bharti

February 04, 2020

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

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400001, India

Ref: Bharti Airtel Limited (BHARTIARTL/532454)

Sub: Quarterly report for the third quarter (Q3) ended December 31, 2019

Dear Sir / Madam,

Pursuant to Regulation 30 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the quarterly report for the third quarter (Q3) ended December 31, 2019 being released by the Company.

Kindly take the same on record.

Thanking you,

Sincerely yours,

For Bharti Airtel Limited

Bharti Airtel Limited New Delhi

Rohit Krishan Puri
Dy. Company Secretary & Compliance Officer

Quarterly report on the results for the third quarter and nine months ended December 31, 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



February 04, 2020

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, Wynk 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 plc, 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, Airtel Tanzania plc (formerly known as Airtel Tanzania Limited), Airtel Tchad S.A., Airtel Uganda Limited, Airtel Africa plc (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., Gabon Towers S.A. (under dissolution), Indian Ocean Telecom Limited, Madagascar Towers S.A., Malawi Towers Limited, Mobile Commerce Congo S.A., Montana International, Partnership Investments SARL, Société Malgache de Téléphone Cellulaire S.A., 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), Bharti Infratel Employees Welfare Trust

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.

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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	Dec-18	Mar-19	Jun-19[3]	Sep-19[3]	Dec-19[3]
Operating Highlights									
Total Customer Base	000's	372,354	413,822	403,645	403,699	403,645	403,695	411,424	418,811
Total Minutes on Network	Mn Min	1,548,602	2,159,386	3,069,646	768,020	796,285	803,341	789,776	836,075
Network Towers	Nos	184,255	187,541	204,356	198,093	204,356	206,210	209,743	214,338
Total Employees	Nos	22,815	20,978	19,444	20,208	19,444	19,490	19,207	19,233
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	807,803	202,310	206,022	207,379	211,313	219,471
EBITDA	Rs Mn	356,208	304,479	262,937	63,069	68,064	84,926	89,363	93,501
EBIT	Rs Mn	156,775	110,845	47,629	8,132	11,932	16,046	19,930	24,008
Cash profit from operations before Derivative & Exchange Fluctuations	Rs Mn	283,668	227,169	167,777	41,641	41,252	53,886	60,980	64,961
Profit before tax	Rs Mn	88,929	40,602	(46,606)	(12,135)	(13,086)	(15,298)	(6,231)	(4,526)
Net income	Rs Mn	37,997	10,991	4,095	862	1,072	(28,660)	(230,449)	(10,353)
Capex	Rs Mn	198,745	268,176	287,427	65,679	62,735	50,468	37,901	51,831
Operating Free Cash Flow (EBITDA - Capex)	Rs Mn	157,463	36,303	(24,490)	(2,609)	5,329	34,458	51,461	41,670
Net Debt	Rs Mn	970,547	1,001,060	1,129,899	1,112,968	1,129,899	1,166,458	1,181,065	1,149,193
Shareholder's Equity	Rs Mn	674,563	695,344	714,222	711,097	714,222	913,746	699,833	688,287
Consolidated Financials (US$ Mn)									
Total Revenue [1]	US$ Mn	14,033	12,823	11,567	2,819	2,919	2,979	2,969	3,078
EBITDA [1]	US$ Mn	5,304	4,725	3,768	879	964	1,220	1,256	1,311
EBIT [1]	US$ Mn	2,334	1,720	686	113	169	230	280	337
Cash profit from operations before Derivative & Exchange Fluctuations [1]	US$ Mn	4,224	3,525	2,406	580	584	774	857	911
Profit before Tax [1]	US$ Mn	1,324	630	(662)	(169)	(185)	(220)	(88)	(63)
Net income [1]	US$ Mn	566	170	59	12	15	(412)	(3,238)	(145)
Capex [1]	US$ Mn	2,959	4,162	4,126	915	889	725	533	727
Operating Free Cash Flow (EBITDA - Capex)	US$ Mn	2,344	563	(358)	(36)	76	495	723	584
Net Debt [2]	US$ Mn	14,966	15,360	16,339	15,912	16,339	16,900	16,738	16,104
Shareholder's Equity [2]	US$ Mn	10,402	10,669	10,328	10,167	10,328	13,239	9,918	9,645
Key Ratios									
EBITDA Margin	%	37.8%	36.8%	32.5%	31.2%	33.0%	41.0%	42.3%	42.6%
EBIT Margin	%	16.6%	13.4%	5.9%	4.0%	5.8%	7.7%	9.4%	10.9%
Net Profit Margin	%	4.0%	1.3%	0.5%	0.4%	0.5%	-13.8%	-109.1%	-4.7%
Net Debt to Funded Equity Ratio	Times	1.44	1.44	1.58	1.57	1.58	1.28	1.69	1.67
Net Debt to EBITDA (Annualised)	Times	2.72	3.29	4.30	4.41	4.15	3.43	3.30	3.07
Interest Coverage ratio	Times	5.20	4.37	2.84	2.57	2.90	3.05	3.43	3.44
Return on Shareholder's Equity	%	5.7%	1.6%	0.6%	0.6%	0.6%	-2.6%	-31.9%	-38.7%
Return on Capital employed	%	6.6%	4.8%	5.2%	4.9%	5.1%	3.2%	-8.2%	-9.0%
Valuation Indicators									
Market Capitalization	Rs Bn	1,399	1,595	1,331	1,251	1,331	1,779	1,885	2,339
Market Capitalization	US$ Bn	21.6	24.5	19.2	17.9	19.2	25.8	26.7	32.8
Enterprise Value	Rs Bn	2,369	2,596	2,461	2,364	2,461	2,945	3,066	3,488
EV / EBITDA	Times	6.65	8.52	9.36	8.91	9.36	8.67	8.58	9.33
P/E Ratio	Times	36.81	145.10	342.12	336.50	342.12	(63.61)	(7.25)	(8.62)

