

Quarterly report on the results for the second quarter and six months ended September 30, 2019

Bharti Airtel Limited

(Incorporated as a public limited company on July 7, 1995 under the Companies Act, 1956)
Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi – 110 070, India



Airtel launched the **1 Gbps 'Airtel Xstream Fiber'** with unlimited ultra-fast broadband.

Airtel Business bagged the **"Best Global Carrier"** award and the **"Best IoT Initiative"** award at the 'Carriers Worlds Awards 2019'.

November 14, 2019

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

Supplemental Disclosures

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

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

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

Convenience translation: - We publish our financial statements in Indian Rupees. All references herein to “Indian Rupees” and “Rs” are to Indian Rupees and all references herein to “US dollars” and “US\$” are to United States dollars. Translation of income statement items have been made from Indian Rupees to United States dollars (unless otherwise indicated) using the respective quarter average rate. Translation of Statement of financial position items have been made from Indian Rupees to United States dollars (unless otherwise indicated) using the closing rate. The rates announced by the Reserve Bank of India are being used as the Reference rate for respective translations. All amounts translated into United States dollars as described above are provided solely for the convenience of the reader, and no representation is made that the Indian Rupees or United States dollar amounts referred to herein could have been or could be converted into United States dollars or Indian Rupees respectively, as the case may be, at any particular rate, the above rates or at all. Any discrepancies in any table between totals and sums of the amounts listed are due to rounding off.

Functional Translation: - Africa financials reported in the quarterly report are in its functional currency i.e. US\$ (Refer “Section 10 Key Accounting Policies as per Ind-AS”). South Asia financials reported in the quarterly report are in its presentation currency i.e. Rs.

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

Further disclosures are also provided under “7.3 Use of Non - GAAP Financial Information” on page 34

Others: In this report, the terms “we”, “us”, “our”, “Bharti”, or “the Company”, unless otherwise specified or the context otherwise implies,

refer to Bharti Airtel Limited (“Bharti Airtel”) and its subsidiaries, Bharti Airtel Services Limited, Bharti Hexacom Limited, Bharti Infratel Limited, Bharti Telemedia Limited, Telesonic Networks Limited, Nxtra Data Limited, Wynn Limited, Indo Teleports Limited, Nettle Infrastructure Investments Limited, Bharti Digital Networks Private Limited, SmartX Services 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 International (Mauritius) Limited, Bharti Airtel International (Netherlands) B.V., Bharti Airtel Lanka (Private) Limited, Bharti International (Singapore) Pte Ltd, Network i2i Limited, Africa Towers N.V., Airtel (Seychelles) Limited, Airtel Congo S.A, Airtel Gabon S.A., Airtel Madagascar S.A., Airtel Malawi Limited, Airtel Mobile Commerce B.V., Airtel Mobile Commerce Holdings B.V., Airtel Mobile Commerce (Kenya) Limited, Airtel Mobile Commerce Limited (Malawi), Airtel Mobile Commerce Madagascar S.A., Airtel Mobile Commerce Rwanda Limited, Airtel Mobile Commerce (Seychelles) Limited, Airtel Mobile Commerce Tanzania Limited, Airtel Mobile Commerce Tchad SARL, Airtel Mobile Commerce Uganda Limited, Airtel Mobile Commerce Zambia Limited, Airtel Money RDC S.A., Airtel Money Niger S.A., Airtel Money S.A. (Gabon), Airtel Networks Kenya Limited, Airtel Networks Limited, Airtel Networks Zambia Plc, Airtel Rwanda Limited, Bharti Airtel Tanzania Public Limited Company, Airtel Tchad S.A., Airtel Uganda Limited, Airtel Africa Limited (incorporated w.e.f. July 12, 2018), 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 Kenya B.V., Bharti Airtel Kenya Holdings B.V., 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 Services B.V., Bharti Airtel Tanzania B.V., Bharti Airtel Uganda Holdings B.V., Bharti Airtel Zambia Holdings B.V., Celtel (Mauritius) Holdings Limited, Airtel Congo RDC S.A., 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, Partnership Investments SARL, Société Malgache de Telephone Cellulaire SA, Tanzania Towers Limited, Bharti Airtel Rwanda Holdings Limited, Airtel Money Transfer Ltd, Airtel Money Tanzania Limited, Airtel Mobile Commerce Nigeria Limited (incorporate w.e.f. August 31, 2017), Bharti Airtel International (Mauritius) Investments Limited, Airtel Africa Mauritius Limited (incorporated w.e.f. June 28, 2018), Bharti Airtel Holding (Mauritius) Limited (incorporated w.e.f. June 27, 2018), Bharti Airtel Overseas (Mauritius) Limited (incorporated w.e.f. June 28, 2018), Bharti Airtel Africa B.V., Airtel Mobile Commerce Nigeria B.V. (incorporated w.e.f. 5th December, 2018), Bharti Airtel Employees Welfare Trust, Airtel Mobile Commerce (Seychelles) B.V. (incorporated w.e.f. 29th January, 2019), Airtel Mobile Commerce Congo B.V. (incorporated w.e.f. 29th January, 2019), Airtel Mobile Commerce Kenya B.V. (incorporated w.e.f. 29th January, 2019), Airtel Mobile Commerce Madagascar B.V. (incorporated w.e.f. 29th January, 2019), Airtel Mobile Commerce Malawi B.V. (incorporated w.e.f. 29th January, 2019), Airtel Mobile Commerce Rwanda B.V. (incorporated w.e.f. 29th January, 2019), Airtel Mobile Commerce Tchad B.V. (incorporated w.e.f. 29th January, 2019), Airtel Mobile Commerce Uganda B.V. (incorporated w.e.f. 29th January, 2019), Airtel Mobile Commerce Zambia B.V. (incorporated w.e.f. 29th January, 2019), Airtel International LLP (incorporated w.e.f. 27th March, 2019), Network i2i (Kenya) Limited (incorporated w.e.f. July 3, 2019)

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

TABLE OF CONTENTS

Section 1	Bharti Airtel – Performance at a glance	4
Section 2	Bharti Airtel - An Introduction	5
Section 3	Financial Highlights as per Ind-AS	
3.1	Consolidated - Summary of Consolidated Financial Statements	6
3.2	Region wise - Summary of Statement of Operations	8
3.3	Segment wise - Summary of Statement of Operations	10
3.4	Region wise & Segment wise - Investment & Contribution	13
Section 4	Operating Highlights	15
Section 5	Management Discussion & Analysis	
5.1	India & SA	19
5.2	Africa	20
5.3	Share of Associates / Joint Ventures	20
5.4	Results of Operations	22
5.5	Three Line Graph	26
Section 6	Stock Market Highlights	27
Section 7	Detailed Financial and Related Information	29
Section 8	Region wise Cost Schedules	35
Section 9	Trends and Ratio Analysis	38
Section 10	Key Accounting Policies as per Ind-AS	51
Section 11	Glossary	55

SECTION 1

BHARTI AIRTEL – PERFORMANCE AT A GLANCE

Particulars	Unit	Full Year Ended			Quarter Ended				
		Ind-AS			Ind-AS			Ind-AS 116	
		2017	2018	2019	Sep-18	Dec-18	Mar-19	Jun-19 ³	Sep-19 ³
Operating Highlights									
Total Customer Base	000's	372,354	413,822	403,645	448,062	403,699	403,645	403,695	411,424
Total Minutes on Network	Mn Min	1,548,602	2,159,386	3,069,646	758,618	768,020	796,285	803,341	789,776
Network Towers	Nos	184,255	187,541	204,356	193,226	198,093	204,356	206,210	209,743
Total Employees	Nos	22,815	20,978	19,444	20,298	20,208	19,444	19,490	19,207
No. of countries of operation	Nos	18	18	18	18	18	18	18	18
Population Covered	Bn	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Consolidated Financials (Rs Mn)									
Total revenues	Rs Mn	942,506	826,388	807,802	201,478	202,310	206,022	207,379	211,313
EBITDA	Rs Mn	356,208	304,479	262,937	63,433	63,069	68,064	84,926	89,363
EBIT	Rs Mn	156,775	110,845	47,629	10,764	8,132	11,932	16,046	19,930
Cash profit from operations before Derivative & Exchange Fluctuations	Rs Mn	283,668	227,169	167,777	37,548	41,641	41,252	53,886	60,980
Profit before tax	Rs Mn	88,929	40,601	(46,606)	(18,535)	(12,135)	(13,086)	(15,298)	(6,231)
Net income	Rs Mn	37,997	10,991	4,095	1,188	862	1,072	(28,660)	(230,449)
Capex	Rs Mn	198,745	268,176	287,427	76,845	65,679	62,735	50,468	37,901
Operating Free Cash Flow (EBITDA - Capex)	Rs Mn	157,463	36,303	(24,490)	(13,412)	(2,609)	5,329	34,458	51,461
Net Debt	Rs Mn	970,547	1,001,060	1,129,899	1,184,347	1,112,968	1,129,899	1,166,458	1,181,065
Shareholder's Equity	Rs Mn	674,563	695,344	714,222	688,804	711,097	714,222	913,746	699,833
Consolidated Financials (US\$ Mn)									
Total Revenue ¹	US\$ Mn	14,033	12,823	11,567	2,882	2,819	2,919	2,979	2,969
EBITDA ¹	US\$ Mn	5,304	4,725	3,768	907	879	964	1,220	1,256
EBIT ¹	US\$ Mn	2,334	1,720	686	154	113	169	230	280
Cash profit from operations before Derivative & Exchange Fluctuations ¹	US\$ Mn	4,224	3,525	2,406	537	580	584	774	857
Profit before Tax ¹	US\$ Mn	1,324	630	(662)	(265)	(169)	(185)	(220)	(88)
Net income ¹	US\$ Mn	566	170	59	17	12	15	(412)	(3,238)
Capex ¹	US\$ Mn	2,959	4,162	4,126	1,099	915	889	725	533
Operating Free Cash Flow (EBITDA - Capex)	US\$ Mn	2,344	563	(358)	(192)	(36)	76	495	723
Net Debt ²	US\$ Mn	14,966	15,360	16,339	16,339	15,912	16,339	16,900	16,738
Shareholder's Equity ²	US\$ Mn	10,402	10,669	10,328	9,503	10,167	10,328	13,239	9,918
Key Ratios									
EBITDA Margin	%	37.8%	36.8%	32.5%	31.5%	31.2%	33.0%	41.0%	42.3%
EBIT Margin	%	16.6%	13.4%	5.9%	5.3%	4.0%	5.8%	7.7%	9.4%
Net Profit Margin	%	4.0%	1.3%	0.5%	0.6%	0.4%	0.5%	-13.8%	-109.1%
Net Debt to Funded Equity Ratio	Times	1.44	1.44	1.58	1.72	1.57	1.58	1.28	1.69
Net Debt to EBITDA (Annualised)	Times	2.72	3.29	4.30	4.67	4.41	4.15	3.43	3.30
Interest Coverage ratio	Times	5.20	4.37	2.84	2.75	2.57	2.90	3.05	3.43
Return on Shareholder's Equity	%	5.7%	1.6%	0.6%	0.9%	0.6%	0.6%	-2.6%	-31.9%
Return on Capital employed	%	6.6%	4.8%	5.2%	5.0%	4.9%	5.1%	3.2%	-8.2%
Valuation Indicators									
Market Capitalization	Rs Bn	1,399	1,595	1,331	1,352	1,251	1,331	1,779	1,885
Market Capitalization	US\$ Bn	21.6	24.5	19.2	18.7	17.9	19.2	25.8	26.7
Enterprise Value	Rs Bn	2,369	2,596	2,461	2,536	2,364	2,461	2,945	3,066
EV / EBITDA	Times	6.65	8.52	9.36	9.12	8.91	9.36	8.67	8.58
P/E Ratio	Times	36.81	145.10	342.12	226.32	336.50	342.12	(63.61)	(7.25)

Note 1: Average exchange rates used for Rupee conversion to US\$ is (a) Rs 67.16 for the financial year ended March 31, 2017 (b) Rs 64.44 for the financial year ended March 31, 2018 (c) Rs 69.86 for the financial year ended March 31, 2019 (d) Rs 69.91 for the quarter ended September 30, 2018 (e) Rs 71.76 for the quarter ended December 31, 2018 (f) Rs 70.58 for the quarter ended March 31, 2019 (g) Rs 69.62 for the quarter ended June 30, 2019 (h) Rs 71.17 for the quarter ended September 30, 2019 based on the RBI Reference rate.

Note 2: Closing exchange rates used for Rupee conversion to US\$ is (a) Rs 64.85 for the year ended March 31, 2017 (b) Rs 65.18 for the financial year ended March 31, 2018 (c) Rs 69.16 for the financial year ended March 31, 2019 (d) Rs 72.49 for the quarter ended September 30, 2018 (e) Rs 69.95 for the quarter ended December 31, 2018 (f) Rs 69.16 for the quarter ended March 31, 2019 (g) Rs 69.02 for the quarter ended June 30, 2019 (h) Rs 70.56 for the quarter ended September 30, 2019 being the RBI Reference rate.

Note 3: With the adoption of Ind AS116 "Leases", effective April 1, 2019, the results and ratios of period commencing April 1, 2019 are not comparable with the past period results.

SECTION 2

BHARTI AIRTEL - AN INTRODUCTION

2.1 Introduction

We are one of the world's leading providers of telecommunication services with presence in 18 countries representing India, Sri Lanka, 14 countries in Africa and Joint Ventures in 2 more countries. As per United Nations data published on January 01, 2013, the population of these 18 countries represents around 24% of the world's population.

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". '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 owns Tower Infrastructure pertaining to telecom operations through its subsidiary and joint venture entity.

The shares of Bharti Airtel Ltd are listed on the Indian Stock Exchanges, NSE & BSE.

2.2 Business Divisions

2.2.1 India & South Asia – We follow a segmented approach for our operations in India with clear focus on retail and corporate customers.

B2C Services:

Mobile Services (India) –We offer postpaid, pre-paid, roaming, internet and other value added services. Our distribution channel is spread across 1.0 Mn outlets with network presence in 7,906 census and 786,268 non-census towns and villages in India covering approximately 95.3% of the country's population.

Our 3G and 4G services are spread across the country offering high-speed internet access and a host of innovative services like Mobile TV, video calls, live-streaming videos, gaming, buffer-less HD video streaming and multi-tasking capabilities to our customers.

Our national long distance infrastructure provides a pan-India reach with 294,867 Rkms of optical fiber.

Homes Services – The Company provides fixed-line telephone and broadband services for homes in 100 cities pan-India. The product offerings include high-speed broadband on copper and fiber and voice connectivity, up to the speeds of 100 mbps for the home segment.

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. We currently offer a total of 640 channels including 84 HD channels, 7 international channels and 4 interactive services.

B2B Services:

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 business. For small and medium business, Airtel is a trusted

solution provider for fixed-line voice (PRIs), data and other connectivity solutions like MPLS, VoIP, SIP trunking. Additionally, the Company offers solutions to businesses Audio, Video and Web Conferencing. Cloud portfolio is also an integral part of its office solutions suite, which offers Storage, compute, Microsoft office 365, ecommerce package through shopify and CRM packages on a pay as you go model.

Along with voice, data and video, our services also include network integration, data centers, managed services, enterprise mobility applications and digital media. Airtel Business provides 'One solution, bill, support, face' experience to our customers.

We offer global services in both voice and data including VAS services like International Toll Free Services and SMS hubbing. Our strategically located submarine cables and satellite network enable our customers to connect across the world including hard-to-reach areas. Our global network runs across 250,000 Rkms, covering 50 countries and 5 continents.

Tower Infrastructure Services – 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 11.15% respectively. The Company's consolidated portfolio of 93,421 telecom towers, which includes 41,050 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.

Infratel is listed on Indian Stock exchanges, NSE and BSE.

South Asia – South Asia represents our operations in Sri Lanka. In Sri Lanka, we operate across 25 administrative districts with distribution network of over 48 K retailers across the country. Our 3.5G services are present across major towns in Sri Lanka.

2.2.2 Africa

Our subsidiary, Airtel Africa plc is present in 14 countries across Africa, namely: Nigeria, Chad, Congo B, Democratic Republic of Congo, Gabon, Madagascar, Niger, Kenya, Malawi, Seychelles, Tanzania, Uganda, Zambia and Rwanda. We offer post-paid, pre-paid, roaming, internet services, content, media & entertainment, and corporate solutions. 3G, 4G data and m-Commerce (Mobile Money) are the next growth engines for the Company in Africa. We offer 3G services, Mobile Money across all 14 countries and 4G services in 14 countries of Africa.

Airtel Africa plc is listed on London Stock Exchange (LSE) and Nigeria Stock Exchange (NSE).

2.3 Partners

SingTel, our strategic equity partner, has made one of their largest investments outside Singapore with us. This partnership has enabled us to expand and further enhance the quality of services to our customers. We also pioneered the outsourcing business model with long term strategic partnership in all areas including network equipment, information technology and call center. We partnered with global leaders who share our drive for co-creating innovative and tailor made solutions. To name a few, our strategic partners include ZTE, Ericsson, Nokia Siemens Networks (NSN), Huawei, Cisco, IBM, Avaya, etc.

SECTION 3

FINANCIAL HIGHLIGHTS

The financial results presented in this section are compiled based on the audited consolidated financial statements prepared in accordance with Indian Accounting Standards (Ind-AS) and the underlying information.

Detailed financial statements, analysis & other related information is attached to this report (page 29 - 32). Also, kindly refer to Section 7.3 - use of Non - GAAP financial information (page 34) and Glossary (page 55) for detailed definitions.

