritius) Limited		
	<b>Joint Ventures &amp; Associates (Including their subsidiaries)</b>		
103	Indus Towers Limited	110	Airtel Ghana Limited
104	FireFly Networks Limited	111	Airtel Mobile Commerce Ghana Limited
105	Seynse Technologies Private Limited	112	Mobile Financial Services Limited
106	Juggernaut Books Private Limited	113	Millicom Ghana Company Limited
107	Airtel Payments Bank Limited	114	Bharti Airtel Ghana Holdings B.V.
108	Robi Axiata Limited	115	Seychelles Cable Systems Company Limited
109	Bridge Mobile Pte Limited		

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

\* Under dissolution

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