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 71.76 for the quarter ended December 31, 2018 (e) Rs 70.58 for the quarter ended March 31, 2019 (f) Rs 69.62 for the quarter ended June 30, 2019 (g) Rs 71.17 for the quarter ended September 30, 2019 (h) Rs 71.31 for the quarter ended December 31, 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 69.95 for the quarter ended December 31 ,2018 (e) Rs 69.16 for the quarter ended March 31 ,2019 (f) Rs 69.02 for the quarter ended June 30 ,2019 (g) Rs 70.56 for the quarter ended September 30 ,2019 (h) Rs 71.36 for the quarter ended December 31 ,2019being 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 786,719 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 299,592 Rkms of optical fiber.

Homes Services – The Company provides fixed-line telephone and broadband services for homes in 103 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 648 channels including 86 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 94,244 telecom towers, which includes 41,471 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			Nine Months Ended		
	Dec-19	Dec-18	Y-on-Y Growth	Dec-19	Dec-18	Y-on-Y Growth
Total revenues	**219,471**	**202,310**	**8%**	**638,163**	**601,781**	**6%**
EBITDA	93,501	63,069	48%	267,790	194,873	37%
EBITDA / Total revenues	*42.6%*	*312%*		*42.0%*	*32.4%*	
EBIT	24,008	8,132	195%	59,983	35,697	68%
Finance cost (net)	29,846	19,448	53%	90,744	70,571	29%
Share of results of Joint Ventures/Associates	1,523	(97)	1663%	5,609	3,188	76%
Profit before tax	(4,526)	(12,135)	63%	(26,056)	(33,520)	22%
Income tax expense	892	(5,790)	115%	(6,811)	(19,169)	64%
Profit after tax (before exceptional items)	(5,419)	(6,344)	15%	(19,244)	(14,350)	-34%
Non Controlling Interest	5,386	4,064	33%	16,791	8,711	93%
Net income (before exceptional items)	(10,805)	(10,408)	-4%	(36,035)	(23,061)	-56%
Exceptional Items (net of tax)	(770)	(10,170)	92%	237,627	(25,464)	1033%
Profit after tax (after exceptional items)	**(4,649)**	**3,826**	**-222%**	**(256,872)**	**11,114**	**-2411%**
Non Controlling Interest	5,704	2,964	92%	12,590	8,091	56%
Net income	**(10,353)**	**862**	**-1301%**	**(269,461)**	**3,023**	**-9014%**
Capex	51,831	65,679	-21%	140,201	224,691	-38%
Operating Free Cash Flow (EBITDA - Capex)	41,670	(2,609)	1697%	127,589	(29,819)	528%
Cumulative Investments	3,569,521	3,401,022	5%	3,569,521	3,401,022	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 Dec 31, 2019 is 10% (Quarter ended) and 8% (Nine months ended)