3.1 Consolidated - Summary of Consolidated Financial Statements

3.1.1 Consolidated Summarized Statement of Operations (net of inter segment eliminations)

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Six Months Ended		
	Sep-19	Sep-18	Y-on-Y Growth	Sep-19	Sep-18	Y-on-Y Growth
Total revenues	211,313	201,478	5%	418,692	399,470	5%
EBITDA	89,363	63,433	41%	174,289	131,803	32%
<i>EBITDA / Total revenues</i>	<i>42.3%</i>	<i>31.5%</i>		<i>41.6%</i>	<i>33.0%</i>	
EBIT	19,930	10,764	85%	35,975	27,565	31%
Finance cost (net)	29,083	29,858	-3%	60,898	51,123	19%
Share of results of Joint Ventures/Associates	3,154	1,633	93%	4,086	3,286	24%
Profit before tax	(6,231)	(18,535)	66%	(21,529)	(21,385)	-1%
Income tax expense	(1,874)	(10,889)	83%	(7,704)	(13,379)	42%
Profit after tax (before exceptional items)	(4,357)	(7,645)	43%	(13,826)	(8,006)	-73%
Non Controlling Interest	6,872	2,004	243%	11,405	4,647	145%
Net income (before exceptional items)	(11,228)	(9,650)	-16%	(25,230)	(12,653)	-99%
Exceptional Items (net of tax)	223,944	(10,137)	2309%	238,397	(15,294)	1659%
Profit after tax (after exceptional items)	(228,301)	2,492	-9261%	(252,223)	7,288	-3561%
Non Controlling Interest	2,148	1,304	65%	6,886	5,127	34%
Net income	(230,449)	1,188	-19497%	(259,109)	2,161	-12093%
Capex	37,901	76,845	-51%	88,370	159,013	-44%
Operating Free Cash Flow (EBITDA - Capex)	51,461	(13,412)	484%	85,919	(27,209)	416%
Cumulative Investments	3,514,674	3,348,001	5%	3,514,674	3,348,001	5%

** With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.*

Note 4: pursuant to reporting changes in DTH effective April 1, 2019 (content cost becoming a pass through expense), on a comparable basis the Y-o-Y revenue growth for the period ended Sep 30, 2019 is 7% (Quarter ended) and 7% (six months ended)

3.1.2 Consolidated Summarized Statement of Financial Position

Particulars	Amount in Rs Mn	
	As at Sep 30, 2019	As at Mar 31, 2019
Assets		
Non-current assets	2,759,625	2,422,918
Current assets	596,601	329,057
Total assets	3,356,226	2,751,975
Liabilities		
Non-current liabilities	1,215,045	971,946
Current liabilities	1,271,032	930,549
Total liabilities	2,486,077	1,902,495
Equity & Non Controlling Interests		
Equity	699,833	714,222
Non controlling interests	170,316	135,258
Total Equity & Non Controlling Interests	870,149	849,480
Total Equity and liabilities	3,356,226	2,751,975

* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

3.2 Region wise - Summary of Consolidated Financial Statements

3.2.1 Summarized Statement of Operations (net of inter segment eliminations)

Amount in Rs Mn, except ratios

Particulars	Quarter Ended Sep 2019			Quarter Ended Sep 2018			Six Months Ended Sep 2019			Six Months Ended Sep 2018		
	India SA	Africa	Total	India SA	Africa	Total	India SA	Africa	Total	India SA	Africa	Total
Total revenues	154,608	59,157	211,313	150,223	53,725	201,478	309,056	114,590	418,692	300,501	103,758	399,470
EBITDA	63,298	26,082	89,363	42,512	20,934	63,433	124,021	50,288	174,289	91,656	40,155	131,803
<i>EBITDA / Total revenues</i>	<i>40.9%</i>	<i>44.1%</i>	<i>42.3%</i>	<i>28.3%</i>	<i>39.0%</i>	<i>31.5%</i>	<i>40.1%</i>	<i>43.9%</i>	<i>41.6%</i>	<i>30.5%</i>	<i>38.7%</i>	<i>33.0%</i>
EBIT	4,601	15,344	19,930	(2,771)	13,548	10,764	6,888	29,106	35,975	2,186	25,387	27,565
Profit before tax	(17,071)	10,633	(6,231)	(27,958)	4,053	(18,535)	(37,607)	18,688	(21,529)	(41,439)	11,605	(21,385)
Income tax expense	(6,908)	4,753	(1,874)	(12,460)	1,208	(10,889)	(16,132)	8,074	(7,704)	(18,216)	4,315	(13,379)
Profit after tax (before exceptional items)	(10,163)	5,880	(4,357)	(15,498)	2,845	(7,645)	(21,475)	10,614	(13,826)	(23,223)	7,290	(8,006)
Non Controlling Interest	3,878	2,832	6,872	1,438	522	2,004	6,547	4,642	11,405	3,538	1,028	4,647
Net income (before exceptional items)	(14,041)	3,048	(11,228)	(16,936)	2,323	(9,650)	(28,022)	5,972	(25,230)	(26,760)	6,261	(12,653)
Exceptional Items (net of tax)			223,944			(10,137)			238,397			(15,294)
Profit after tax (after exceptional items)			(228,301)			2,492			(252,223)			7,288
Non Controlling Interest			2,148			1,304			6,886			5,127
Net income			(230,449)			1,188			(259,109)			2,161
Capex	27,576	10,326	37,901	69,459	7,386	76,845	71,117	17,252	88,370	148,331	10,682	159,013
Operating Free Cash Flow (EBITDA - Capex)	35,723	15,756	51,461	(26,947)	13,548	(13,412)	52,904	33,035	85,919	(56,675)	29,473	(27,209)
Cumulative Investments	2,903,597	586,118	3,514,674	2,714,118	603,147	3,348,001	2,903,597	586,118	3,514,674	2,714,118	603,147	3,348,001

* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

3.2.2 Region wise Summarized Statement of Financial Position

Amount in Rs Mn

Particulars	As at Sep 30, 2019			
	India SA	Africa	Eliminations/Others	Total
Assets				
Non-current assets	2,362,382	535,705	(138,462)	2,759,625
Current assets	453,436	145,033	(1,868)	596,601
Total assets	2,815,818	680,738	(140,330)	3,356,226
Liabilities				
Non-current liabilities	946,186	265,416	3,443	1,215,045
Current liabilities	1,097,806	175,122	(1,897)	1,271,032
Total liabilities	2,043,992	440,538	1,547	2,486,077
Equity & Non Controlling Interests				
Equity	699,404	142,305	(141,876)	699,833
Non controlling interests	72,422	97,895	0	170,316
Total Equity & Non Controlling Interests	771,826	240,200	(141,877)	870,149
Total Equity and liabilities	2,815,818	680,738	(140,330)	3,356,226

3.3 Segment wise Summarized Statement of Operations

3.3.1 India & South Asia

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Six Months Ended		
	Sep-19	Sep-18	Y-on-Y Growth	Sep-19	Sep-18	Y-on-Y Growth
Total revenues	154,608	150,223	3%	309,056	300,501	3%
EBITDA	63,298	42,512	49%	124,021	91,656	35%
EBITDA / Total revenues	40.9%	28.3%		40.1%	30.5%	
EBIT	4,601	(2,771)	266%	6,888	2,186	215%
Capex	27,576	69,459	-60%	71,117	148,331	-52%
Operating Free Cash Flow (EBITDA - Capex)	35,723	(26,947)	233%	52,904	(56,675)	193%
Cumulative Investments	2,903,597	2,714,118	7%	2,903,597	2,714,118	7%

* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

Note 5: Pursuant to reporting changes in DTH effective April 1, 2019 (content cost becoming a pass through expense); on comparable basis the Y-o-Y revenue growth for the period ended Sep 30, 2019 is 6% (Quarter ended) and 6% (six months ended).

3.3.2 India

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Six Months Ended		
	Sep-19	Sep-18	Y-on-Y Growth	Sep-19	Sep-18	Y-on-Y Growth
Total revenues	153,610	149,198	3%	307,056	298,498	3%
EBITDA	63,213	42,487	49%	123,844	91,621	35%
EBITDA / Total revenues	41.2%	28.5%		40.3%	30.7%	
EBIT	4,878	(2,495)	296%	7,425	2,792	166%
Capex	27,469	69,036	-60%	70,692	147,699	-52%
Operating Free Cash Flow (EBITDA - Capex)	35,744	(26,549)	235%	53,151	(56,079)	195%
Cumulative Investments	2,888,882	2,698,914	7%	2,888,882	2,698,914	7%

* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

Note 6: Pursuant to reporting changes in DTH effective April 1, 2019 (content cost becoming a pass through expense); on comparable basis the Y-o-Y revenue growth for the period ended Sep 30, 2019 is 6% (Quarter ended) and 6% (six months ended).

B2C Services

3.3.3 Mobile Services (India) – comprises of Mobile Services and Network Groups building / providing fiber connectivity.

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Six Months Ended		
	Sep-19	Sep-18	Y-on-Y Growth	Sep-19	Sep-18	Y-on-Y Growth
Total revenues	109,814	102,521	7%	218,482	207,325	5%
EBITDA	39,913	21,468	86%	78,655	49,071	60%
EBITDA / Total revenues	36.3%	20.9%		36.0%	23.7%	
EBIT	(11,449)	(15,919)	28%	(23,869)	(24,701)	3%
Capex	19,639	59,638	-67%	56,065	128,988	-57%
Operating Free Cash Flow (EBITDA - Capex)	20,274	(38,170)	153%	22,590	(79,917)	128%
Cumulative Investments	2,392,024	2,226,885	7%	2,392,024	2,226,885	7%

* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

3.3.4 Homes Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Six Months Ended		
	Sep-19	Sep-18	Y-on-Y Growth	Sep-19	Sep-18	Y-on-Y Growth
Total revenues	5,475	5,607	-2%	11,180	11,352	-2%
EBITDA	2,471	2,932	-16%	4,995	5,792	-14%
<i>EBITDA / Total revenues</i>	<i>45.1%</i>	<i>52.3%</i>		<i>44.7%</i>	<i>51.0%</i>	
EBIT	1,233	1,083	14%	2,268	2,109	8%
Capex	1,023	1,930	-47%	2,192	3,852	-43%
Operating Free Cash Flow (EBITDA - Capex)	1,447	1,003	44%	2,802	1,939	45%
Cumulative Investments	78,756	73,087	8%	78,756	73,087	8%

* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

3.3.5 Digital TV Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Six Months Ended		
	Sep-19	Sep-18	Y-on-Y Growth	Sep-19	Sep-18	Y-on-Y Growth
Total revenues	7,893	10,242	-23%	15,282	20,166	-24%
EBITDA	5,607	3,960	42%	10,870	7,970	36%
<i>EBITDA / Total revenues</i>	<i>71.0%</i>	<i>38.7%</i>		<i>71.1%</i>	<i>39.5%</i>	
EBIT	3,243	1,905	70%	6,855	3,989	72%
Capex	2,052	1,797	14%	4,488	3,606	24%
Operating Free Cash Flow (EBITDA - Capex)	3,556	2,163	64%	6,382	4,364	46%
Cumulative Investments	93,046	83,514	11%	93,046	83,514	11%

* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

Note 7: Pursuant to reporting changes in DTH effective April 1, 2019 (content cost becoming a Pass through expense); on comparable basis the Y-o-Y revenue growth for the period ended Sep 30, 2019 is 17% (Quarter ended) and 16% (six months ended). EBITDA/ Total revenues is 43.3% for the quarter ended Sep 30, 2019 and 42.8% for the six months ended Sep 30, 2019 adjusting for the reporting changes.

B2B Services

3.3.6 Airtel Business

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Six Months Ended		
	Sep-19	Sep-18	Y-on-Y Growth	Sep-19	Sep-18	Y-on-Y Growth
Total revenues	33,312	33,458	0%	65,392	63,382	3%
EBITDA	9,396	10,759	-13%	17,051	21,184	-20%
<i>EBITDA / Total revenues</i>	<i>28.2%</i>	<i>32.2%</i>		<i>26.1%</i>	<i>33.4%</i>	
EBIT	7,706	7,741	0%	13,855	15,176	-9%
Capex	2,620	3,085	-15%	3,775	4,480	-16%
Operating Free Cash Flow (EBITDA - Capex)	6,776	7,674	-12%	13,276	16,704	-21%
Cumulative Investments	107,229	119,146	-10%	107,229	119,146	-10%

* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods..

3.3.7 Tower Infrastructure Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Six Months Ended		
	Sep-19	Sep-18	Y-on-Y Growth	Sep-19	Sep-18	Y-on-Y Growth
Total revenues	16,674	17,206	-3%	33,935	34,155	-1%
EBITDA	9,268	7,968	16%	19,323	15,783	22%
<i>EBITDA / Total revenues</i>	<i>55.6%</i>	<i>46.3%</i>		<i>56.9%</i>	<i>46.2%</i>	
EBIT	6,125	5,196	18%	12,482	10,234	22%
Share of results of joint ventures/associates	4,866	2,390	104%	7,508	5,356	40%
Capex	2,136	2,587	-17%	4,172	5,520	-24%
Operating Free Cash Flow (EBITDA - Capex)	7,132	5,381	33%	15,151	10,263	48%
Cumulative Investments	206,935	195,888	6%	206,935	195,888	6%

* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

3.3.8 South Asia – comprises of operations in Sri Lanka.

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Six Months Ended		
	Sep-19	Sep-18	Y-on-Y Growth	Sep-19	Sep-18	Y-on-Y Growth
Total revenues	1,106	1,122	-1%	2,194	2,182	1%
EBITDA	84	30	181%	177	40	341%
<i>EBITDA / Total revenues</i>	<i>7.6%</i>	<i>2.7%</i>		<i>8.0%</i>	<i>18%</i>	
EBIT	(277)	(271)	-2%	(537)	(602)	11%
Capex	107	423	-75%	425	631	-33%
Operating Free Cash Flow (EBITDA - Capex)	(22)	(393)	94%	(248)	(591)	58%
Cumulative Investments	14,715	15,203	-3%	14,715	15,203	-3%

* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

3.3.9 Africa In USD Constant Currency – ^{Note 8}

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended			Six Months Ended		
	Sep-19	Sep-18	Y-on-Y Growth	Sep-19	Sep-18	Y-on-Y Growth
Total revenues	853	758	13%	1,655	1,486	11%
EBITDA	376	295	27%	726	575	26%
<i>EBITDA / Total revenues</i>	<i>44.0%</i>	<i>39.0%</i>		<i>43.9%</i>	<i>38.7%</i>	
EBIT	221	191	16%	420	363	16%
Capex	147	106	39%	247	155	59%
Operating Free Cash Flow (EBITDA - Capex)	228	190	20%	479	420	14%
Cumulative Investments	8,306	8,321	0%	8,306	8,321	0%

* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

Note 8: Closing currency rates as on March 1, 2019 (AOP FY 19-20 currency) considered for above financials up to EBIT. Actual currency rates are taken for Capex & Cumulative Investments.

3.4 Region wise & Segment wise - Investment & Contribution

Quarter Ended:

Amount in Rs Mn, except ratios

Segment	Quarter Ended Sep 2019						As at Sep 30, 2019	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Cummulative Investments	% of Total
Mobile Services	109,814	71%	39,913	63%	19,639	71%	2,392,024	83%
Homes Services	5,475	4%	2,471	4%	1,023	4%	78,756	3%
Digital TV Services	7,893	5%	5,607	9%	2,052	7%	93,046	3%
Airtel Business	33,312	22%	9,396	15%	2,620	10%	107,229	4%
Tower Infrastructure Services	16,674	11%	9,268	15%	2,136	8%	206,935	7%
South Asia	1,106	1%	84	0%	107	0%	14,715	1%
Sub Total	174,273	113%	66,740	105%	27,576	100%	2,892,704	100%
Eliminations / Others	(19,665)	-13%	(3,441)	-5%	0	0%	10,893	
Accumulated Depreciation and Amortisation							(1,232,455)	
Total (India SA)	154,608	100%	63,298	100%	27,576	100%	1,671,142	
India SA % of Consolidated	73%		71%		73%		82%	
Africa	59,157		26,082		10,326		586,118	
Accumulated Depreciation and Amortisation							(128,195)	
Total (Africa)	59,157		26,082		10,326		457,923	
Africa % of Consolidated	28%		29%		27%		17%	
Eliminations / Others	(2,452)		(18)		(0)		24,960	
Eliminations / Others % of Consolidated	-1%		0%		0%		0%	
Consolidated	211,313		89,363		37,901		3,514,674	

Six Months Ended:
Amount in Rs Mn, except ratios

Segment	Six Months Ended Sep 2019						As at Sep 30, 2019	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Cummulative Investments	% of Total
Mobile Services	218,482	71%	78,655	63%	56,065	79%	2,392,024	83%
Homes Services	11,180	4%	4,995	4%	2,192	3%	78,756	3%
Digital TV Services	15,282	5%	10,870	9%	4,488	6%	93,046	3%
Airtel Business	65,392	21%	17,051	14%	3,775	5%	107,229	4%
Tower Infrastructure Services	33,935	11%	19,323	16%	4,172	6%	206,935	7%
South Asia	2,194	1%	177	0%	425	1%	14,715	1%
Sub Total	346,465	112%	131,071	106%	71,117	100%	2,892,704	100%
Eliminations / Others	(37,409)	-12%	(7,050)	-6%	0	0%	10,893	
Accumulated Depreciation and Amortisation							(1,232,455)	
Total (India & SA)	309,056	100%	124,021	100%	71,117	100%	1,671,142	
India SA % of Consolidated	74%		71%		80%		82%	
Africa	114,590		50,288		17,252		586,118	
Accumulated Depreciation and Amortisation							(128,195)	
Total (Africa)	114,590		50,288		17,252		457,923	
Africa % of Consolidated	27%		29%		20%		17%	
Eliminations / Others	(4,954)		(20)		(0)		24,960	
Eliminations / Others % of Consolidated	-1%		0%		0%		1%	
Consolidated	418,692		174,289		88,370		3,514,674	

SECTION 4

OPERATING HIGHLIGHTS

The financial figures used for computing ARPU, Revenue per Site, Gross revenue per employee per month, Personnel cost per employee per month are based on Ind-AS.

4.1 Customers - Consolidated

Parameters	Unit	Sep-19	Jun-19	Q-on-Q Growth	Sep-18	Y-on-Y Growth
India	000's	304,703	301,451	1.1%	351,539	-13.3%
South Asia	000's	2,840	2,573	10.4%	2,428	17.0%
Africa	000's	103,881	99,670	4.2%	94,096	10.4%
Total	000's	411,424	403,695	1.9%	448,062	-8.2%

4.2 Mobile Services India

Parameters	Unit	Sep-19	Jun-19	Q-on-Q Growth	Sep-18	Y-on-Y Growth
Customer Base*	%	279,430	276,817	0.9%	332,764	-15.0%
Net Additions	000's	2,613	(1,533)	270.5%	(11,800)	122.1%
Pre-Paid (as % of total Customer Base)	%	94.9%	94.9%		94.4%	
Monthly Churn	%	2.1%	2.6%		4.1%	
Average Revenue Per User (ARPU)	Rs	128	129	-1.0%	100	28.4%
Average Revenue Per User (ARPU)	US\$	1.8	1.9	-1.6%	1.4	28.1%
Revenue per towers per month	Rs	195,769	196,584	-0.4%	198,400	-1.3%
Revenues						
Mobile Services #	Rs Mn	108,118	107,240	0.8%	100,704	7.4%
Voice						
Minutes on the network	Mn	716,642	737,108	-2.8%	693,061	3.4%
Voice Usage per customer	min	848	888	-4.5%	686	23.7%
Data						
Data Customer Base	000's	124,242	120,047	3.5%	97,666	27.2%
Of which 4G data customers	000's	103,111	95,173	8.3%	65,731	56.9%
As % of Customer Base	%	44.5%	43.4%		29.4%	
Total MBs on the network	Mn MBs	4,828,577	4,191,715	15.2%	2,660,297	81.5%
Data Usage per customer	MBs	13,116	11,930	9.9%	9,221	42.2%

* M2M base has been reclassified to Airtel Business wef April 2019.