3.1.2 Consolidated Summarized Statement of Financial Position

Amount in Rs Mn

Particulars	As at Dec 31, 2019	As at Mar 31, 2019
Assets		
Non-current assets	2,775,797	2,422,918
Current assets	738,462	329,057
Total assets	**3,514,259**	**2,751,975**
Liabilities		
Non-current liabilities	1,148,368	971,946
Current liabilities	1,454,686	930,549
Total liabilities	**2,603,054**	**1,902,495**
Equity & Non Controlling Interests		
Equity	688,287	714,222
Non controlling interests	222,918	135,258
Total Equity & Non Controlling Interests	**911,205**	**849,480**
Total Equity and liabilities	**3,514,259**	**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 Dec 2019			Quarter Ended Dec 2018			Nine Months Ended Dec 2019			Nine Months Ended Dec 2018		
	India SA	Africa	Total	India SA	Africa	Total	India SA	Africa	Total	India SA	Africa	Total
Total revenues	**159,002**	**62,692**	**219,471**	**148,713**	**56,154**	**202,310**	**468,058**	**177,282**	**638,163**	**449,214**	**159,912**	**601,781**
EBITDA	65,119	28,331	93,501	41,194	21,868	63,069	189,140	78,619	267,790	132,850	62,023	194,873
EBITDA / Total revenues	*410%*	*45.2%*	*42.6%*	*27.7%*	*38.9%*	*312%*	*40.4%*	*44.3%*	*42.0%*	*29.6%*	*38.8%*	*32.4%*
EBIT	6,559	17,398	24,008	(5,489)	13,614	8,132	13,447	46,504	59,983	(3,303)	39,001	35,697
Profit before tax	(12,097)	11,829	(4,526)	(15,918)	9,506	(12,135)	(49,705)	30,517	(26,056)	(57,357)	21,111	(33,520)
Income tax expense	(6,025)	6,722	892	(7,993)	2,255	(5,790)	(22,157)	14,796	(6,811)	(26,209)	6,570	(19,169)
Profit after tax (before exceptional items)	(6,072)	5,107	(5,419)	(7,925)	7,251	(6,344)	(27,548)	15,721	(19,244)	(31,148)	14,541	(14,350)
Non Controlling Interest	2,726	2,644	5,386	2,305	1,734	4,064	9,273	7,286	16,791	5,843	2,762	8,711
Net income (before exceptional items)	**(8,799)**	**2,463**	**(10,805)**	**(10,230)**	**5,518**	**(10,408)**	**(36,821)**	**8,435**	**(36,035)**	**(36,991)**	**11,779**	**(23,061)**
Exceptional Items (net of tax)			(770)			(10,170)			237,627			(25,464)
Profit after tax (after exceptional items)			**(4,649)**			**3,826**			**(256,872)**			**11,114**
Non Controlling Interest			5,704			2,964			12,590			8,091
Net income			**(10,353)**			**862**			**(269,462)**			**3,022**
Capex	41,155	10,677	51,831	53,481	12,198	65,679	112,272	27,929	140,201	201,812	22,880	224,691
Operating Free Cash Flow (EBITDA - Capex)	23,964	17,654	41,670	(12,287)	9,670	(2,609)	76,868	50,690	127,589	(68,962)	39,143	(29,819)
Cumulative Investments	2,938,934	606,434	3,569,521	2,779,596	593,875	3,401,022	2,938,934	606,434	3,569,521	2,779,596	593,875	3,401,022

** 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 Dec 31, 2019			
	India SA	Africa	Eliminations/Others	Total
Assets				
Non-current assets	2,368,896	545,296	(138,395)	2,775,797
Current assets	594,483	146,038	(2,059)	738,462
Total assets	**2,963,379**	**691,334**	**(140,454)**	**3,514,259**
Liabilities				
Non-current liabilities	889,170	255,894	3,304	1,148,368
Current liabilities	1,262,028	194,293	(1,636)	1,454,686
Total liabilities	**2,151,198**	**450,187**	**1,669**	**2,603,054**
Equity & Non Controlling Interests				
Equity	740,769	89,643	(142,125)	688,287
Non controlling interests	71,412	151,504	0	222,918
Total Equity & Non Controlling Interests	**812,181**	**241,147**	**(142,123)**	**911,205**
Total Equity and liabilities	**2,963,379**	**691,334**	**(140,454)**	**3,514,259**

3.3 Segment wise Summarized Statement of Operations

3.3.1 India & South Asia

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-19	Dec-18	Y-on-Y Growth	Dec-19	Dec-18	Y-on-Y Growth
Total revenues	**159,002**	**148,713**	**7%**	**468,058**	**449,214**	**4%**
EBITDA	65,119	41,194	58%	189,140	132,850	42%
EBITDA / Total revenues	*410%*	*27.7%*		*40.4%*	*29.6%*	
EBIT	6,559	(5,489)	219%	13,447	(3,303)	507%
Capex	41,155	53,481	-23%	112,272	201,812	-44%
Operating Free Cash Flow (EBITDA - Capex)	23,964	(12,287)	295%	76,868	(68,962)	211%
Cumulative Investments	2,938,934	2,779,596	6%	2,938,934	2,779,596	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.*
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 Dec 31, 2019 is 10% (Quarter ended) and 7% (Nine months ended).

3.3.2 India

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-19	Dec-18	Y-on-Y Growth	Dec-19	Dec-18	Y-on-Y Growth
Total revenues	**157,974**	**147,683**	**7%**	**465,029**	**446,181**	**4%**
EBITDA	65,015	41,152	58%	188,858	132,773	42%
EBITDA / Total revenues	*412%*	*27.9%*		*40.6%*	*29.8%*	
EBIT	6,861	(5,241)	231%	14,286	(2,449)	683%
Capex	40,823	53,091	-23%	111,516	200,791	-44%
Operating Free Cash Flow (EBITDA - Capex)	24,191	(11,939)	303%	77,342	(68,018)	214%
Cumulative Investments	2,923,204	2,765,673	6%	2,923,204	2,765,673	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.*
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 Dec 31, 2019 is 10% (Quarter ended) and 7% (Nine 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			Nine Months Ended		
	Dec-19	Dec-18	Y-on-Y Growth	Dec-19	Dec-18	Y-on-Y Growth
Total revenues	**111,653**	**101,894**	**10%**	**330,135**	**309,218**	**7%**
EBITDA	40,109	19,498	106%	118,764	68,568	73%
EBITDA / Total revenues	*35.9%*	*19.1%*		*36.0%*	*22.2%*	
EBIT	(8,249)	(19,032)	57%	(32,118)	(43,733)	27%
Capex	25,415	36,971	-31%	81,480	165,959	-51%
Operating Free Cash Flow (EBITDA - Capex)	14,694	(17,474)	184%	37,284	(97,391)	138%
Cumulative Investments	2,350,313	2,266,463	4%	2,350,313	2,266,463	4%

** 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.*
** Please refer section 5.1 on Page no. 19 for "Reporting changes".*

3.3.4 Homes Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-19	Dec-18	Y-on-Y Growth	Dec-19	Dec-18	Y-on-Y Growth
Total revenues	**5,546**	**5,503**	**1%**	**16,726**	**16,855**	**-1%**
EBITDA	3,302	2,583	28%	8,297	8,375	-1%
EBITDA / Total revenues	*59.5%*	*46.9%*		*49.6%*	*49.7%*	
EBIT	1,094	734	49%	3,362	2,843	18%
Capex	2,661	2,372	12%	4,853	6,224	-22%
Operating Free Cash Flow (EBITDA - Capex)	642	211	204%	3,444	2,151	60%
Cumulative Investments	94,119	75,237	25%	94,119	75,237	25%