Excludes revenues from network groups building / providing fiber connectivity and group eliminations.

4.3 Homes Services

Parameters	Unit	Sep-19	Jun-19	Q-on-Q Growth	Sep-18	Y-on-Y Growth
Homes Customers	000's	2,350	2,342	0.3%	2,213	6.2%
Net additions	000's	8	72	-89.5%	24	-68.6%
Average Revenue Per User (ARPU)	Rs	777	825	-5.8%	847	-8.2%
Average Revenue Per User (ARPU)	US\$	11.1	11.8	-6.4%	12.1	-8.5%

4.4 Digital TV Services

Parameters	Unit	Sep-19	Jun-19	Q-on-Q Growth	Sep-18	Y-on-Y Growth
Digital TV Customers	000's	16,207	16,027	1.1%	14,779	9.7%
Net additions	000's	181	634	-71.5%	133	35.9%
Average Revenue Per User (ARPU)	Rs	162	157	3.8%	232	-29.9%
Average Revenue Per User (ARPU)	US\$	2.3	2.2	3.1%	3.3	-30.1%
Monthly Churn	%	1.6%	1.0%		1.3%	

4.5 Network and Coverage - India

Parameters	Unit	Sep-19	Jun-19	Q-on-Q Growth	Sep-18	Y-on-Y Growth
Mobile Services						
Census Towns	Nos	7,906	7,906	0	7,904	2
Non-Census Towns and Villages	Nos	786,268	786,246	22	786,129	139
Population Coverage	%	95.3%	95.3%		95.3%	
Optic Fibre Network	R Kms	294,867	286,662	8,205	263,507	31,360
Network towers	Nos	185,582	182,600	2,982	171,031	14,551
<i>Of which Mobile Broadband towers</i>	Nos	181,825	177,141	4,684	154,531	27,294
Total Mobile Broadband Base stations	Nos	461,891	443,804	18,087	347,642	114,249
Homes Services - Cities covered	Nos	100	99	1	89	11
Airtel Business - Submarine cable systems	Nos	7	7	0	7	0
Digital TV Services						
Districts Covered	Nos	639	639	0	639	0
Coverage	%	99.8%	99.8%		99.8%	

4.6 Tower Infrastructure Services

4.6.1 Bharti Infratel Standalone

Parameters	Unit	Sep-19	Jun-19	Q-on-Q Growth	Sep-18	Y-on-Y Growth
Total Towers	Nos	41,050	40,636	414	39,946	1,104
Total Co-locations	Nos	76,176	76,119	57	78,275	(2,099)
Key Indicators						
Sharing Revenue per sharing operator per month	Rs	46,095	44,623	3.3%	38,687	19.1%
Average Sharing Factor	Times	1.86	1.88		2.06	

Additional Information:

4.6.2 Indus Towers

Parameters	Unit	Sep-19	Jun-19	Q-on-Q Growth	Sep-18	Y-on-Y Growth
Total Towers	Nos	124,692	123,799	893	124,230	462
Total Co-locations	Nos	231,500	231,256	244	229,136	2,364
Average Sharing Factor	Times	1.86	1.86		2.02	

4.6.3 Bharti Infratel Consolidated

Parameters	Unit	Sep-19	Jun-19	Q-on-Q Growth	Sep-18	Y-on-Y Growth
Total Towers	Nos	93,421	92,632	789	92,123	1,298
Total Co-locations	Nos	173,406	173,247	159	174,512	(1,106)
Average Sharing Factor	Times	1.86	1.87		2.04	

4.7 Human Resource Analysis – India

Parameters	Unit	Sep-19	Jun-19	Q-on-Q Growth	Sep-18	Y-on-Y Growth
Total Employees	Nos	15,854	16,218	(364)	17,044	(1,190)
Number of Customers per employee	Nos	19,219	18,321	898	20,625	(1,406)
Personnel cost per employee per month	Rs	117,612	104,185	12.9%	109,131	7.8%
Gross Revenue per employee per month	Rs	3,229,674	3,153,819	2.4%	2,917,897	10.7%

4.8 Africa

4.8.1 Operational Performance (In Constant Currency)

Parameters	Unit	Sep-19	Jun-19	Q-on-Q Growth	Sep-18	Y-on-Y Growth
Customer Base	000's	103,881	99,670	4.2%	94,096	10.4%
Net Additions	000's	4,211	819	414.2%	2,903	45.1%
Monthly Churn	%	4.5%	5.0%		4.8%	
Average Revenue Per User (ARPU)	US\$	2.8	2.7	3.6%	2.7	2.4%
Voice						
Voice Revenue	\$ Mn	491	472	4.0%	475	3.3%
Minutes on the network	Mn	60,795	55,329	9.9%	52,357	16.1%
Voice Average Revenue Per User (ARPU)	US\$	1.6	1.6	1.2%	1.7	-6.0%
Voice Usage per customer	min	199	186	7.0%	189	5.7%
Data						
Data Revenue	\$ Mn	229	209	9.7%	164	39.6%
Data Customer Base	000's	31,910	30,001	6.4%	27,113	17.7%
As % of Customer Base	%	30.7%	30.1%		28.8%	
Total MBs on the network	Mn MBs	162,394	139,303	16.6%	88,808	82.9%
Data Average Revenue Per User (ARPU)	US\$	2.5	2.3	6.2%	2.1	19.9%
Data Usage per customer	MBs	1,748	1,550	12.8%	1,113	57.1%
Mobile Money						
Transaction Value	\$ Mn	7,978	7,208	10.7%	5,926	34.6%
Transaction Value per Sub	US\$	178	163	8.9%	155	14.8%
Airtel Money Revenue	\$ Mn	79	69	15.6%	53	50.9%
Active Customers	000's	15,521	14,600	6.3%	12,943	19.9%
Airtel Money ARPU	US\$	1.8	1.6	13.7%	1.4	28.6%
Network & coverage						
Network towers	Nos	21,936	21,385	551	20,060	1,876
Owned Towers	Nos	4,461	4,500	(39)	4,449	12
Leased Towers	Nos	17,475	16,885	590	15,611	1,864
Of which Mobile Broadband towers	Nos	18,274	17,049	1,225	15,280	2,994
Total Mobile Broadband Base stations	Nos	40,187	35,283	4,904	26,338	13,849
Revenue Per Site Per Month	US\$	13,100	12,565	4.3%	12,626	3.8%

Constant currency rates as on March 1, 2019 (AOP FY 2019-20 Currency) considered for above KPIs

4.8.2 Human Resources Analysis

Parameters	Unit	Sep-19	Jun-19	Q-on-Q Growth	Sep-18	Y-on-Y Growth
Total Employees	Nos	3,184	3,100	84	3,073	111
Number of Customers per employee	Nos	32,626	32,152	474	30,620	2,006
Personnel cost per employee per month	US\$	6,933	5,812	19.3%	6,047	14.7%
Gross Revenue per employee per month	US\$	89,335	86,225	3.6%	82,235	8.6%

SECTION 5

MANAGEMENT DISCUSSION AND ANALYSIS

5.1 India & SA

1. Key Industry Developments

- A.** The Hon'ble Supreme Court of India delivered a judgement on October 24th, 2019, in relation to a long outstanding industry-wide case upholding the view considered by Department of Telecommunications ("DoT") in respect of the **definition of Adjusted Gross Revenue**. The Hon'ble Supreme Court has allowed a period of three months to the affected parties to pay amounts due to DoT.

As on the date, the government has formed a high level Committee of Secretaries across ministries, to assess the stress in the industry and recommend suitable measures.

- B.** The Telecom Regulatory Authority of India (TRAI) on September 18th, 2019 issued a Consultation Paper on "**Review of Interconnection Usage Charges**".

On September 19th, 2017 TRAI had issued the Telecommunication Interconnection Usage Charges (Thirteenth Amendment) Regulations, 2017 which prescribed Bill And Keep (BAK) regime i.e. zero termination charge, effective from January 1st, 2020 for domestic wireless to wireless call termination.

The Authority had noted that it shall keep a close watch on the developments in the sector particularly with respect to the adoption of new technologies and their impact on termination costs and if it deems necessary, it may revisit the scheme for termination charge applicable on wireless-to-wireless calls.

In this background, TRAI has issued a Consultation Paper which embarks on the review of the date of applicability of BAK regime in respect of wireless to wireless terminating calls. The Authority has raised the following issues for consultation:

- Need & timelines to revise the Bill And Keep (BAK) regime i.e. zero mobile termination charge from January 1st, 2020 and the relevant parameters with justification.
- Any other issues related with the domestic wireless termination charges.

- C. MNP Per Port Transaction Charge and Dipping Charge (PPTC) Regulation (Second Amendment):**

TRAI has released MNP Per Port Transaction Charge and Dipping Charge (PPTC) Regulation (Second Amendment) as per which the Per Port Transaction charge for each porting request has been changed to Rs 6.46 from Rs 4.

The regulation will come into force from November 11th, 2019. TRAI has decided to consider reviewing the PPTC after one year, if required.

- D.** The date of implementation of "**Telecommunication Mobile Number Portability (Seventh Amendment) Regulations,**

2018" has been extended to November 11th, 2019 from the earlier implementation date of December 13th, 2018.

- E.** Department of Telecommunications (DoT) on September 18th, 2019 has issued clarifications regarding import of equipment to the service providers sharing the active infrastructure.

The following guidelines are to be followed by the respective Regional Licensing Officer (RLOs) for granting the license to import the equipment under such sharing agreement amongst service providers:

- All the signatory service providers must have frequency authorization in at least one of the access service frequency bands.
- It should be ensured that the sharing service providers hold spectrum in at least one of the bands supported by the equipment being imported. Such equipment should not support a frequency band in which none of the sharing service providers holds any spectrum.
- The sharing partners need to submit a joint undertaking that the applicant service provider is importing these equipment as per the relevant sharing agreement entered amongst them; however, the use of the imported equipment by the individual service providers will be strictly limited to the respective spectrum holdings.

2. Key Company Developments

- A. Digital Innovations & Customer Delight :** Airtel continued its efforts to grow customers on its digital assets and provide value to the customers through innovative offerings.

- Airtel announced the launch of its **converged digital entertainment play: Airtel Xstream**, which offers a range of connected devices, applications and services. As part of the Airtel Xstream device portfolio, Airtel has launched an android based OTT smart stick and an Android based 4k **Hybrid Smart Box** that offers satellite TV and OTT content. Airtel also launched Airtel Xstream app, which is a revamped version of Airtel TV app.

- Airtel announced the launch of its **ultra-fast broadband offering - Airtel Xstream Fibre**, which offers unlimited broadband at 1Gbps for just Rs 3999/month. It also offers Unlimited Landline Calls to any network in India along with exclusive #AirtelThanks benefits such as three months Netflix subscription gift, one year Amazon Prime membership and access to premium content from ZEE5 and Airtel Xstream app.

B. Strategic Alliances & Partnerships:

- As an effort to contribute to the Digital India vision and partner with the Government of Uttar Pradesh in their digital transformation agenda, Airtel designed and implemented a future ready State Wide Area Network (SWAN) for the state government called 'UPSWAN 2.0'. It comprises of 885 Points of Presence (PoPs) across the state and is designed to provide secure, high-speed connectivity for delivery of Government services to citizens over a Closed User Group network.
- Airtel announced the induction of Bengaluru based tech startup Vahan into its Startup Accelerator Program. Airtel will acquire a stake in Vahan and partner with them in building significant scale to achieve their vision of enabling jobs for the next billion internet users.

C. Mergers & Acquisitions:

- On July 1st, 2019, Airtel completed the acquisition of the consumer mobile business of Tata Teleservices (Maharashtra) Limited (TTML) and Tata Teleservices Limited (TTSL) with Bharti Airtel Limited and Bharti Hexacom Limited following the Hon'ble TDSAT order and the approval of the schemes of arrangement by Hon'ble NCLT, Delhi and Hon'ble NCLT, Mumbai. Airtel has integrated Tata's operations across circles and has added 142.50 MHz of unpaired spectrum to its portfolio. All the Tata customers have been transitioned seamlessly and continue to enjoy uninterrupted services with the same SIM and same plan/pack benefits.
- The Scheme of arrangement between Airtel and Telesonic Networks Limited ('Telesonic') and their respective shareholders and creditors ('Scheme') for the transfer of Optical fibre cable business of Airtel to Telesonic, has become effective on August 1st, 2019 consequent to the filing of Certified True Copy of the Order of the Hon'ble National Company Law Tribunal sanctioning the Scheme, with the concerned Registrar of Companies.

D. Awards and Recognition

- Airtel ranked 4th in the category of "The top 10 most valuable Indian brands 2019" as per WPP Kantar Survey.
- Airtel Business won the "Best Partnership" award at Telecoms World Middle East Awards 2019 for partnering with Telecom Egypt.
- Airtel Business has bagged the top honours at the Carriers Worlds Awards 2019 in 2 prestigious categories – "Best Global Carrier" and "Best IoT Initiative".

5.2 Africa

A. Key Company Developments

- Airtel Africa plc post listing in London stock exchange and Nigeria Stock exchange in Q1'20, has now been included in FTSE 250 Index with effect from September 23rd, 2019.

- The Group announced a partnership with Master-card on October 9th, 2019, which will give Mobile Money customers the ability to make online payments globally with their Mobile Money Master-card virtual card.
- On October 21st, 2019 the Group announced a partnership with Ecobank which will allow millions of Mobile Money and Ecobank customers across Africa to improve their access to mobile financial services
- On October 22nd, 2019 the Group announced partnership with Finablr which will enable Mobile Money customers to receive money directly to their phones, in their Mobile Money wallets, from more than 160 countries around the world.
- The Group obtained additional spectrum of 20MHz in 2600 band in Nigeria, 5MHz in 1800 band in Chad and 10MHz in 2100 band in Malawi in H1'20.
- Airtel Uganda won the award for best Digital customer experience in financial services, IT and Telecom segment.
- Airtel Zambia won the award for best "ICT Exhibit" in an event organized by Zambia show society. (ICT – Information Communication and Technology)
- Airtel DRC has launched 4G services for its customers from current quarter. The launch is an important step towards nation's digitization drive.

5.3 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			
		Jun-19*	Mar-19	Dec-18	Sep-18
Operational Performance					
Customer Base	000's	47,939	47,341	46,886	46,753
Data Customer as % of Customer Base	%	62.8%	61.3%	60.4%	60.6%
ARPU	BDT	124	122	118	122
Financial Highlights (proportionate share of Airtel)					
Total revenues	Rs Mn	3,823	3,844	3,707	3,648
EBITDA	Rs Mn	1,748	1,117	1,042	983
EBITDA / Total revenues	%	45.7%	29.1%	28.1%	27.0%
Net Income	Rs Mn	(66)	24	(202)	1,036

* Financials for the Quarter ending June-19 are post IFRS

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			
		Sep-19	Jun-19	Mar-19	Dec-18
Operational Performance					
Customer Base	000's	4811	4821	4,804	4,847
Data Customer as % of Customer Base	%	61.3%	59.1%	58.7%	56.5%
ARPU	GHS	13.2	13.1	13.0	12.0
Financial Highlights (proportionate share of Airtel)					
Total revenues	Rs Mn	1,224	1,247	1,284	1,358
EBITDA	Rs Mn	164	131	(3)	(64)
EBITDA / Total revenues	%	13.4%	10.5%	-0.2%	-4.7%
Net Income	Rs Mn	(652)	(928)	(1,550)	(1,214)

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
		Sep-19	Jun-19	Mar-19	Dec-18
Operational Performance					
Active users	000's	9,895	8,307	7,767	5,724
Financial Highlights (proportionate share of Airtel)					
Total revenues	Rs Mn	853	909	737	410
EBITDA	Rs Mn	(811)	(722)	(698)	(477)
EBITDA / Total revenues	%	-95.0%	-79.4%	-94.8%	-116.4%
Net Income	Rs Mn	(843)	(755)	(738)	(497)

5.4 Results of Operations

The financial results presented in this section are compiled based on the audited consolidated financial statements prepared in accordance with Indian Accounting Standards (Ind-AS) and the underlying information.

Key Highlights – For the quarter ended Sep 30, 2019

- Overall customer base at 411.4 Mn across 16 countries (down 8.2% Y-o-Y)
- Consolidated mobile data traffic at 5,005 Bn MBs (up 81.5% Y-o-Y)
- Total revenues of Rs 211.3 Bn; up 4.9% Y-o-Y (up 6.9% on comparable basis)
- EBITDA at Rs 89 Bn; up 40.9% Y-o-Y; EBITDA margin up 10.8% Y-o-Y
- EBIT at Rs 19.9 Bn; up 85.2% Y-o-Y
- Consolidated net loss (before EI) of Rs 11.2 Bn vis-à-vis loss of Rs 9.7 Bn in the corresponding quarter last year
- Consolidated net loss (after EI) of Rs 230.4 Bn (Net loss of Rs 28.7 Bn in Q1'20) vis-à-vis profit of Rs 1.2 Bn in the corresponding quarter last year

Results for the quarter ended Sep 30, 2019

5.4.1 Bharti Airtel Consolidated

As on Sep 30, 2019, the Company had 411.4 Mn customers, a decrease of 8.2% as compared to 448.1 Mn in the corresponding quarter last year. Total minutes of usage on the network during the quarter were 789.8 Bn, representing a growth of 4.1% as compared to 759 Bn in the corresponding quarter last year. Mobile Data traffic grew 81.5% to 5,005 Bn MBs during the quarter as compared to 2,758 Bn MBs in the corresponding quarter last year.

Consolidated revenues for the quarter stood at Rs 211,313 Mn, up 4.9% (up 6.9% on a comparable basis) compared to Rs 201,478 Mn in the corresponding quarter last year.

India revenues for the quarter stood at Rs 153,610 Mn, up 3.0% (up 5.7% on a comparable basis) compared to Rs 149,198 Mn in the corresponding quarter last year primarily led by growth in Mobile revenues.

Consolidated net revenues, after netting off access costs and cost of goods sold, stood at Rs 164,741 Mn, up 4.5% (up 7.1% on comparable basis) as compared to Rs 157,590 Mn in the corresponding quarter last year.

There is a decrease in consolidated opex (excluding access costs, costs of goods sold and license fees) by 19.9% Y-o-Y (down 1.7% Q-o-Q) to Rs 76,055 Mn for the quarter ending Sep 30, 2019.