** 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.*
** Please refer section 5.1 on Page no. 19 for "Reporting changes".*

3.3.5 Digital TV Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-19	Dec-18	Y-on-Y Growth	Dec-19	Dec-18	Y-on-Y Growth
Total revenues	**7,922**	**10,330**	**-23%**	**23,204**	**30,496**	**-24%**
EBITDA	5,441	3,826	42%	16,311	11,796	38%
EBITDA / Total revenues	*68.7%*	*37.0%*		*70.3%*	*38.7%*	
EBIT	3,011	1,568	92%	9,866	5,557	78%
Capex	3,509	3,268	7%	7,998	6,874	16%
Operating Free Cash Flow (EBITDA - Capex)	1,931	558	246%	8,313	4,922	69%
Cumulative Investments	96,553	86,765	11%	96,553	86,765	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 Dec 31, 2019 is 16% (Quarter ended) and 16% (Nine months ended). EBITDA/ Total revenues is 42.2% for the quarter ended Dec 31, 2019 and 42.8% for the Nine months ended Dec 31,2019 adjusting for the reporting changes.

B2B Services

3.3.6 Airtel Business

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-19	Dec-18	Y-on-Y Growth	Dec-19	Dec-18	Y-on-Y Growth
Total revenues	**33,176**	**31,116**	**7%**	**98,568**	**94,498**	**4%**
EBITDA	12,125	9,874	23%	29,176	31,059	-6%
EBITDA / Total revenues	*36.5%*	*317%*		*29.6%*	*32.9%*	
EBIT	8,075	6,667	21%	21,930	21,843	0%
Capex	7,628	8,603	-11%	11,403	13,084	-13%
Operating Free Cash Flow (EBITDA - Capex)	4,498	1,271	254%	17,774	17,975	-1%
Cumulative Investments	160,565	126,988	26%	160,565	126,988	26%

** 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.*
** Please refer section 5.1 on Page no. 19 for "Reporting changes".*

3.3.7 Tower Infrastructure Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-19	Dec-18	Y-on-Y Growth	Dec-19	Dec-18	Y-on-Y Growth
Total revenues	**16,662**	**17,325**	**-4%**	**50,597**	**51,480**	**-2%**
EBITDA	8,782	8,510	3%	28,105	24,292	16%
EBITDA / Total revenues	*52.7%*	*49.1%*		*55.5%*	*47.2%*	
EBIT	5,686	5,829	-2%	18,167	16,064	13%
Share of results of joint ventures/associates	3,852	2,177	77%	11,360	7,533	51%
Capex	1,611	1,876	-14%	5,783	7,397	-22%
Operating Free Cash Flow (EBITDA - Capex)	7,171	6,633	8%	22,322	16,896	32%
Cumulative Investments	210,237	198,872	6%	210,237	198,872	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			Nine Months Ended		
	Dec-19	Dec-18	Y-on-Y Growth	Dec-19	Dec-18	Y-on-Y Growth
Total revenues	**1,155**	**1,130**	**2%**	**3,349**	**3,312**	**1%**
EBITDA	106	42	154%	283	82	245%
EBITDA / Total revenues	*9.2%*	*3.7%*		*8.4%*	*2.5%*	
EBIT	(301)	(248)	-22%	(839)	(849)	1%
Capex	331	389	-15%	756	1,021	-26%
Operating Free Cash Flow (EBITDA - Capex)	(225)	(348)	35%	(473)	(939)	50%
Cumulative Investments	15,730	13,923	13%	15,730	13,923	13%

** 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			Nine Months Ended		
	Dec-19	Dec-18	Y-on-Y Growth	Dec-19	Dec-18	Y-on-Y Growth
Total revenues	**896**	**785**	**14%**	**2,551**	**2,271**	**12%**
EBITDA	404	306	32%	1,130	881	28%
EBITDA / Total revenues	*45.1%*	*39.0%*		*44.3%*	*38.8%*	
EBIT	248	191	30%	668	554	21%
Capex	150	170	-12%	397	325	22%
Operating Free Cash Flow (EBITDA - Capex)	254	136	87%	733	556	32%
Cumulative Investments	8,498	8,491	0%	8,498	8,491	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 Dec 2019						As at Dec 31, 2019	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Cummulative Investments	% of Total
Mobile Services	111,653	70%	40,109	62%	25,415	62%	2,350,313	80%
Homes Services	5,546	3%	3,302	5%	2,661	6%	94,119	3%
Digital TV Services	7,922	5%	5,441	8%	3,509	9%	96,553	3%
Airtel Business	33,176	21%	12,125	19%	7,628	19%	160,565	5%
Tower Infrastructure Services	16,662	10%	8,782	13%	1,611	4%	210,237	7%
South Asia	1,155	1%	106	0%	331	1%	15,730	1%
Sub Total	**176,114**	**111%**	**69,865**	**107%**	**41,155**	**100%**	**2,927,519**	**100%**
Eliminations / Others	(17,112)	-11%	(4,746)	-7%	0	0%	11,415	
Accumulated Depreciation and Amortisation							(1,275,617)	
Total (India SA)	**159,002**	**100%**	**65,119**	**100%**	**41,155**	**100%**	**1,663,317**	
India SA % of Consolidated	**72%**		**70%**		**79%**		**82%**	
Africa	62,692		28,331		10,677		606,434	
Accumulated Depreciation and Amortisation							(139,792)	
Total (Africa)	**62,692**		**28,331**		**10,677**		**466,642**	
Africa % of Consolidated	**29%**		**30%**		**21%**		**17%**	
Eliminations / Others	(2,223)		51		(0)		24,153	
Eliminations / Others % of Consolidated	-1%		0%		0%		0%	
Consolidated	**219,471**		**93,501**		**51,831**		**3,569,521**	

Nine Months Ended:

Amount in Rs Mn, except ratios

Segment	Nine Months Ended Dec 2019						As at Dec 31, 2019	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Cummulative Investments	% of Total
Mobile Services	330,135	71%	118,764	63%	81,480	73%	2,350,313	80%
Homes Services	16,726	4%	8,297	4%	4,853	4%	94,119	3%
Digital TV Services	23,204	5%	16,311	9%	7,998	7%	96,553	3%
Airtel Business	98,568	21%	29,176	15%	11,403	10%	160,565	5%
Tower Infrastructure Services	50,597	11%	28,105	15%	5,783	5%	210,237	7%
South Asia	3,349	1%	283	0%	756	1%	15,730	1%
Sub Total	**522,579**	**112%**	**200,936**	**106%**	**112,272**	**100%**	**2,927,519**	**100%**
Eliminations / Others	(54,522)	-12%	(11,796)	-6%	0	0%	11,415	
Accumulated Depreciation and Amortisation							(1,275,617)	
Total (India & SA)	**468,058**	**100%**	**189,140**	**100%**	**112,272**	**100%**	**1,663,317**	
India SA % of Consolidated	**73%**		**71%**		**80%**		**82%**	
Africa	177,282		78,619		27,929		606,434	
Accumulated Depreciation and Amortisation							(139,792)	
Total (Africa)	**177,282**		**78,619**		**27,929**		**466,642**	
Africa % of Consolidated	**28%**		**29%**		**20%**		**17%**	
Eliminations / Others	(7,177)		31		(0)		24,153	
Eliminations / Others % of Consolidated	-1%		0%		0%		1%	
Consolidated	**638,163**		**267,790**		**140,201**		**3,569,521**	

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	Dec-19	Sep-19	Q-on-Q Growth	Dec-18	Y-on-Y Growth
India	000's	308,738	304,703	1.3%	303,268	1.8%
South Asia	000's	2,933	2,840	3.3%	2,509	16.9%
Africa	000's	107,140	103,881	3.1%	97,922	9.4%
Total	**000's**	**418,811**	**411,424**	**1.8%**	**403,699**	**3.7%**