Consolidated EBITDA was at Rs 89,363 Mn during the quarter, compared to Rs 63,433 Mn in the corresponding quarter last year (up 40.9% Y-o-Y) and Rs 84,926 Mn in the previous quarter (up 5.2% Q-o-Q). EBITDA margin for the quarter was at 42.3% as compared to 31.5% in the corresponding quarter last year and 41.0% in the previous quarter. India EBITDA margin for the quarter was at 41.2% as compared to 28.5% in the corresponding quarter last year and 39.5% in the previous quarter.

Depreciation and amortization expenses were at Rs 69,350 Mn vis-à-vis Rs 52,366 Mn in the corresponding quarter last year (up 32.4% Y-o-Y) and Rs 67,587 Mn in the previous quarter (up 2.6% Q-o-Q). EBIT for the quarter was at Rs 19,930 Mn as compared to Rs 10,764 Mn in the corresponding quarter last year and the resultant EBIT margin was 9.4% as compared to 5.3% in the corresponding quarter last year. EBIT has increased by 24.2% as

compared to Rs 16,046 Mn in the previous quarter and EBIT margin has increased by 1.7%

as compared to 7.7% in the previous quarter. Cash profits from operations (before derivative and exchange fluctuations) for the quarter were at Rs 60,980 Mn as compared to Rs 37,548 Mn in the corresponding quarter last year and Rs 53,886 Mn in the previous quarter.

Net finance costs for the quarter were at Rs 29,083 Mn, lower by Rs 775 Mn (down 2.6% Y-o-Y) as compared to the corresponding quarter last year. It is lower by Rs 2,732 Mn as compared to the previous quarter (down 8.6% Q-o-Q) largely led by lower interest on borrowings and derivative and forex loss for the quarter.

The resultant loss before tax and exceptional items for the quarter ended Sep 30, 2019 was Rs 6,231 Mn as compared to loss of Rs 18,535 Mn in the corresponding quarter last year and a loss of Rs 15,298 Mn in the previous quarter.

The consolidated income tax expense for quarter ended Sep 30, 2019 was (negative) Rs 1,874 Mn as compared to (negative) Rs 10,889 Mn in the corresponding period of last year. Tax credit is lower due to lower losses in India, higher profits and change in profit mix of the countries in Africa.

Net loss before exceptional items for the quarter ended Sep 30, 2019 was Rs 11,228 Mn as compared to loss of Rs 9,651 Mn in the corresponding quarter last year and Rs 14,002 in the previous quarter. After accounting for hit of Rs 223,944 Mn towards exceptional items (net of tax) (details provided below in 5.4.2), the resultant net loss for the quarter ended Sep 30, 2019 came in at Rs 230,449 Mn, compared to profit of Rs 1,188 Mn in the corresponding quarter last year and net loss of Rs 28,660 Mn in the previous quarter.

The capital expenditure for the quarter was Rs 37,901 Mn as compared to Rs 76,845 Mn in the corresponding quarter last year and Rs 50,468 in the previous quarter. The consolidated operating free cash flow during the quarter was Rs 51,461 Mn as compared to cash burn of Rs 13,412 Mn in the corresponding quarter last year and cash flow of Rs 34,458 in the previous quarter.

Consolidated net debt for the Company has increased by Rs 14,607 Mn to Rs 1,181,065 Mn as compared to Rs 1,166,458 Mn for the previous quarter. The Net Debt-EBITDA ratio (annualized) as at Sep 30, 2019 at 3.30 times as compared to 4.67 times as on Sep 30, 2018 and 3.43 times in the previous quarter. The Net

Debt-Equity ratio was at 1.69 times as at Sep 30, 2019 as compared to 1.72 times as on Sep 30, 2018 and 1.28 times as on Jun 30, 2019.

5.4.2 Exceptional Items

Exceptional charge during the quarter ended Sep 30, 2019 was Rs 223,944 Mn (net of tax) which comprises of a charge on account of license fee and SUC of Rs. 168,150 Mn and Rs. 116,350 Mn respectively as detailed in note* below; accelerated depreciation on 3G network equipment / operating costs on network re-farming and up-gradation program, incremental provision mainly pertaining to customary indemnities to a clutch of investors of Airtel Africa plc determined on the basis of methodology settled prior to listing and credit pertaining to re-assessment of levies based on a recent judgement of Rs. 7,515 Mn, Rs. 30,635 Mn and Rs. 15,540 Mn respectively. Net tax benefit due to the above exceptional items, credit resulting from internal restructuring, charge due to adoption of new tax regime in certain group entities and reversal of tax credit aggregating to Rs. 83,166 Mn is included under tax expense / (credit).

***Note:**

On October 24, 2019, the Honorable Supreme Court of India delivered a judgement in relation to a long outstanding industry-wide case upholding the view considered by Department of Telecommunications ("DoT") in respect of the definition of Adjusted Gross Revenue ("AGR") (Court Judgement). The Hon'ble Supreme Court has allowed a period of three months to the affected parties to pay amounts due to DoT. This judgement has significant financial implications on the Company.

The Management is reviewing its options and remedies available, including but not limited to filing petitions before the Supreme Court and also seeking other reliefs, with others affected in the industry, from the Government. As on the date, the management understands that the government has formed a high level Committee of Secretaries across ministries, to assess the stress in the industry and recommend suitable measures.

In the absence of available reliefs, the Company has provided for an additional amount of Rs. 168,150 Mn (comprising of Principal of Rs. 32,070 Mn, interest of Rs. 70,000 Mn, penalty of Rs. 24,920 Mn, and interest on penalty of Rs. 41,160 Mn) as a charge to the Statement of Profit and Loss, with respect to the license fee payable as estimated based on the Court Judgement. In addition, an amount of Rs. 116,350 Mn (comprising of Principal of Rs. 29,570 Mn, interest of Rs. 52,190 Mn, penalty of Rs. 12,680 Mn, and interest on penalty of Rs. 21,910 Mn) with respect to Spectrum Usage Charges (SUC), based on the definition of AGR, has further been provided as a charge to the Statement of Profit and Loss as estimated, albeit the Company believes SUC is a charge related to use of spectrum and should be levied only on the AGR earned from wireless access subscribers/services. These provisions have been made without prejudice to the company's right to contest DoT's demands on facts as well as on rights available in law.

Accordingly, in the absence of available reliefs, with respect to the operations of the Company, the liabilities / provisions as at September 30, 2019 aggregate Rs. 342,600 Mn (comprising of Principal of Rs. 87,470, interest of Rs. 154,460, penalty of Rs. 37,600 and interest on penalty of Rs. 63,070).

5.4.3 B2C Services – India

5.4.3.1 Mobile Services

As on Sep 30, 2019, the Company had 279.4 Mn customers as compared to 332.8 Mn in the corresponding quarter last year, a decrease of 15.0% Y-o-Y. Customer base has increased by 1% in the current quarter as compared to 276.8 Mn in the previous quarter.

Minutes traffic growth of 3.4% to 717 Bn during the quarter as compared to 693 Bn in the corresponding quarter last year.

The current quarter has witnessed total data customer addition of 4.2 Mn on a sequential quarter basis with 4G data customer base growing faster at 7.9 Mn; overall 4G customer base stood at 103.1 Mn at the end of the quarter. With increased data penetration, the total MBs on the network have increased by 81.5% to 4,829 Bn MBs as compared to 2,660 Bn MBs in the corresponding quarter last year. Mobile Data usage per customer witnessed an increase of 42.2% to 12.8 GBs during the quarter as compared to 9.0 GBs in the corresponding quarter last year.

With an endeavor to continuously improve network experience, we continued to re farm our 4G spectrum and remained on track to shutdown 3G spectrum across circles as planned. By the end of the quarter, the Company had 185,582 network towers as compared to 171,031 network towers in the corresponding quarter last year. Out of the total number of towers, 181,825 are mobile broadband towers. The Company has total 461,891 mobile broadband base stations as compared to 347,642 mobile broadband base stations at the end of the corresponding quarter last year and 443,804 at the end of the previous quarter.

Revenue from mobile services increased by 7.1% to Rs 109,814 Mn as compared to Rs 102,521 Mn in the corresponding quarter last year. The Company continued to offer differential services to its high value consumers and the current quarter saw an upturn in revenues despite being a seasonally weak quarter historically and J&K shutdown. Overall ARPU for the quarter was Rs 128 as compared to Rs 100 in the corresponding quarter last year.

EBITDA for the quarter was Rs 39,913 Mn as compared to Rs 21,468 Mn in the corresponding quarter last year and Rs 38,742 Mn in the previous quarter. EBITDA margin was 36.3% during the Quarter as compared to 20.9% in the corresponding quarter last year and 35.7% in the previous quarter.

EBIT during the quarter was (negative) Rs 11,449 Mn as compared to (negative) Rs 15,919 Mn in the corresponding quarter last year and (negative) Rs 12,419 Mn in the previous quarter. The resultant EBIT margin was at (negative) 10.4% as compared to (negative) 15.5% in corresponding quarter last year and (negative) 11.4% in the previous quarter.

During the quarter, the Company has incurred a capex of Rs 19,639 Mn, primarily to enhance its indoor coverage, voice quality and data capacities. Improvement in EBITDA has resulted into cash flow of Rs 20,274 Mn for the quarter as compared to cash burn of Rs 38,170 Mn in the corresponding quarter last year and cash flow of Rs 2,316 in the previous quarter.

5.4.3.2 Homes Services

As on Sep 30, 2019, the Company had its Homes operations in 100 cities with 2.35 Mn customers. Net additions for the quarter were at 8k compared to 24k in corresponding quarter last year.

For the quarter ended Sep 30, 2019, revenues from Homes operations were Rs 5,475 Mn as compared to Rs 5,607 Mn in the corresponding quarter last year. During the quarter, the Company launched its ultra-fast broadband offering - Airtel Xstream Fibre which offers high speed broadband, unlimited landline calls to any network in India along with exclusive #AirtelThanks benefits.

EBITDA for the quarter stood at Rs 2,471 Mn as compared to Rs 2,932 Mn in the corresponding quarter last year and Rs 2,524 Mn in the previous quarter. EBITDA margin stood at 45.1% during the quarter as against 52.3% in the corresponding quarter last year and 44.2% in the previous quarter. EBIT for the quarter ended Sep 30, 2019 was Rs 1,233 Mn as compared to Rs 1,083 in the corresponding quarter last year and Rs 1,034 Mn in the previous quarter. The resultant EBIT margin was at 22.5% as compared to 19.3% in corresponding quarter last year and 18.1% in the previous quarter.

During the quarter ended Sep 30, 2019, the Company incurred capital expenditure of Rs 1,023 Mn primarily on account of expansion of high speed fiber. The resulting cash flow for the quarter was Rs 1,447 Mn as compared to Rs 1,003 Mn in the corresponding quarter last year and Rs 1,355 Mn in the previous quarter.

5.4.3.3 Digital TV Services

As on Sep 30, 2019, the Company had its Digital TV operations in 639 districts. DTH had 16.2 Mn customers at the end of the quarter, which represents an increase of 9.7%, as compared to the corresponding quarter last year. Net customer additions for Digital TV during the quarter were 181K. During the quarter, the Company launched converged digital entertainment play: Airtel Xstream (Android 4K Hybrid Smart box and OTT stick) that provides satellite TV and OTT content. ARPU for the quarter was at Rs 162 as compared to Rs 232 in the corresponding quarter last year.

Revenue from Digital TV services was at Rs 7,893 Mn vis-à-vis Rs 10,242 Mn in the corresponding quarter last year.

EBITDA for this segment continued to improve and was Rs 5,607 Mn as compared to Rs 3,960 Mn in the corresponding quarter last year and Rs 5,263 Mn in the previous quarter. The reported EBITDA margin was 71.0% in the current quarter as compared to 38.7% in the corresponding quarter last year and 71.2% in the previous quarter. EBIT for the quarter was Rs 3,243 Mn as compared to Rs 1,905 Mn in the corresponding quarter last year and Rs 3,612 Mn in the previous quarter. The resultant EBIT margin was at 41.1% as compared to 18.6% in the corresponding quarter last year and 48.9% in the previous quarter.

During the current quarter, the Company incurred a capital expenditure of Rs 2,052 Mn. The resultant operating free cash flow during the quarter was at Rs 3,556 Mn as compared to Rs 2,163 Mn in the corresponding quarter last year and Rs 2,826 Mn in the previous quarter.

5.4.4 B2B Services – India: Airtel Business

Airtel Business segment revenues for the current quarter remained flattish at Rs 33,312 Mn as compared to Rs 33,458 Mn in the corresponding quarter last year. We continue to build new revenue streams in IoT, Security and data centers thus leading to a sequential growth in revenues.

EBITDA stood at Rs 9,396 Mn during the quarter as compared to Rs 10,759 Mn in the corresponding quarter last year, de-growth of 12.7%. EBITDA increased by 22.7% as compared to Rs 7,655 Mn in the previous quarter. The EBITDA margin stood at 28.2% in the current quarter, as compared to 32.2% in the corresponding quarter last year and 23.9% in the previous quarter. EBIT for the current quarter has decreased by 0.5% to Rs 7,706 Mn as compared to Rs 7,741 Mn during the corresponding quarter last year and the resultant EBIT margin was flat at 23.1% during the quarter as compared to the corresponding quarter last year. EBIT increased by 25.3% as compared to Rs 6,149 Mn in the previous quarter and the resultant EBIT margin increased by 4.0% as compared to 19.2% in the previous quarter.

The Company incurred a capital expenditure of Rs 2,620 Mn in Airtel Business as compared to Rs 3,085 Mn in the corresponding quarter last year and Rs 1,155 Mn in the previous quarter. Operating free cash flow during the quarter was Rs 6,776 Mn as compared to Rs 7,674 Mn in the corresponding quarter last year and Rs 6,500 Mn in the previous quarter.

5.4.5 Tower Infrastructure Services

The financials of this segment reflect standalone operations of Bharti Infratel Limited (Infratel), a subsidiary of the Company, with the interest in Indus Tower Ltd (Indus) disclosed under share of profits from Joint Ventures/ Associates.

Revenues of Infratel for the quarter ended Sep 30, 2019 has decreased by 3.1% to Rs 16,674 Mn as compared to Rs 17,206 Mn in the corresponding quarter last year. EBITDA during the quarter was at Rs 9,268 Mn compared to Rs 7,968 Mn in the corresponding quarter last year (up 16.3% Y-o-Y) and Rs 10,055 Mn in the previous quarter (down 7.8% Q-o-Q). EBIT for the quarter was at Rs 6,125 Mn as compared to Rs 5,196 Mn in the corresponding quarter last year (up 17.9% Y-o-Y) and Rs 6,357 Mn in the previous quarter (down 3.6% Q-o-Q).

As at the end of the quarter, Infratel had 41,050 towers with average sharing factor of 1.86 times compared to 2.06 times in the corresponding quarter last year. Including proportionate share of Indus in which Infratel holds 42% of stake, on a consolidated basis, Infratel had 93,421 towers with an average sharing factor of 1.86 times as compared to 2.04 times in the corresponding quarter last year.

Bharti Infratel incurred a capital expenditure of Rs 2,136 Mn during the quarter on a standalone basis. Operating free cash flows during the quarter were Rs 7,132 Mn as compared to Rs 5,381 Mn in the corresponding quarter last year and Rs 8,019 Mn in the previous quarter. The share of profits of Indus during the quarter came in at Rs 4,866 Mn as compared to Rs 2,390 Mn in the corresponding quarter last year and Rs 2,642 Mn in the previous quarter.

5.4.6 Africa

In the first half of the year, the Group launched 4G services in Democratic Republic of Congo and Niger and we are ready to activate the commercial launch in Tanzania, thereby making 4G services available across all of our 14 countries.

The exchange rates have been largely stable except Zambian Kwacha and Central African Franc. 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 1 March 2019. PBT as mentioned below excludes any realized/unrealized derivatives and exchange gain or loss for the period.

As on Sep 30, 2019, the Company had an aggregate customer base of 103.9 Mn as compared to 94.1 Mn in the corresponding quarter last year, an increase of 10.4%. Customer churn for the quarter has decreased to 4.5% as compared to 5.0% in the previous quarter. Total minutes on network during the quarter registered a growth of 16.1% to 60.8 Bn as compared to 52.4 Bn in the corresponding quarter last year.

Data customers during the quarter increased by 4.8 Mn to 32 Mn as compared to 27.1 Mn in the corresponding quarter last year. Data customers now represent 30.7% of the total customer base, as compared to 28.8% in the corresponding quarter last year. The total MBs on the network grew at a healthy growth rate of 83% to 162.4 Bn MBs compared to 88.8 Bn MBs in the corresponding quarter last year. Data usage per customer during the quarter was at 1,748 MBs as compared to 1,113 MBs in the corresponding quarter last year, an increase of 57.1%.

The total customer base using the Airtel Money platform increased by 19.9% to 15.5 Mn as compared to 12.9 Mn in the corresponding quarter last year. Total value of transactions on the Airtel money platform has witnessed a growth of 35% to \$ 7,978 Mn in the current

quarter as compared to \$ 5,926 Mn in the corresponding quarter last year. Airtel Money revenue is at \$ 79.3 Mn as compared to \$ 52.5 Mn in the corresponding quarter last year reflecting a growth of 50.9%.

The Company had 21,936 network towers at end of the quarter as compared to 20,060 network towers in the corresponding quarter last year. 3G and 4G services are now available across all of our 14 countries. Out of the total number of towers, 18,274 are mobile broadband towers. The Company has total 40,187 mobile broadband base stations as compared to 26,338 mobile broadband base stations at the end of the corresponding quarter last year.

Africa revenues at \$ 853 Mn grew by 12.6% as compared to \$ 758 Mn in the corresponding quarter last year.

Opex for the quarter is at \$ 305 Mn as compared to \$ 312 Mn in the corresponding quarter last year and \$ 288 Mn in the previous quarter. EBITDA was at \$ 376 Mn as compared to \$ 295 Mn in the corresponding quarter last year and \$ 350 Mn in the previous quarter. EBITDA margin was at 44.0% for the quarter (up 5.1% Y-o-Y, up 0.4% Q-o-Q). Depreciation and amortization charges were at \$ 154 Mn as compared to \$ 104 Mn in the corresponding quarter last year and \$ 149 Mn in the previous quarter. EBIT for the quarter was at \$ 221 Mn as compared to \$ 191 Mn in the corresponding quarter last year and \$ 199 Mn in the previous quarter.

The resultant profit before tax and exceptional items for the quarter was at \$ 143 Mn as compared to \$ 114 Mn in the corresponding quarter last year and \$ 120 Mn in the previous quarter.

Capital expenditure during the quarter was \$ 147 Mn for African operations. Operating free cash flow during the quarter was at \$ 228 Mn, as compared to \$ 190 Mn in the corresponding quarter last year and \$ 251 Mn in the previous quarter.