4.2 Mobile Services India

Parameters	Unit	Dec-19	Sep-19	Q-on-Q Growth	Dec-18	Y-on-Y Growth
Customer Base*	000's	283,036	279,430	1.3%	284,224	1.0%
Net Additions	000's	3,606	2,613	38.0%	(48,539)	107.4%
Pre-Paid (as % of total Customer Base)	%	94.4%	94.9%		93.6%	
Monthly Churn	%	2.6%	2.1%		7.3%	
Average Revenue Per User (ARPU)	Rs	135	128	5.3%	104	29.9%
Average Revenue Per User (ARPU)	US$	1.9	1.8	4.1%	1.4	31.4%
Revenue per towers per month	Rs	202,375	195,769	3.4%	193,519	4.6%
Revenues						
Mobile Services #	Rs Mn	113,969	108,118	5.4%	100,532	13.4%
Voice						
Minutes on the network	Mn	758,897	716,642	5.9%	702,881	8.0%
Voice Usage per customer	min	898	848	5.8%	726	23.8%
Data						
Data Customer Base	000's	138,443	124,242	11.4%	107,511	28.8%
Of which 4G data customers	*000's*	123,793	103,111	20.1%	77,068	60.6%
As % of Customer Base	*%*	48.9%	44.5%		37.8%	
Total MBs on the network	Mn MBs	5,547,223	4,828,577	14.9%	3,216,897	72.4%
Data Usage per customer	MBs	13,928	13,116	6.2%	10,528	32.3%

** 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	Dec-19	Sep-19	Q-on-Q Growth	Dec-18	Y-on-Y Growth
Homes Customers	000's	2,352	2,350	0.1%	2,245	4.7%
Net additions	000's	2	8	-78.5%	33	-95.0%
Average Revenue Per User (ARPU)	Rs	787	777	1.3%	821	-4.1%
Average Revenue Per User (ARPU)	US$	11.1	11.1	0.1%	11.4	-3.0%

4.4 Digital TV Services

Parameters	Unit	Dec-19	Sep-19	Q-on-Q Growth	Dec-18	Y-on-Y Growth
Digital TV Customers	000's	16,308	16,207	0.6%	15,001	8.7%
Net additions	000's	101	181	-43.9%	222	-54.5%
Average Revenue Per User (ARPU)	Rs	162	162	0.0%	231	-29.7%
Average Revenue Per User (ARPU)	US$	2.3	2.3	-1.2%	3.2	-28.9%
Monthly Churn	%	1.8%	1.6%		1.3%	

4.5 Network and Coverage - India

Parameters	Unit	Dec-19	Sep-19	Q-on-Q Growth	Dec-18	Y-on-Y Growth
Mobile Services						
Census Towns	Nos	7,906	7,906	0	7,906	0
Non-Census Towns and Villages	Nos	786,719	786,268	451	786,134	585
Population Coverage	%	95.3%	95.3%		95.3%	
Optic Fibre Network	R Kms	299,592	294,867	4,726	273,600	25,993
Network towers	Nos	189,857	185,582	4,275	175,300	14,557
Of which Mobile Broadband towers	*Nos*	188,591	181,825	6,766	164,859	23,732
Total Mobile Broadband Base stations	Nos	473,859	461,891	11,968	371,562	102,297
Homes Services- Cities covered	Nos	103	100	3	90	13
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	Dec-19	Sep-19	Q-on-Q Growth	Dec-18	Y-on-Y Growth
Total Towers	Nos	41,471	41,050	421	40,192	1,279
Total Co-locations	Nos	76,322	76,176	146	77,693	(1,371)
Key Indicators						
Sharing Revenue per sharing operator per month	Rs	45,018	46,095	-2.3%	41,632	8.1%
Average Sharing Factor	Times	1.85	1.86		1.95	

Additional Information:

4.6.2 Indus Towers

Parameters	Unit	Dec-19	Sep-19	Q-on-Q Growth	Dec-18	Y-on-Y Growth
Total Towers	Nos	125,649	124,692	957	124,069	1,580
Total Co-locations	Nos	232,924	231,500	1,424	230,372	2,552
Average Sharing Factor	Times	1.86	1.86		1.85	