5.5 Bharti's Three Line Graph

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

The parameters considered for the three-line graph are:

1. Total Revenues i.e. absolute turnover/sales
2. Opex Productivity – this is computed by dividing operating expenses by the total revenues for the respective period. Operating expenses is the sum of (i) employee costs (ii) network operations costs and (iii) selling, general and

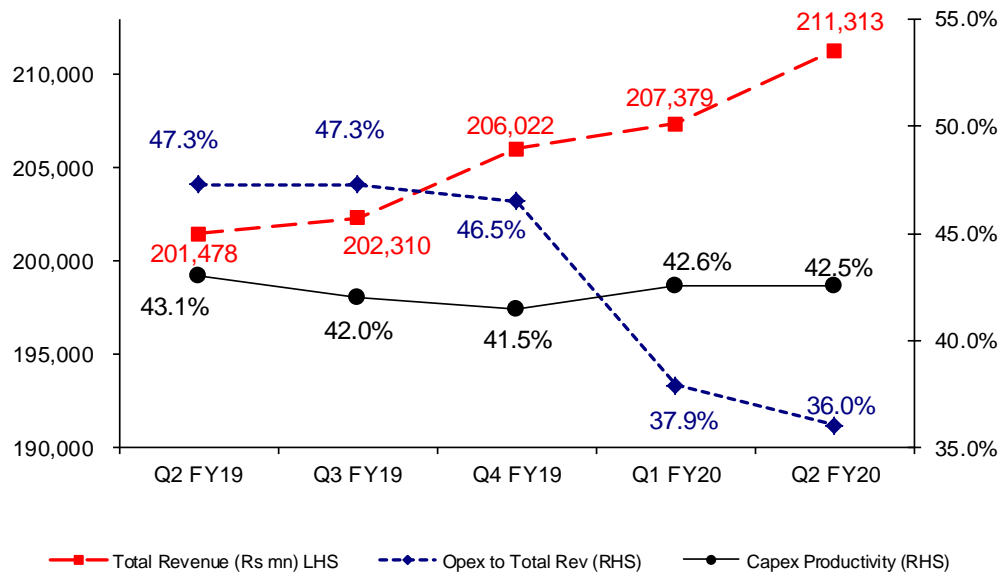
administrative costs. This ratio depicts the operational efficiencies in the Company

3. Capex Productivity – this is computed by dividing revenue for the quarter (annualized) by gross cumulative capex (gross fixed assets and capital work in progress) till date i.e. the physical investments made in the assets creation of the Company. This ratio depicts the asset productivity of the Company.

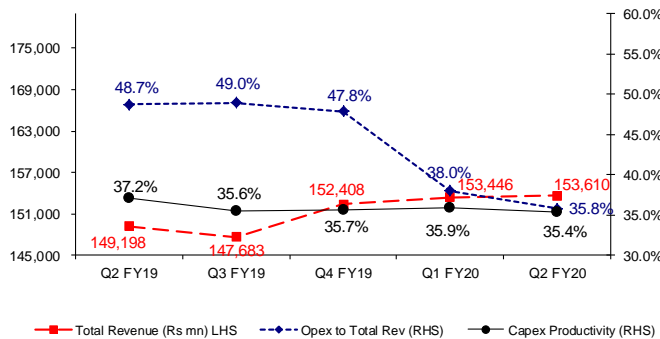
Given below are the graphs for the last five quarters of the Company:

(*With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.)

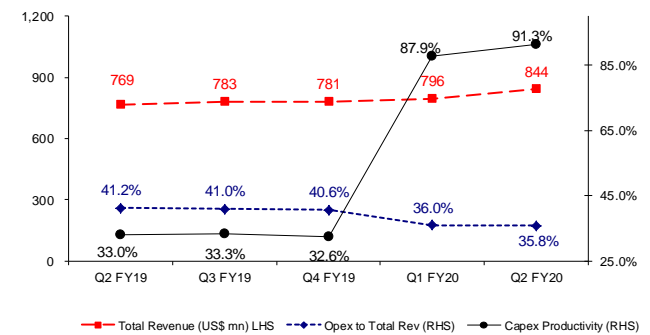
5.5.1 Bharti Airtel – Consolidated



5.5.2 Bharti Airtel – India



5.5.3 Bharti Airtel – Africa



SECTION 6

STOCK MARKET HIGHLIGHTS

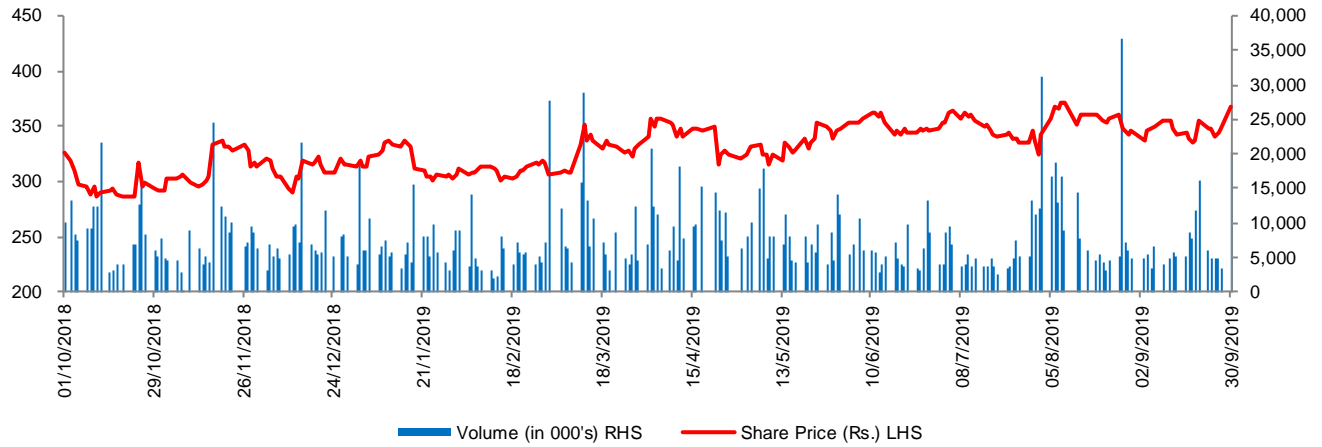
6.1 General Information

Shareholding and Financial Data	Unit	
Code/Exchange		532454/BSE
Bloomberg/Reuters		BHARTI IN/BRTI.BO
No. of Shares Outstanding (30/09/19)	Mn Nos	5,132
Closing Market Price - BSE (30/09/19)	Rs /Share	367.25
Combined Volume (NSE & BSE) (01/10/18 - 30/09/19)	Nos in Mn/day	7.87
Combined Value (NSE & BSE) (01/10/18 - 30/06/19)	Rs Mn /day	2,599.99
Market Capitalization	Rs Bn	1,885
Market Capitalization	US\$ Bn	26.71
Book Value Per Equity Share	Rs /share	136.37
Market Price/Book Value	Times	2.69
Enterprise Value	Rs Bn	3,066
Enterprise Value	US\$ Bn	43.45
Enterprise Value/ EBITDA	Times	8.58
P/E Ratio	Times	(7.25)

6.2 Summarized Shareholding pattern as of Sep 30, 2019

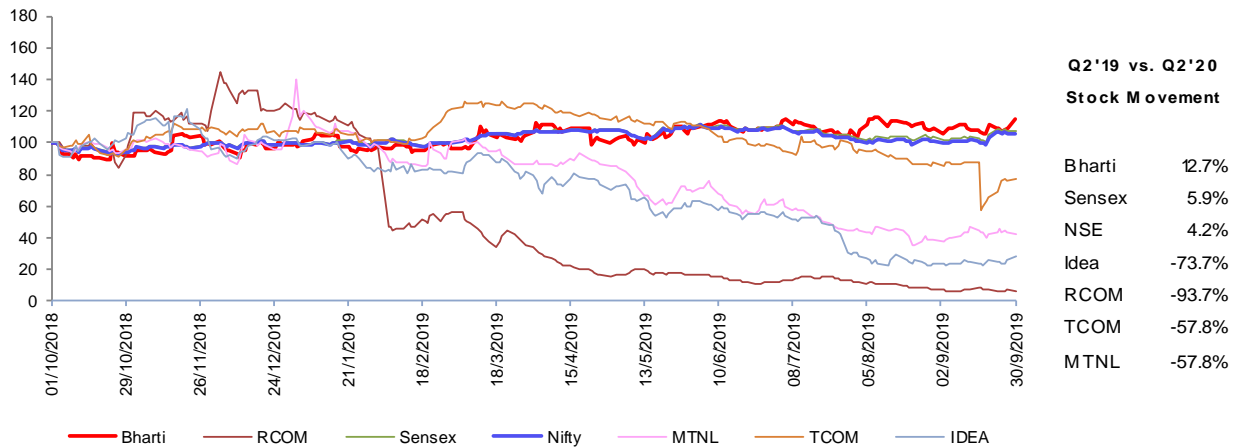
Category	Number of Shares	%
Promoter & Promoter Group		
Indian	2,116,236,438	41.24%
Foreign	1,101,344,767	21.46%
Sub total	3,217,581,205	62.70%
Public Shareholding		
Institutions	1,823,369,233	35.53%
Non-institutions	89,470,992	1.74%
Sub total	1,912,840,225	37.27%
Others	1,540,420	0.03%
Total	5,131,961,850	100.00%

6.3 Bharti Airtel Daily Stock price (BSE) and Volume (BSE & NSE Combined) Movement



Source: Bloomberg

6.4 Comparison of Domestic Telecom Stock movement with Sensex and Nifty



Source: Bloomberg

SECTION 7

DETAILED FINANCIAL AND RELATED INFORMATION

7.1 Extracts from Audited Consolidated Financial Statements prepared in accordance with Indian Accounting Standards (Ind-As)

7.1.1 Consolidated Summarized Statement of Income (net of inter segment eliminations)

Particulars	Quarter Ended			Six Months Ended		
	Sep-19	Sep-18	Y-on-Y Growth	Sep-19	Sep-18	Y-on-Y Growth
<i>Amount in Rs Mn, except ratios</i>						
Income						
Revenue	211,313	201,478	5%	418,692	399,470	5%
Other income	677	813	-17%	1,509	1,925	-22%
Total	211,990	202,291	5%	420,201	401,395	5%
Expenses						
Network operating expenses	49,689	56,289	-12%	96,325	107,443	-10%
Access Charges	26,389	23,294	13%	52,016	44,649	16%
License fee / spectrum charges (revenue share)	16,764	17,697	-5%	34,694	34,669	0%
Employee benefits	9,464	9,360	1%	18,105	19,016	-5%
Sales and marketing expenses	7,581	10,208	-26%	15,967	20,557	-22%
Other expenses	12,823	22,314	-43%	30,180	43,677	-31%
Total	122,710	139,162	-12%	247,287	270,010	-8%
Profit from operating activities before depreciation, amortization and exceptional items	89,280	63,129	41%	172,914	131,385	32%
Depreciation and amortisation	69,351	52,366	32%	136,938	103,818	32%
Finance costs	31,872	33,034	-4%	65,800	58,524	12%
Finance income	(2,789)	(3,177)	-12%	(4,902)	(7,401)	-34%
Non-operating income / expenses, (net)	231	1,074	-78%	692	1,114	-38%
Share of results of joint ventures and associates	(3,155)	(1,633)	93%	(4,086)	(3,286)	24%
Profit before exceptional items and tax	(6,230)	(18,535)	-66%	(21,528)	(21,385)	1%
Exceptional items	307,110	1,449		321,804	5,070	6247%
Profit before tax	(313,340)	(19,984)	1468%	(343,332)	(26,455)	1198%
Tax expense						
Current tax	4,281	3,850	11%	12,044	11,026	9%
Deferred tax	(89,320)	(26,326)	239%	(103,153)	(44,769)	130%
Profit for the period	(228,301)	2,492	-9261%	(252,223)	7,288	-3561%

*With the adoption of IndAS 116 and pursuant to reporting changes in DTH, effective April 1, 2019; the results and ratios of period commencing April 1, 2019 are not comparable with previous periods.

7.1.2 Consolidated Statement of Comprehensive Income

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Six Months Ended		
	Sep-19	Sep-18	Y-on-Y Growth	Sep-19	Sep-18	Y-on-Y Growth
Profit for the period	(228,301)	2,492	-9261%	(252,223)	7,288	-3561%
Other comprehensive income ('OCI'):						
Items to be reclassified subsequently to profit or loss :						
Net gains / (losses) due to foreign currency translation differences	4,503	(2,271)	298%	2,033	(8,280)	125%
Gains / (losses) on net investments hedge	(1,156)	(4,328)	73%	(1,309)	(5,824)	78%
Gains / (Losses) on cash flow hedge	(114)	(148)	23%	(193)	(655)	71%
Gains / (losses) on fair value through OCI investments	(126)	(20)	-530%	(107)	(44)	-143%
Tax credit / (charge)	296	364	-19%	364	527	-31%
	3,403	(6,403)	153%	788	(14,276)	106%
Items not to be reclassified to profit or loss :						
Re-measurement gains / (losses) on defined benefit plans	41	55	-25%	(250)	141	-278%
Share of joint ventures and associates	3	(0)	3451570%	(3)	(1)	-474%
Tax credit / (charge)	(13)	(16)	21%	67	(71)	195%
	32	39	-19%	(186)	69	-369%
Other comprehensive income / (loss) for the period	3,434	(6,364)	154%	602	(14,207)	104%
Total comprehensive income / (loss) for the period	(224,867)	(3,873)	-5706%	(251,621)	(6,919)	-3537%
Profit for the period Attributable to:	(228,301)	2,492	-9261%	(252,223)	7,288	-3561%
Owners of the Parent	(230,449)	1,188	-19498%	(259,109)	2,161	-12090%
Non-controlling interests	2,148	1,304	65%	6,886	5,127	34%
Other comprehensive income / (loss) for the period attributable to :	3,434	(6,364)	154%	602	(14,207)	104%
Owners of the Parent	1,119	(7,356)	115%	(831)	(14,399)	94%
Non-controlling interests	2,315	992	133%	1,433	192	646%
Total comprehensive income / (loss) for the period attributable to :	(224,867)	(3,873)	-5706%	(251,621)	(6,919)	-3537%
Owners of the Parent	(229,330)	(6,167)	-3618%	(259,940)	(12,237)	-2024%
Non-controlling interests	4,463	2,296	94%	8,319	5,319	56%
Earnings per share (Face value : Rs. 5/- each) (In Rupees)						
Basic	(44.92)	0.28	-16143%	(53.04)	0.50	-10708%
Diluted	(44.92)	0.28	-16141%	(53.02)	0.50	-10705%

7.1.3 Consolidated Summarized Balance Sheet

Particulars	Amount in Rs Mn		
	As at Sep 30, 2019	As at Sep 30, 2018	As at Mar 31, 2019
Assets			
Non-current assets			
Property, plant and equipment (inc CWIP)	1,143,109	869,810	903,661
Intangible assets	1,169,282	1,227,126	1,200,996
Investment in joint ventures and associates	91,553	79,251	88,937
Financial Assets			
- Investments	20,215	6,176	21,941
- Others	12,853	18,515	22,784
Income & Deferred tax assets (net)	238,960	101,884	107,073
Other non-current assets	83,653	50,293	77,526
	2,759,625	2,353,055	2,422,918
Current assets			
Financial Assets			
- Investments	60,383	56,744	46,232
- Trade receivables	53,290	50,480	43,006
- Cash and bank balances	106,957	41,671	62,121
- Other bank balances	20,780	19,715	18,934
- Others	200,533	29,631	20,769
Other current assets	154,658	139,207	137,995
	596,601	337,448	329,057
Total Assets	3,356,226	2,690,503	2,751,975
Equity and liabilities			
Equity			
Equity attributable to owners of the Parent	699,833	688,804	714,222
Non-controlling interests ('NCI')	170,316	75,192	135,258
	870,149	763,996	849,480
Non-current liabilities			
Financial Liabilities			
- Borrowings	1,112,440	923,230	872,454
- Others	60,033	56,587	62,957
Deferred tax liabilities (net)	6,816	5,292	11,297
Other non-current liabilities	35,756	28,115	25,238
	1,215,045	1,013,224	971,946
Current liabilities			
Financial Liabilities			
- Borrowings	256,730	349,456	381,829
- Trade Payables	267,212	306,509	280,031
- Others	190,819	152,210	172,548
Current tax liabilities (net)	10,189	9,564	8,228
Other current liabilities	546,082	95,544	87,913
	1,271,032	913,283	930,549
Total liabilities	2,486,077	1,926,507	1,902,495
Total equity and liabilities	3,356,226	2,690,503	2,751,975

* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

7.1.4 Consolidated Statement of Cash Flows

Amount in Rs Mn

Particulars	Quarter Ended		Six Months Ended	
	Sep-19	Sep-18	Sep-19	Sep-18
Cash flows from operating activities				
Profit before tax	(313,340)	(19,984)	(343,332)	(26,455)
Adjustments for -				
Depreciation and amortisation	69,351	52,366	136,938	103,818
Finance costs	31,272	33,034	65,393	58,524
Finance income	(2,596)	(3,177)	(4,902)	(7,401)
Other non-cash items	303,848	3,882	321,460	8,876
Operating cash flow before changes in working capital	88,535	66,121	175,557	137,362
Changes in working capital -				
Trade receivables	(3,801)	182	(15,906)	4,744
Trade payables	(16,497)	2,363	(10,172)	5,866
Other assets and liabilities	3,019	(21,551)	13,021	(46,971)
Net cash generated from operations before tax and dividend	71,256	47,115	162,500	101,001
Income tax (paid) / refund	(6,189)	(5,175)	(13,377)	(12,485)
Net cash generated from operating activities (a)	65,067	41,940	149,123	88,516
Cash flows from investing activities				
Net (Purchase) / proceeds from sale of PPE	(39,691)	(92,057)	(88,893)	(158,761)
Purchase of intangible assets, spectrum- DPL	(3,428)	(5,910)	(13,629)	(20,791)
Net movement in current investments	(4,244)	16,277	(12,839)	13,609
Net (Purchase) / Sale of non-current investments	1,830	161	2,352	161
Consideration / advance for acquisitions, net of cash acquired	1,189	(6,403)	0	528
Sale of tower assets	0	2,870	0	2,973
Investment in joint venture / associate	2	(60)	(2,603)	(60)
Dividend received	0	55	0	11,386
Interest received	882	911	2,502	1,843
Net cash (used in) / generated from investing activities (b)	(43,460)	(84,156)	(113,110)	(149,112)
Cash flows from financing activities				
Net proceeds / (repayments) from borrowings	52,163	33,763	(53,277)	74,511
Net (repayment of) / proceeds from short-term borrowings	(55,053)	16,347	(138,852)	20,847
Repayment of lease liabilities and proceeds from sale and finance leaseback of towers	(6,372)	651	(18,231)	(31)
Purchase of treasury shares and proceeds from exercise of share	2	(146)	(81)	(198)
Interest and other finance charges paid	(14,643)	(5,763)	(57,914)	(36,750)
Dividend paid (including tax)	(3,784)	(26,700)	(11,558)	(26,797)
Proceeds from issuance of equity shares to non-controlling interests	54,799	597	55,030	597
Sale of interest in a subsidiary	0	16,238	0	16,238
Purchase of shares from NCI	0	(5,366)	0	(5,366)
Net proceeds from issue of shares	7	0	249,136	0
Payment towards derivatives	0	0	(15,784)	0
Net cash (used in) / generated from financing activities (c)	27,119	29,621	8,469	43,051
Net increase / (decrease) in cash and cash equivalents during the period (a+b+c)	48,726	(12,595)	44,481	(17,545)
Effect of exchange rate on cash and cash equivalents	2,560	2,104	2,459	3,091
Cash and cash equivalents as at beginning of the period	32,970	24,505	37,316	28,468
Cash and cash equivalents as at end of the period	84,256	14,014	84,256	14,014

* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

7.2 Consolidated Schedule of Net Debt & Finance Cost

7.2.1 Schedule of Net Debt in INR

Particulars	<i>Amount in Rs Mn</i>		
	As at Sep 30, 2019	As at Sep 30, 2018	As at Mar 31, 2019
Long term debt, net of current portion	475,227	454,574	407,938
Short-term borrowings and current portion of long-term debt	148,593	331,341	360,779
Deferred payment liability	442,164	446,242	440,853
Less:			
Cash and Cash Equivalents	106,958	41,672	62,121
Investments & Receivables	77,769	58,445	65,101
Net Debt	881,258	1,132,042	1,082,346
Lease Obligation	299,807	52,305	47,553
Net Debt including Lease Obligations	1,181,065	1,184,347	1,129,899

* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

7.2.2 Schedule of Net Debt in US\$

Particulars	<i>Amount in US\$ Mn</i>		
	As at Sep 30, 2019	As at Sep 30, 2018	As at Mar 31, 2019
Long term debt, net of current portion	6,735	6,271	5,899
Short-term borrowings and current portion of long-term debt	2,106	4,571	5,217
Deferred payment liability	6,266	6,156	6,375
Less:			
Cash and Cash Equivalents	1,516	575	898
Investments & Receivables	1,102	806	941
Net Debt	12,489	15,618	15,651
Lease Obligation	4,249	722	688
Net Debt including Lease Obligations	16,738	16,339	16,339

* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

7.2.3 Schedule of Finance Cost

Particulars	<i>Amount in Rs Mn, except ratios</i>			
	Quarter Ended		Six Months Ended	
	Sep-19	Sep-18	Sep-19	Sep-18
Interest on borrowings & Finance charges	23,596	24,924	48,746	46,109
Interest on Lease Obligations	6,538	1,393	12,775	2,718
Derivatives and exchange (gain)/ loss	1,015	5,351	3,544	5,739
Investment (income)/ loss	(2,066)	(1,810)	(4,168)	(3,442)
Finance cost (net)	29,083	29,858	60,898	51,123

* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

7.3 Use of Non-GAAP Financial Information

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

A summary of non - GAAP measures included in this report, together with details where additional information and reconciliation to the nearest equivalent GAAP measure can be found, is shown below.

Non – GAAP measure	Equivalent GAAP measure	Location in this results announcement of reconciliation and further information
Earnings before Interest, Taxation, Depreciation and Amortization (EBITDA)	Profit from operating activities	Page 34
Cash Profit from Operations before Derivative & Exchange (Gain)/Loss	Profit from operating activities	Page 34
Capex	NA	NA
Operating Free Cash flow	NA	NA
Cumulative investments	NA	NA

7.3.1 Reconciliation of Non-GAAP financial information based on Ind-AS

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		Six Months Ended	
	Ind AS 116		Ind AS	
	Sep-19	Sep-18	Sep-19	Sep-18
Profit / (loss) from operating activities before depreciation, amortization and exceptional items To EBITDA				
Profit / (Loss) from Operating Activities	89,280	63,129	172,914	131,385
Add: CSR Costs	83	303	1,377	420
EBITDA	89,363	63,433	174,289	131,803

Reconciliation of Finance Cost				
Finance Cost	31,872	33,034	65,800	58,524
Less: Finance Income	(2,789)	(3,177)	(4,902)	(7,401)
Finance Cost (net)	29,083	29,858	60,898	51,123

Profit / (loss) from operating activities before depreciation, amortization and exceptional items to Cash Profit from Operations before Derivative & Exchange Fluctuation				
Profit / (Loss) from Operating Activities	89,280	63,129	172,914	131,385
Less: Finance cost (net)	29,083	29,858	60,898	51,123
Less: Non Operating Expense	231	1,074	692	1,114
Add: Derivatives and exchange (gain)/loss	1,015	5,351	3,544	5,739
Cash Profit from Operations before Derivative & Exchange Fluctuation	60,980	37,548	114,867	84,884

SECTION 8

REGION WISE COST SCHEDULES

8.1 India

8.1.1 Schedule of Operating Expenses

Particulars	<i>Amount in Rs Mn</i>			
	Quarter Ended		Six Months Ended	
	Sep-19	Sep-18	Sep-19	Sep-18
Access charges	21,904	19,508	43,412	37,205
Licence fees, revenue share & spectrum charges	13,251	14,286	27,846	28,094
Network operations costs	38,627	43,914	75,324	83,862
Cost of goods sold	1,047	1,058	1,315	2,125
Employee costs	5,594	5,580	10,663	10,915
Selling, general and administration expense	10,785	23,196	27,349	46,095
Operating Expenses	91,208	107,542	185,910	208,297

*With the adoption of IndAS 116 and pursuant to reporting changes in DTH, effective April 1, 2019, the results and ratios of period commencing April 1, 2019 are not comparable with previous periods.

8.1.2 Schedule of Depreciation & Amortization

Particulars	<i>Amount in Rs Mn</i>			
	Quarter Ended		Six Months Ended	
	Sep-19	Sep-18	Sep-19	Sep-18
Depreciation	42,784	29,936	85,267	58,945
Amortization	15,533	14,823	29,977	29,608
Depreciation & Amortization	58,317	44,759	115,244	88,552

* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

8.1.3 Schedule of Income Tax

Particulars	<i>Amount in Rs Mn</i>			
	Quarter Ended		Six Months Ended	
	Sep-19	Sep-18	Sep-19	Sep-18
Current tax expense	1,632	3,224	7,183	8,549
Deferred tax expense / (income)	(8,545)	(15,690)	(23,325)	(26,777)
Income tax expense	(6,914)	(12,465)	(16,143)	(18,228)

8.2 South Asia

8.2.1 Schedule of Operating Expenses

Amount in Rs Mn

Particulars	Quarter Ended		Six Months Ended	
	Sep-19	Sep-18	Sep-19	Sep-18
Access charges	139	113	281	227
Licence fees, revenue share & spectrum charges	156	141	308	278
Network operations costs	357	452	716	889
Cost of goods sold	1	1	1	1
Employee costs	99	111	197	214
Selling, general and administration expense	270	274	514	534
Operating Expenses	1,021	1,092	2,018	2,142

* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

8.2.2 Schedule of Depreciation & Amortization

Amount in Rs Mn

Particulars	Quarter Ended		Six Months Ended	
	Sep-19	Sep-18	Sep-19	Sep-18
Depreciation	342	278	673	595
Amortization	21	23	41	46
Depreciation & Amortization	362	301	714	642

* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

8.3 Africa

8.3.1 Schedule of Operating Expenses (In Constant Currency)

Amount in US\$ Mn

Particulars	Quarter Ended		Six Months Ended	
	Sep-19	Sep-18	Sep-19	Sep-18
Access charges	95	85	186	168
Licence fees, revenue share & spectrum charges	49	46	95	90
Network operations costs	153	173	290	332
Cost of goods sold	35	26	66	51
Employee costs	66	56	120	120
Selling, general and administration expense	87	85	187	168
Operating Expenses	485	470	943	930

* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

8.3.2 Schedule of Depreciation & Amortization (In Constant Currency)

Amount in US\$ Mn

Particulars	Quarter Ended		Six Months Ended	
	Sep-19	Sep-18	Sep-19	Sep-18
Depreciation	132	85	261	172
Amortization	21	19	42	38
Depreciation & Amortization	154	104	303	209

* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

8.3.3 Schedule of Income Tax (In USD Reported Currency)

Amount in US\$ Mn

Particulars	Quarter Ended		Six Months Ended	
	Sep-19	Sep-18	Sep-19	Sep-18
Current tax expense	39	29	71	57
Deferred tax expense / (income)	28	(11)	45	7
Income tax expense	68	18	116	64

SECTION 9

TRENDS AND RATIO ANALYSIS

9.1 Based on Statement of Operations Consolidated

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-19	Jun-19	Mar-19	Dec-18	Sep-18
Total revenues	211,313	207,379	206,022	202,310	201,478
Access charges	26,389	25,627	24,411	24,462	23,294
Cost of goods sold	3,420	2,383	2,366	2,729	2,896
Licence Fee	16,763	17,930	17,288	17,468	17,697
Net revenues	164,741	161,438	161,958	157,652	157,590
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	76,055	77,344	94,601	95,414	94,971
EBITDA	89,363	84,926	68,064	63,069	63,433
Cash profit from operations before Derivative and Exchange Fluctuations	60,980	53,886	41,252	41,641	37,548
EBIT	19,930	16,046	11,932	8,132	10,764
Share of results of Joint Ventures/Associates	3,154	931	368	(97)	1,633
Profit before Tax	(6,231)	(15,298)	(13,086)	(12,135)	(18,535)
Profit after Tax (before exceptional items)	(4,357)	(9,469)	(7,235)	(6,344)	(7,645)
Non Controlling Interest	6,872	4,533	4,647	4,064	2,004
Net income (before exceptional items)	(11,228)	(14,002)	(11,881)	(10,408)	(9,650)
Exceptional items (net of tax)	223,944	14,454	(12,996)	(10,170)	(10,137)
Profit after tax (after exceptional items)	(228,301)	(23,922)	5,761	3,826	2,492
Non Controlling Interest	2,148	4,738	4,689	2,964	1,304
Net income	(230,449)	(28,660)	1,072	862	1,188
Capex	37,901	50,468	62,735	65,679	76,845
Operating Free Cash Flow (EBITDA - Capex)	51,461	34,458	5,329	(2,609)	(13,412)
Cumulative Investments	3,514,674	3,432,802	3,473,673	3,401,022	3,348,001

	Sep-19	Jun-19	Mar-19	Dec-18	Sep-18
As a % of Total revenues					
Access charges	12.5%	12.4%	11.8%	12.1%	11.6%
Cost of goods sold	1.6%	1.1%	1.1%	1.3%	1.4%
Licence Fee	7.9%	8.6%	8.4%	8.6%	8.8%
Net revenues	78.0%	77.8%	78.6%	77.9%	78.2%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	36.0%	37.3%	45.9%	47.2%	47.1%
EBITDA	42.3%	41.0%	33.0%	31.2%	31.5%
Cash profit from operations before Derivative and Exchange Fluctuations	28.9%	26.0%	20.0%	20.6%	18.6%
EBIT	9.4%	7.7%	5.8%	4.0%	5.3%
Share of results of JV / Associates	1.5%	0.4%	0.2%	0.0%	0.8%
Profit before Tax	-2.9%	-7.4%	-6.4%	-6.0%	-9.2%
Profit after Tax (before exceptional items)	-2.1%	-4.6%	-3.5%	-3.1%	-3.8%
Non Controlling Interest	3.3%	2.2%	2.3%	2.0%	1.0%
Net income (before exceptional items)	-5.3%	-6.8%	-5.8%	-5.1%	-4.8%
Profit after tax (after exceptional items)	-108.0%	-11.5%	2.8%	1.9%	1.2%
Non Controlling Interest	1.0%	2.3%	2.3%	1.5%	0.6%
Net income	-109.1%	-13.8%	0.5%	0.4%	0.6%

* With the adoption of IndAS 116 and pursuant to reporting changes in DTH, effective April 1, 2019, the results and ratios of period commencing April 1, 2019 are not comparable with previous periods.

India & South Asia
Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-19	Jun-19	Mar-19	Dec-18	Sep-18
Total revenues	154,608	154,448	153,433	148,713	150,223
Access charges	21,952	21,581	20,519	20,546	19,540
Cost of goods sold	1,047	269	382	605	1,059
Licence Fee	13,407	14,748	14,138	14,180	14,427
Net revenues	118,202	117,850	118,394	113,382	115,197
Operating Expenses (Excl Access Charges, cost of goods sold, License Fee & CSR Costs)	55,697	57,856	72,608	72,954	73,293
EBITDA	63,298	60,723	46,510	41,194	42,512
EBIT	4,601	2,287	(1,120)	(5,489)	(2,771)
Profit before Tax	(17,071)	(20,536)	(19,757)	(15,918)	(27,958)
Profit after Tax (before exceptional items)	(10,163)	(11,313)	(10,843)	(7,925)	(15,498)
Non Controlling Interest	3,878	2,669	2,213	2,305	1,438
Net income (before exceptional items)	(14,041)	(13,982)	(13,056)	(10,230)	(16,936)
Capex	27,576	43,542	41,239	53,481	69,459
Operating Free Cash Flow (EBITDA - Capex)	35,723	17,181	5,271	(12,287)	(26,947)
Cumulative Investments	2,903,597	2,838,517	2,840,219	2,779,596	2,714,118

	Sep-19	Jun-19	Mar-19	Dec-18	Sep-18
As a % of Total revenues					
Access charges	14.2%	14.0%	13.4%	13.8%	13.0%
Cost of goods sold	0.7%	0.2%	0.2%	0.4%	0.7%
Licence Fee	8.7%	9.5%	9.2%	9.5%	9.6%
Net revenues	76.5%	76.3%	77.2%	76.2%	76.7%
Operating Expenses (Excl Access Charges, cost of goods sold, License Fee & CSR Costs)	36.0%	37.5%	47.3%	49.1%	48.8%
EBITDA	40.9%	39.3%	30.3%	27.7%	28.3%
EBIT	3.0%	1.5%	-0.7%	-3.7%	-1.8%
Profit before Tax	-11.0%	-13.3%	-12.9%	-10.7%	-18.6%
Profit after Tax (before exceptional items)	-6.6%	-7.3%	-7.1%	-5.3%	-10.3%
Non Controlling Interest	2.5%	1.7%	1.4%	1.5%	1.0%
Net income (before exceptional items)	-9.1%	-9.1%	-8.5%	-6.9%	-11.3%

² With the adoption of IndAS 116 and pursuant to reporting changes in DTH, effective April 1, 2019, the results and ratios of period commencing April 1, 2019 are not comparable with previous periods.

India
Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-19	Jun-19	Mar-19	Dec-18	Sep-18
Total revenues	153,610	153,446	152,408	147,683	149,198
Access charges	21,904	21,508	20,457	20,486	19,508
Cost of goods sold	1,047	268	382	604	1,058
Licence Fee	13,251	14,595	14,033	14,041	14,286
Net revenues	117,408	117,074	117,536	112,551	114,346
Operating Expenses (Excl Access Charges, cost of goods sold, License Fee & CSR Costs)	54,988	57,172	71,795	72,165	72,466
EBITDA	63,213	60,630	46,466	41,152	42,487
EBIT	4,878	2,547	(898)	(5,241)	(2,495)
Profit before Tax	(16,583)	(20,119)	(19,538)	(15,413)	(27,492)
Profit after Tax (before exceptional items)	(9,669)	(10,889)	(10,618)	(7,414)	(15,027)
Non Controlling Interest	3,878	2,669	2,213	2,305	1,438
Net income (before exceptional items)	(13,547)	(13,558)	(12,831)	(9,719)	(16,464)
Capex	27,469	43,223	41,075	53,091	69,036
Operating Free Cash Flow (EBITDA - Capex)	35,744	17,407	5,390	(11,939)	(26,549)
Cumulative Investments	2,888,882	2,823,790	2,825,696	2,765,673	2,698,914

	Sep-19	Jun-19	Mar-19	Dec-18	Sep-18
As a % of Total revenues					
Access charges	14.3%	14.0%	13.4%	13.9%	13.1%
Cost of goods sold	0.7%	0.2%	0.3%	0.4%	0.7%
Licence Fee	8.6%	9.5%	9.2%	9.5%	9.6%
Net revenues	76.4%	76.3%	77.1%	76.2%	76.6%
Operating Expenses (Excl Access Charges, cost of goods sold, License Fee & CSR Costs)	35.8%	37.3%	47.1%	48.9%	48.6%
EBITDA	41.2%	39.5%	30.5%	27.9%	28.5%
EBIT	3.2%	1.7%	-0.6%	-3.5%	-1.7%
Profit before Tax	-10.8%	-13.1%	-12.8%	-10.4%	-18.4%
Profit after Tax (before exceptional items)	-6.3%	-7.1%	-7.0%	-5.0%	-10.1%
Non Controlling Interest	2.5%	1.7%	1.5%	1.6%	1.0%
Net income (before exceptional items)	-8.8%	-8.8%	-8.4%	-6.6%	-11.0%

* With the adoption of IndAS 116 and pursuant to reporting changes in DTH, effective April 1, 2019, the results and ratios of period commencing April 1, 2019 are not comparable with previous periods.

South Asia
Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-19	Jun-19	Mar-19	Dec-18	Sep-18
Total revenues	1,106	1,089	1,124	1,130	1,122
Access charges	139	142	145	146	113
Cost of goods sold	1	1	0	1	1
Licence Fee	156	153	105	139	141
Net revenues	810	794	874	845	867
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	726	702	830	803	837
EBITDA	84	92	45	42	30
EBIT	(277)	(260)	(220)	(248)	(271)
Profit before Tax	(489)	(418)	(218)	(506)	(460)
Profit after Tax (before exceptional items)	(494)	(423)	(224)	(511)	(466)
Non Controlling Interest	0	0	0	0	0
Net income (before exceptional items)	(494)	(423)	(224)	(511)	(466)
Capex	107	318	164	389	423
Operating Free Cash Flow (EBITDA - Capex)	(22)	(226)	(119)	(348)	(393)
Cumulative Investments	14,715	14,727	14,523	13,923	15,203

	Sep-19	Jun-19	Mar-19	Dec-18	Sep-18
As a % of Total revenues					
Access charges	12.6%	13.0%	12.9%	12.9%	10.1%
Cost of goods sold	0.0%	0.1%	0.0%	0.1%	0.1%
Licence Fee	14.1%	14.0%	9.3%	12.3%	12.6%
Net revenues	73.3%	72.9%	77.8%	74.7%	77.3%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	65.6%	64.4%	73.8%	71.0%	74.6%
EBITDA	7.6%	8.5%	4.0%	3.7%	2.7%
EBIT	-25.1%	-23.9%	-19.6%	-21.9%	-24.1%
Profit before Tax	-44.2%	-38.4%	-19.4%	-44.7%	-41.0%
Profit after Tax (before exceptional items)	-44.7%	-38.9%	-19.9%	-45.2%	-41.6%
Non Controlling Interest	0.0%	0.0%	0.0%	0.0%	0.0%
Net income (before exceptional items)	-44.7%	-38.9%	-19.9%	-45.2%	-41.6%

² With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

Africa: In INR
Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-19	Jun-19	Mar-19	Dec-18	Sep-18
Total revenues	59,157	55,433	55,115	56,154	53,725
Access charges	6,623	6,266	6,192	6,222	5,960
Cost of goods sold	2,404	2,115	2,055	2,150	1,837
Licence Fee	3,356	3,183	3,150	3,288	3,270
Net revenues	46,773	43,870	43,718	44,492	42,658
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	21,159	19,944	22,401	23,015	22,125
EBITDA	26,082	24,206	21,608	21,868	20,934
EBIT	15,344	13,762	13,107	13,614	13,548
Profit before Tax	10,633	8,055	9,203	9,506	4,053
Profit after Tax (before exceptional items)	5,880	4,734	6,808	7,251	2,845
Non Controlling Interest	2,832	1,810	2,466	1,734	522
Net income (before exceptional items)	3,048	2,924	4,342	5,518	2,323
Capex	10,326	6,927	21,496	12,198	7,386
Operating Free Cash Flow (EBITDA - Capex)	15,756	17,279	112	9,670	13,548
Cumulative Investments	586,118	569,702	607,892	593,875	603,147

	Sep-19	Jun-19	Mar-19	Dec-18	Sep-18
As a % of Total revenues					
Access charges	11.2%	11.3%	11.2%	11.1%	11.1%
Cost of goods sold	4.1%	3.8%	3.7%	3.8%	3.4%
Licence Fee	5.7%	5.7%	5.7%	5.9%	6.1%
Net revenues	79.1%	79.1%	79.3%	79.2%	79.4%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	35.8%	36.0%	40.6%	41.0%	41.2%
EBITDA	44.1%	43.7%	39.2%	38.9%	39.0%
EBIT	25.9%	24.8%	23.8%	24.2%	25.2%
Profit before Tax (before exceptional items)	18.0%	14.5%	16.7%	16.9%	7.5%
Profit after Tax (before exceptional items)	9.9%	8.5%	12.4%	12.9%	5.3%
Non Controlling Interest	4.8%	3.3%	4.5%	3.1%	1.0%
Net income (before exceptional items)	5.2%	5.3%	7.9%	9.8%	4.3%

* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

Africa: In USD Constant Currency
Amount in US\$ Mn, except ratios

Particulars	Quarter Ended				
	Sep-19	Jun-19	Mar-19	Dec-18	Sep-18
Total revenues	853	802	782	785	758
Access charges	95	90	88	87	85
Cost of goods sold	35	31	29	30	26
Licence Fee	49	46	45	46	46
Net revenues	674	635	620	622	602
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	305	288	317	321	312
EBITDA	376	350	307	306	295
EBIT	221	199	186	191	191
Profit before tax (before exceptional items)	143	120	129	114	114
Capex	147	99	305	170	106
Operating Free Cash Flow (EBITDA - Capex)	228	251	2	136	190
Cumulative Investments	8,306	8,254	8,791	8,491	8,321

	Sep-19	Jun-19	Mar-19	Dec-18	Sep-18
As a % of Total revenues					
Access charges	11.2%	11.3%	11.3%	11.1%	11.1%
Cost of goods sold	4.1%	3.8%	3.7%	3.8%	3.4%
Licence Fee	5.7%	5.8%	5.7%	5.9%	6.1%
Net revenues	79.0%	79.1%	79.3%	79.2%	79.4%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	35.8%	36.0%	40.6%	40.9%	41.2%
EBITDA	44.0%	43.7%	39.2%	39.0%	39.0%
EBIT	25.9%	24.8%	23.8%	24.3%	25.1%
Profit before tax (before exceptional items)	16.7%	15.0%	16.5%	14.5%	15.0%

* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

Note 9: Closing currency rates as on March 1, 2019 (AOP FY 19-20 currency) considered for above financials up to PBT. Actual currency rates are taken for Capex & Cumulative Investments.

Note 10: PBT excludes any realized / unrealized derivatives and exchange (gain) / loss for the period.

Africa: In USD Reported Currency
Amount in US\$ Mn, except ratios

Particulars	Quarter Ended				
	Sep-19	Jun-19	Mar-19	Dec-18	Sep-18
Total revenues	844	796	781	783	769
Access charges	94	90	88	87	85
Cost of goods sold	34	30	29	30	26
Licence Fee	48	46	45	46	47
Net revenues	667	630	620	620	610
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	302	286	317	321	317
EBITDA	372	348	306	305	299
EBIT	219	198	186	190	193
Profit before Tax	151	116	131	134	58
Profit after Tax (before exceptional items)	84	68	97	102	40
Non Controlling Interest	40	26	35	25	7
Net income (before exceptional items)	43	42	62	77	33
Capex	147	99	305	170	106
Operating Free Cash Flow (EBITDA - Capex)	224	248	2	135	194
Cumulative Investments	8,306	8,254	8,791	8,491	8,321

	Sep-19	Jun-19	Mar-19	Dec-18	Sep-18
As a % of Total revenues					
Access charges	11.2%	11.3%	11.2%	11.1%	11.1%
Cost of goods sold	4.1%	3.8%	3.7%	3.8%	3.4%
Licence Fee	5.7%	5.7%	5.7%	5.9%	6.1%
Net revenues	79.1%	79.1%	79.3%	79.2%	79.4%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	35.8%	36.0%	40.6%	41.0%	41.2%
EBITDA	44.1%	43.7%	39.2%	39.0%	38.9%
EBIT	25.9%	24.8%	23.8%	24.3%	25.1%
Profit before Tax	18.0%	14.5%	16.7%	17.1%	7.5%
Profit after Tax (before exceptional items)	9.9%	8.5%	12.4%	13.0%	5.2%
Non Controlling Interest	4.8%	3.3%	4.5%	3.1%	1.0%
Net income (before exceptional items)	5.1%	5.2%	7.9%	9.9%	4.2%

* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

9.3 Financial Trends of Business Operations

Mobile Services India

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-19	Jun-19	Mar-19	Dec-18	Sep-18
Total revenues	109,814	108,667	106,322	101,894	102,521
EBITDA	39,913	38,742	25,657	19,498	21,468
<i>EBITDA / Total revenues</i>	36.3%	35.7%	24.1%	19.1%	20.9%
EBIT	(11,449)	(12,419)	(13,778)	(19,032)	(15,919)
Capex	19,639	36,426	34,632	36,971	59,638
Operating Free Cash Flow (EBITDA - Capex)	20,274	2,316	(8,975)	(17,474)	(38,170)
Cumulative Investments	2,392,024	2,334,818	2,319,107	2,266,463	2,226,885

* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

Homes Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-19	Jun-19	Mar-19	Dec-18	Sep-18
Total revenues	5,475	5,705	5,536	5,503	5,607
EBITDA	2,471	2,524	2,450	2,583	2,932
<i>EBITDA / Total revenues</i>	45.1%	44.2%	44.3%	46.9%	52.3%
EBIT	1,233	1,034	487	734	1,083
Capex	1,023	1,169	1,431	2,372	1,930
Operating Free Cash Flow (EBITDA - Capex)	1,447	1,355	1,019	211	1,003
Cumulative Investments	78,756	77,727	75,782	75,237	73,087

* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

Digital TV Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-19	Jun-19	Mar-19	Dec-18	Sep-18
Total revenues	7,893	7,389	10,506	10,330	10,242
EBITDA	5,607	5,263	3,926	3,826	3,960
<i>EBITDA / Total revenues</i>	71.0%	71.2%	37.4%	37.0%	38.7%
EBIT	3,243	3,612	1,853	1,568	1,905
Capex	2,052	2,437	1,917	3,268	1,797
Operating Free Cash Flow (EBITDA - Capex)	3,556	2,826	2,009	558	2,163
Cumulative Investments	93,046	90,987	88,570	86,765	83,514

* With the adoption of IndAS 116 and pursuant to reporting changes in DTH, effective April 1, 2019, the results and ratios of period commencing April 1, 2019 are not comparable with previous periods.

Airtel Business

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-19	Jun-19	Mar-19	Dec-18	Sep-18
Total revenues	33,312	32,080	30,040	31,116	33,458
EBITDA	9,396	7,655	9,587	9,874	10,759
<i>EBITDA / Total revenues</i>	<i>28.2%</i>	<i>23.9%</i>	<i>31.9%</i>	<i>31.7%</i>	<i>32.2%</i>
EBIT	7,706	6,149	5,623	6,667	7,741
Capex	2,620	1,155	1,385	8,603	3,085
Operating Free Cash Flow (EBITDA - Capex)	6,776	6,500	8,201	1,271	7,674
Cumulative Investments	107,229	105,826	129,829	126,988	119,146

*With the adoption of IndAS 116, effective April 1, 2019, the results for the quarter ended June 30, 2019 onwards are not comparable with previous periods

Tower Infrastructure Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-19	Jun-19	Mar-19	Dec-18	Sep-18
Total revenues	16,674	17,262	16,705	17,325	17,206
EBITDA	9,268	10,055	8,167	8,510	7,968
<i>EBITDA / Total revenues</i>	<i>55.6%</i>	<i>58.3%</i>	<i>48.9%</i>	<i>49.1%</i>	<i>46.3%</i>
EBIT	6,125	6,357	5,193	5,829	5,196
Share of results of Joint ventures / Associates	4,866	2,642	2,639	2,177	2,390
Capex	2,136	2,036	1,710	1,876	2,587
Operating Free Cash Flow (EBITDA - Capex)	7,132	8,019	6,457	6,633	5,381
Cumulative Investments	206,935	202,120	201,760	198,872	195,888

* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

9.4 Based on Statement of Financial Position

Consolidated

Amount in Rs Mn, except ratios

Particulars	As at				
	Sep 30, 2019	Jun 30, 2019	Mar 31, 2019	Dec 31, 2018	Sep 30, 2018
Equity attributable to equity holders of parent	699,833	913,746	714,222	711,097	688,804
Net Debt	1,181,065	1,166,458	1,129,899	1,112,968	1,184,347
Net Debt (US\$ Mn)	16,738	16,900	16,339	15,912	16,339
Capital Employed = Equity attributable to equity holders of parent + Net Debt	1,880,898	2,080,204	1,844,121	1,824,065	1,873,151
	Sep 30, 2019	Jun 30, 2019	Mar 31, 2019	Dec 31, 2018	Sep 30, 2018
Return on Equity attributable to equity holders of parent	-31.9%	-2.6%	0.6%	0.6%	0.9%
Return on Capital Employed	-8.2%	3.2%	5.1%	4.9%	5.0%
Net Debt to EBITDA (Annualised)	3.30	3.43	4.15	4.41	4.67
Assets Turnover ratio	38.6%	37.0%	45.4%	45.5%	46.1%
Interest Coverage ratio (times)	3.43	3.05	2.90	2.57	2.75
Net debt to Equity attributable to equity holders of parent (Times)	1.69	1.28	1.58	1.57	1.72
Per share data (for the period)					
Net profit/(loss) per common share (in Rs)	(44.92)	(6.18)	0.25	0.20	0.28
Net profit/(loss) per diluted share (in Rs)	(44.92)	(6.18)	0.25	0.20	0.28
Book Value Per Equity Share (in Rs)	136.4	178.1	178.7	177.9	172.3
Market Capitalization (Rs Bn)	1,885	1,779	1,331	1,251	1,352
Enterprise Value (Rs Bn)	3,066	2,945	2,461	2,364	2,536

* With the adoption of IndAS 116, effective April 1, 2019, the results and ratios of periods commencing April 1, 2019 are not comparable with previous periods.

9.5 Operational Performance – India

Parameters	Unit	Sep-19	Jun-19	Mar-19	Dec-18	Sep-18
Total Customers Base	000's	304,703	301,451	302,206	303,268	351,539
Mobile Services						
Customer Base*	%	279,430	276,817	282,640	284,224	332,764
Net Additions	000's	2,613	(1,533)	(1,585)	(48,539)	(11,800)
Pre-Paid (as a % of total Customer Base)	%	94.9%	94.9%	93.5%	93.6%	94.4%
Monthly Churn	%	2.1%	2.6%	2.8%	7.3%	4.1%
Average Revenue Per User (ARPU)	Rs	128	129	123	104	100
Average Revenue Per User (ARPU)	US\$	1.8	1.9	1.7	1.4	1.4
Revenue per towers per month	Rs	195,769	196,584	196,178	193,519	198,400
Revenues						
Mobile Services #	Rs Mn	108,118	107,240	104,870	100,532	100,704
Voice						
Minutes on the network	Mn	716,642	737,108	731,187	702,881	693,061
Voice Usage per customer	min	848	888	858	726	686
Data						
Data Customer Base	000's	124,242	120,047	115,147	107,511	97,666
Of which 4G data customers	000's	103,111	95,173	86,808	77,068	65,731
As % of Customer Base	%	44.5%	43.4%	40.7%	37.8%	29.4%
Total MBs on the network	Mn MBs	4,828,577	4,191,715	3,705,034	3,216,897	2,660,297
Data Usage per customer	MBs	13,116	11,930	11,048	10,528	9,221
Homes Services						
Homes Customers	000's	2,350	2,342	2,270	2,245	2,213
Net Additions	000's	8	72	25	33	24
Average Revenue Per User (ARPU)	Rs	777	825	815	821	847
Average Revenue Per User (ARPU)	US\$	11.1	11.8	11.5	11.4	12.1
Digital TV Services						
Digital TV Customers	000's	16,207	16,027	15,392	15,001	14,779
Net additions	000's	181	634	391	222	133
Average Revenue Per User (ARPU)	Rs	162	157	233	231	232
Average Revenue Per User (ARPU)	US\$	2.3	2.2	3.3	3.2	3.3
Monthly Churn	%	1.6%	1.0%	0.8%	1.3%	1.3%

* M2M base has been reclassified to Airtel Business wef April 2019.

9.6 Network and Coverage Trends - India

Parameters	Unit	Sep-19	Jun-19	Mar-19	Dec-18	Sep-18
Mobile Services						
Census Towns	Nos	7,906	7,906	7,906	7,906	7,904
Non-Census Towns & Villages	Nos	786,268	786,246	786,192	786,134	786,129
Population Coverage	%	95.3%	95.3%	95.3%	95.3%	95.3%
Optic Fibre Network	R Kms	294,867	286,662	280,534	273,600	263,507
Network towers	Nos	185,582	182,600	181,079	175,300	171,031
<i>Of which Mobile Broadband towers</i>	Nos	181,825	177,141	172,627	164,859	154,531
Total Mobile Broadband Base stations	Nos	461,891	443,804	417,613	371,562	347,642
Homes Services - Cities covered	Nos	100	99	93	90	89
Airtel Business - Submarine cable systems	Nos	7	7	7	7	7
Digital TV Services						
Districts Covered	Nos	639	639	639	639	639
Coverage	%	99.8%	99.8%	99.8%	99.8%	99.8%

9.7 Tower Infrastructure Services

9.7.1 Bharti Infratel Standalone

Parameters	Unit	Sep-19	Jun-19	Mar-19	Dec-18	Sep-18
Total Towers	Nos	41,050	40,636	40,388	40,192	39,946
Total Co-locations	Nos	76,176	76,119	76,341	77,693	78,275
Key Indicators						
Sharing Revenue per sharing operator per month	Rs	46,095	44,623	42,143	41,632	38,687
Average Sharing Factor	Times	1.86	1.88	1.91	1.95	2.06

Additional Information

9.7.2 Indus Towers

Parameters	Unit	Sep-19	Jun-19	Mar-19	Dec-18	Sep-18
Total Towers	Nos	124,692	123,799	123,546	124,069	124,230
Total Co-locations	Nos	231,500	231,256	229,483	230,372	229,136
Average Sharing Factor	Times	1.86	1.86	1.86	1.85	2.02

9.7.3 Bharti Infratel Consolidated

Parameters	Unit	Sep-19	Jun-19	Mar-19	Dec-18	Sep-18
Total Towers	Nos	93,421	92,632	92,277	92,301	92,123
Total Co-locations	Nos	173,406	173,247	172,724	174,449	174,512
Average Sharing Factor	Times	1.86	1.87	1.88	1.89	2.04

9.8 Human Resource Analysis - India

Parameters	Unit	Sep-19	Jun-19	Mar-19	Dec-18	Sep-18
Total Employees	Nos	15,854	16,218	16,194	16,962	17,044
Number of Customers per employee	Nos	19,219	18,321	18,662	17,879	20,625
Personnel Cost per employee per month	Rs	117,612	104,185	109,196	103,294	109,131
Gross Revenue per employee per month	Rs	3,229,674	3,153,819	3,137,134	2,902,235	2,917,897

9.9 Africa

9.9.1 Operational Performance (In Constant Currency)

Parameters	Unit	Sep-19	Jun-19	Mar-19	Dec-18	Sep-18
Customer Base	000's	103,881	99,670	98,851	97,922	94,096
Net Additions	000's	4,211	819	929	3,827	2,903
Monthly Churn	%	4.5%	5.0%	5.4%	4.7%	4.8%
Average Revenue Per User (ARPU)	US\$	2.8	2.7	2.6	2.7	2.7
Voice						
Voice Revenue	\$ Mn	491	472	482	484	475
Minutes on the network	Mn	60,795	55,329	52,866	52,445	52,357
Voice Average Revenue Per User (ARPU)	US\$	1.6	1.6	1.6	1.7	1.7
Voice Usage per customer	min	199	186	179	183	189
Data						
Data Revenue	\$ Mn	229	209	187	175	164
Data Customer Base	000's	31,910	30,001	30,024	29,264	27,113
As % of Customer Base	%	30.7%	30.1%	30.4%	29.9%	28.8%
Total MBs on the network	Mn MBs	162,394	139,303	120,674	105,338	88,808
Data Average Revenue Per User (ARPU)	US\$	2.5	2.3	2.1	2.1	2.1
Data Usage per customer	MBs	1,748	1,550	1,375	1,248	1,113
Mobile Money						
Transaction Value	US\$ Mn	7,978	7,208	6,474	6,509	5,926
Transaction Value per Subs	US\$	178	163	157	156	155
Airtel Money Revenue	\$ Mn	79	69	66	64	53
Active Customers	000's	15,521	14,600	14,216	13,805	12,943
Airtel Money ARPU	US\$	1.8	1.6	1.6	1.5	1.4
Network & coverage						
Network towers	Nos	21,936	21,385	21,059	20,582	20,060
Owned towers	Nos	4,461	4,500	4,422	4,441	4,449
Leased towers	Nos	17,475	16,885	16,637	16,141	15,611
Of which Mobile Broadband towers	Nos	18,274	17,049	16,426	15,734	15,280
Total Mobile Broadband Base stations	Nos	40,187	35,283	32,501	29,650	26,338
Revenue Per site Per Month	US\$	13,100	12,565	12,487	12,837	12,626

9.9.2 Human Resources Analysis

Parameters	Unit	Sep-19	Jun-19	Mar-19	Dec-18	Sep-18
Total Employees	Nos	3,184	3,100	3,075	3,071	3,073
Number of Customers per employee	Nos	32,626	32,152	32,147	31,886	30,620
Personnel Cost per employee per month	US\$	6,933	5,812	6,744	6,735	6,047
Gross Revenue per employee per month	US\$	89,335	86,225	84,747	85,196	82,235

SECTION 10

KEY ACCOUNTING POLICIES AS PER Ind-AS

- **Property, plant and equipment**

Property, plant and equipment are stated at cost, net of accumulated depreciation and impairment loss. All direct costs relating to the acquisition and installation of property and equipment are capitalised.

Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets.

Assets	Years
Building	20
Building on leased land	20
Network equipment	3-25
Customer premises equipment	5 – 6
Assets taken on finance lease	Period of lease or 10 years, as applicable, whichever is less
Computer equipment	3
Furniture & Fixture and office equipment	2 – 5
Vehicles	3 – 5
Leasehold improvements	Period of the lease or 10/20 years, as applicable, whichever is less
Leasehold Land	Period of the lease

Land is not depreciated. The useful lives, residual values and depreciation method of PPE are reviewed, and adjusted appropriately, at-least as at each reporting date so as to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

Costs of additions and substantial improvements to property and equipment are capitalised. The costs of maintenance and repairs of property and equipment are charged to operating expenses.

- **Goodwill**

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognized at the date of acquisition.

Goodwill is not subject to amortization but is tested for impairment annually and when circumstances indicate, the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than their carrying amount an impairment loss is recognized. Impairment losses relating to goodwill are not reversed in future periods.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss recognized in the statement of profit and loss on disposal.

- **Other 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.

The intangible assets that are acquired in a business combination are recognised at its fair value there at. Other intangible assets are 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. 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 years 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.

b. Software: Software are amortised over the period of license, generally not exceeding three years.

c. 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 which ranges from one year to five years.

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 borrowing costs that are directly attributable to the acquisition or construction of qualifying assets and are presented separately in the balance sheet.

- **Investment in 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.

Joint ventures and associates are accounted for from the date on which Group obtains joint control over the joint venture / starts exercising significant influence over the associate.

Accounting policies of the respective 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 Group's investments in its joint ventures and associates are accounted for using the equity method. Accordingly, the investments are carried at cost as adjusted for post-acquisition changes in the Group's share of the net assets of investees. Losses of a joint venture or an associate in excess of the Group's interest in that joint venture or associate are not recognized. However, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture or associate.

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.

- **Leases**

Effective April 1, 2019, the Group adopted Ind AS 116 'Leases' using the modified retrospective method, under which the cumulative effect of initial application is recognised in retained earnings at April 1, 2019. Accordingly, the comparative information has not been restated. The Group recorded the lease liability at the present value of the lease payments, discounted at the incremental borrowing rate and the right-of-use asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Group's incremental borrowing rate at the date of initial application.

The Group, at the inception of a contract, assesses the contract as, or containing, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether the contract involves the use of an identified asset, the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and the Group has the right to direct the use of the asset.

Group as a lessee

On initial application of Ind AS 116, the Group recognised a lease liability measured at the present value of all the remaining lease payments, discounted using the lessee's incremental borrowing rate at April 1, 2019 whereas the Group has elected to measure right-of-use asset at its carrying amount as if Ind AS 116 had been applied since the lease commencement date, but discounted using the lessee's incremental borrowing rate at April 1, 2019. The Group has elected not to recognise a lease liability and a right-of-use asset for leases for which the lease term ends within twelve months of April 1, 2019 and has accounted for these leases as short-term leases. The lease payment associated with these lease are recognized as an expenses on a straight line basis over the lease term.

For new lease contracts, the Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee in the statement of financial position. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease, if this rate cannot be readily determined, the Group uses its incremental borrowing rate. Lease liabilities include the net present value of fixed payments (including any in-substance fixed payments), any variable lease payments that are based on consumer price index ('CPI'), the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Subsequently, the lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments including due to changes in CPI or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or when the lease contract is modified and the lease modification is not accounted for as a separate lease. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the related right-of-use asset has been reduced to zero.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs, and restoration costs.

Subsequent to initial recognition, right-of-use asset are stated at cost less accumulated depreciation and any impairment losses and adjusted for certain remeasurements of the lease liability. Depreciation is computed using the straight-line method from the commencement date to the end of the useful life of the underlying asset or the end of the lease term, whichever is shorter. The estimated useful lives of right-of-use assets are determined on the same basis as those of the underlying property and equipment.

In the statement of financial position, the right-of-use assets and lease liabilities are presented separately.

When a contract includes lease and non-lease components, the Group allocates the consideration in the contract on the basis of the relative stand-alone prices of each lease component and the aggregate stand-alone price of the non-lease components.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Group as a lessor

Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Amounts due from lessees under a finance lease are recognised as receivables at an amount equal to the net investment in the leased assets. Finance lease income is allocated to the periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the finance lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

When a contract includes lease and non-lease components, the Group applies Ind AS 115 to allocate the consideration under the contract to each component.

The Group enters into 'Indefeasible right to use' ('IRU') arrangements wherein the right to use the assets is given over the substantial part of the asset life. However, as the title to the assets and the significant risks associated with the operation and maintenance of these assets remains with the Group, 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 statement of financial position.

- **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 re-measured at their fair value, with changes in fair value being recognised in the statement of profit and loss within finance income / finance costs.

- **Hedging activities**

i. Fair value hedge

Some of the group entities use certain type of derivative financial instruments (viz. 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 rate swaps to hedge the risk of changes in fair value of recognised borrowings

attributable to the hedged interest rate risk. The effective 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 are 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 profit or loss over the period to remaining maturity of the hedged item.

ii. Cash flow hedge

The Group designates certain derivative financial instruments (or its components) as hedging instruments for hedging the exchange rate fluctuation risk attributable to is either to a recognised item or a highly probable forecast transaction. 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 the other comprehensive income and held in Cash flow hedge reserve. Any gains / (losses) relating to the ineffective portion, are recognised immediately in the statement of profit and loss. 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 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 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.

iii. Net investment hedge

The Group hedges its certain net investment in foreign subsidiaries which are accounted for similar to cash flow hedges. Accordingly, any foreign exchange differences on the hedging instrument (viz. borrowings) relating to the effective portion of the hedge is recognized in other comprehensive income and held in foreign currency translation reserve, 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.

- **Revenue recognition**

Revenue is recognised upon transfer of control of promised products or services to 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. In order to determine if it is acting as a principal or as an agent, the Group assesses whether it is primarily responsible for fulfilling the performance obligation and whether it controls the promised service before transfer to customers.

(i) Service revenues

Service revenues mainly pertain to usage, subscription and activation charges for voice, data, messaging and value added 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.

Usage charges are recognised based on actual usage. Subscription charges are recognised over the estimated customer relationship period or subscription pack validity period, whichever is lower. 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 customer.

The billing / collection in excess of revenue recognised is presented as deferred revenue in the Balance Sheet whereas unbilled revenue is recognised under other current financial assets.

Certain business services revenue 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.

(ii) Multiple element arrangements

The Group 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.

Total consideration related to the multiple element arrangements is allocated to each performance obligation based on their standalone selling prices.

(iii) Equipment sales

Equipment sales mainly pertain to sale of telecommunication equipment and related accessories, for which revenue is recognised when the control of such equipment is transferred to the customer. However, in case of equipment sale forming part of multiple-element revenue arrangements which is not distinct performance obligation, revenue is recognised over the customer relationship period.

- **Interest income**

The interest income is recognised using the EIR method.

- **Dividend income**

Dividend income is recognised when the Company's right to receive the payment is established.

- **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.

- **Foreign currency transactions**

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. 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 assets and liabilities of foreign operations (including the goodwill and fair value adjustments arising on the acquisition of foreign entities) are translated into Rupees (functional currency of parent) at the exchange rates prevailing at the reporting date whereas their statements of profit and loss are 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 FCTR. 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.

- **Income-taxes**

Income 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.

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.

- **Transactions with non-controlling interests**

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The differences between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity.

SECTION 11

GLOSSARY

Technical and Industry Terms

Company Related	
Asset Turnover	Asset Turnover is defined as total revenues, for the preceding (last) 12 months from the end of the relevant period, divided by average assets. Asset is defined as the sum of non-current assets and net current assets. Net current assets are computed by subtracting current liabilities from current assets. Average assets are calculated by considering average of quarterly average for the preceding (last) four quarters from the end of the relevant period. For the Jun'19 onward quarters average assets is calculated by considering average of Opening and closing assets for the relevant period.
Average Customers	Average customers are derived by computing the average of the monthly average customers for the relevant period.
Average Co-locations	Average co-locations are derived by computing the average of the Opening and Closing co-locations for the relevant period.
Average Sharing Factor	It is calculated as the average of the opening and closing number of co-locations divided by the average of the opening and closing number of towers for the relevant period.
Average Towers	Average towers are derived by computing the average of the Opening and Closing towers for the relevant period.
Book Value Per Equity Share	Total stockholder's equity as at the end of the relevant period divided by outstanding equity shares as at the end of the relevant period.
Capex	It includes investment in gross fixed assets and capital work in progress for the period.
Capital Employed	Capital Employed is defined as sum of equity attributable to equity holders of parent and net debt.
Cumulative Investments	Cumulative Investments comprises of gross value of property, plant & equipment (including CWIP & capital advances) and intangibles including investment in associates.
Cash Profit From Operations before Derivative & Exchange Fluctuation	It is not an Ind-AS measure and is defined as profit from operating activities before depreciation, amortization and exceptional items adjusted for interest expense, interest income and non-operating expenses before adjusting for derivative & exchange (gain)/ loss.
Churn	Churn is calculated by dividing the total number of disconnections during the relevant period by the average customers; and dividing the result by the number of months in the relevant period.
Co-locations	Co-location is the total number of sharing operators at a tower, and where there is a single operator at a tower, 'co-location' refers to that single operator. Co-locations as referred to are revenue generating Co-locations.
Customer Base	Customers generating revenue through recharge, billing or any outgoing activity.
Customers Per Employee	Number of customers on networks of a business unit as at end of the relevant period divided by number of employees in the respective business unit as at end of the relevant period.
Data Customer Base	A customer who used at least 1 MB on GPRS / 3G / 4G network in the last 30 days.
Data Usage per Customer	It is calculated by dividing the total MBs consumed on the network during the relevant period by the average data customer base; and dividing the result by the number of months in the relevant period.
DTH / Digital TV Services	Direct to Home broadcast service
Earnings Per Basic Share	It is computed by dividing net income attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

	<p>The calculation of Net Profit/ (loss) per diluted share adjusts net profit or loss and the weighted average number of ordinary shares outstanding, to give effect to all dilutive potential ordinary shares that were outstanding during the year.</p> <p>Net profit or loss attributable to ordinary shareholders is adjusted for the after-tax effect of the following: (1) dividends on potential ordinary shares (for example, dilutive convertible preferred shares); (2) interest recognized on potential ordinary shares (for example, dilutive convertible debt); and (3) any other changes in income or expense resulting from the conversion of dilutive potential ordinary shares (e.g., an entity's contribution to its non-discretionary employee profit-sharing plan may be revised based on changes in net profit due to the effects of items discussed above).</p>
Earnings Per Diluted Share	
EBITDA	Earnings/ (loss) before interest, taxation, depreciation and amortization. It is not an Ind-AS measure and is defined as profit from operating activities before depreciation, amortization and exceptional items adjusted for CSR costs.
EBITDA Margin	It is computed by dividing EBITDA for the relevant period by total revenues for the relevant period.
EBIT	EBITDA adjusted for depreciation and amortization.
Enterprise Valuation (EV)	Calculated as sum of Market Capitalization, Net Debt and finance lease obligations as at the end of the relevant period.
EV / EBITDA (times)	Computed by dividing Enterprise Valuation as at the end of the relevant period (EV) by EBITDA for the relevant period (LTM). For current quarter, Computed by dividing Enterprise Valuation as at the end of the relevant period (EV) by annualized EBITDA for the relevant period.
Finance Lease Obligation (FLO)	Finance Lease Obligation represents present value of future obligation for assets taken on finance lease.
Gross Revenue per Employee per month	It is computed by dividing the Gross Revenue (net of inter-segment eliminations) by the closing number of employees in a given business unit and number of months in the relevant period.
Interest Coverage Ratio	EBITDA for the relevant period divided by interest on borrowing for the relevant period.
Market Capitalization	Number of issued and outstanding shares as at end of the period multiplied by closing market price (BSE) as at end of the period.
Mobile Broadband Base stations	It includes all the 3G and 4G Base stations deployed across all technologies i.e. 900/1800/2100/2300 Mhz bands.
4G Data Customer	A customer who used at least 1 MB on 4G network in the last 30 days.
Mobile Broadband Towers	It means the total number of network towers (defined below) in which unique number of either 3G or 4G Base stations are deployed, irrespective of their technologies. Total numbers of Mobile Broadband Towers are subset of Total Network Towers.
Minutes on the network	Duration in minutes for which a customer uses the network. It is typically expressed over a period of one month. It includes incoming, outgoing and in-roaming minutes.
Network Towers	Comprises of Base Transmission System (BTS) which holds the radio transceivers (TRXs) that define a cell and coordinates the radio links protocols with the mobile device. It includes all the Ground based, Roof top and In Building Solutions as at the end of the period.
Net Debt	It is not an Ind-AS measure and is defined as the long-term debt, net of current portion plus short-term borrowings, current portion of long-term debt and lease liabilities minus cash and cash equivalents. The debt origination cost and Bond fair value hedge are not included in the borrowings
Net Debt to EBITDA (Annualized)	It is computed by dividing net debt as at the end of the relevant period by EBITDA for the relevant period (annualized).

Net Debt to Funded Equity Ratio	It is computed by dividing net debt as at the end of the relevant period by Equity attributable to equity holders of parent as at the end of the relevant period.
Net Revenues	It is not an Ind-AS measure and is defined as total revenues adjusted for access charges, cost of goods sold and license fees for the relevant period.
Operating Free Cash flow	It is computed by subtracting capex from EBITDA.
Personnel Cost per Employee per month	It is computed by dividing the Personnel Cost by the closing number of employees in a given business unit and number of months in the relevant period.
Price-Earnings Ratio – P/E Ratio	It is computed by dividing the closing market price (BSE) as at end of the relevant period by the earnings per basic share for the relevant period (LTM).
Profit / (Loss) after current tax expense	It is not an Ind-AS measure and is defined as Profit / (Loss) before taxation adjusted for current tax expense.
Return On Capital Employed (ROCE)	For the full year ended March 31, 2017, 2018 and 2019, ROCE is computed by dividing the sum of net profit and finance cost (net) excluding finance charges for the period by average (of opening and closing) capital employed. For the quarterly computation, it is computed by dividing the sum of net profit and finance cost (net) excluding finance charges for the preceding (last) 12 months from the end of the relevant period by average capital employed. Average capital employed is calculated by considering average of quarterly average for the preceding (last) four quarters from the end of the relevant period. For Jun'19 onward quarters ended, it is computed by dividing the sum of net profit and finance cost (net) excluding finance charges for the preceding (last) 12 months from the end of the relevant period by average capital employed (Average capital employed is calculated by considering average of opening and closing capital employed for the relevant period.).
Return On Equity attributable to equity holders of parent	For the full year ended March 31, 2017, 2018 and 2019, it is computed by dividing net profit for the period by the average (of opening and closing) Equity attributable to equity holders of parent. For the quarterly computations, it is computed by dividing net profit for the preceding (last) 12 months from the end of the relevant period by the average Stockholder's equity for the preceding (last) 12 months. Average Stockholder's equity is calculated by considering average of quarterly average for the preceding (last) four quarters from the end of the relevant period. For Jun'19 onward quarter ended, it is computed by dividing net profit for the preceding (last) 12 months from the end of the relevant period by average stockholder's equity (Average stockholder's equity is calculated by considering average of opening and closing stockholder's equity for the relevant period).
Revenue per Site per month	Revenue per Site per month is computed by: dividing the total mobile revenues, excluding sale of goods (if any) during the relevant period by the average sites; and dividing the result by the number of months in the relevant period.
Sharing revenue per Sharing Operator per month	It is calculated on the basis of the total revenues less energy and other pass through accrued during the relevant period divided by the average number of co-locations for the period, determined on the basis of the opening and closing number of co-locations for the relevant period.
Total Employees	Total on-roll employees as at the end of respective period and excludes 42% of Indus Towers employees in India.
Total MBs on Network	Includes total MBs consumed on the network (uploaded & downloaded) on our network during the relevant period.
Towers	Infrastructure located at a site which is permitted by applicable law to be shared, including, but not limited to, the tower, shelter, diesel generator sets and other alternate energy sources, battery banks, air conditioners and electrical works. Towers as referred to are revenue generating Towers.
Total Operating Expenses	It is defined as sum of employee costs, network operations costs and selling, general and administrative cost for the relevant period.
Voice Minutes of Usage per Customer per month	It is calculated by dividing the voice minutes of usage on our network during the relevant period by the average customers; and dividing the result by the number of months in the relevant period.

Regulatory & Others

3G	Third - Generation Technology
4G	Fourth - Generation Technology
BSE	The Stock Exchange, Mumbai
RBI	Reserve Bank of India
GSM	Global System for Mobile Communications.
ICT	Information and Communication Technology
GAAP	Generally Accepted Accounting Principles
KYC	Know Your Customer
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
Ind-AS	Indian Accounting Standards
NSE	The National Stock Exchange of India Limited.
Sensex	Sensex is a stock index introduced by The Stock Exchange, Mumbai in 1986.
PPE	Property, plant and equipment
VoIP	Voice over Internet Protocol
SA	South Asia
KPI	Key Performance Indicator
LTM	Last twelve month
FTTH	Fiber-to-the home
VAS	Value added service
MPLS	Multi-Protocol Label Switching

Written correspondence to be sent to:

Bharti Airtel Limited
Investor Relations
ir@bharti.in
<http://www.airtel.in>