4.6.3 Bharti Infratel Consolidated

Parameters	Unit	Dec-19	Sep-19	Q-on-Q Growth	Dec-18	Y-on-Y Growth
Total Towers	Nos	94,244	93,421	823	92,301	1,943
Total Co-locations	Nos	174,150	173,406	744	174,449	(299)
Average Sharing Factor	Times	1.85	1.86		1.89	

4.7 Human Resource Analysis – India

Parameters	Unit	Dec-19	Sep-19	Q-on-Q Growth	Dec-18	Y-on-Y Growth
Total Employees	Nos	15,777	15,854	(77)	16,962	(1,185)
Number of Customers per employee	Nos	19,569	19,219	350	17,879	1,690
Personnel cost per employee per month	Rs	114,429	117,612	-2.7%	103,294	10.8%
Gross Revenue per employee per month	Rs	3,337,637	3,229,674	3.3%	2,902,235	15.0%

4.8 Africa

4.8.1 Operational Performance (In Constant Currency)

Parameters	Unit	Dec-19	Sep-19	Q-on-Q Growth	Dec-18	Y-on-Y Growth
Customer Base	000's	107,140	103,881	3.1%	97,922	9.4%
Net Additions	000's	3,258	4,211	-22.6%	3,827	-14.9%
Monthly Churn	%	5.2%	4.5%		4.7%	
Average Revenue Per User (ARPU)	US$	2.8	2.8	1.5%	2.7	3.5%
Voice						
Voice Revenue	$ Mn	513	491	4.4%	484	6.0%
Minutes on the network	Mn	65,086	60,795	7.1%	52,445	24.1%
Voice Average Revenue Per User (ARPU)	US$	1.6	1.6	0.9%	1.7	-3.9%
Voice Usage per customer	min	206	199	3.4%	183	12.5%
Data						
Data Revenue	$ Mn	247	229	7.7%	175	41.3%
Data Customer Base	000's	32,887	31,910	3.1%	29,264	12.4%
As % of Customer Base	%	30.7%	30.7%		29.9%	
Total MBs on the network	Mn MBs	189,798	162,394	16.9%	105,338	80.2%
Data Average Revenue Per User (ARPU)	US$	2.6	2.5	3.7%	2.1	23.6%
Data Usage per customer	MBs	1,967	1,748	12.5%	1,248	57.6%
Mobile Money						
Transaction Value	$ Mn	8,576	7,978	7.5%	6,509	31.7%
Transaction Value per Sub	US$	177	178	0.0%	156	13.5%
Airtel Money Revenue	$ Mn	84	79	5.8%	64	30.6%
Active Customers	000's	16,634	15,521	7.2%	13,805	20.5%
Airtel Money ARPU	US$	1.7	1.8	-1.6%	1.5	12.5%
Network & coverage						
Network towers	Nos	22,253	21,936	317	20,582	1,671
Owned Towers	Nos	4,454	4,461	(7)	4,441	13
Leased Towers	Nos	17,799	17,475	324	16,141	1,658
Of which Mobile Broadband towers	Nos	19,133	18,274	859	15,734	3,399
Total Mobile Broadband Base stations	Nos	43,174	40,187	2,987	29,650	13,524
Revenue Per Site Per Month	US$	13,485	13,100	2.9%	12,837	5.0%

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	Dec-19	Sep-19	Q-on-Q Growth	Dec-18	Y-on-Y Growth
Total Employees	Nos	3,286	3,184	102	3,071	215
Number of Customers per employee	Nos	32,605	32,626	(21)	31,886	719
Personnel cost per employee per month	US$	6,694	6,933	-3.4%	6,735	-0.6%
Gross Revenue per employee per month	US$	90,912	89,335	1.8%	85,196	6.7%

SECTION 5

MANAGEMENT DISCUSSION AND ANALYSIS

5.1 Reporting Changes

During the nine months ended December 31, 2019, the Group transferred its operations pertaining to optical fibre on a going concern basis on August 1, 2019 from Company to its wholly owned subsidiary. As a result, the Group reorganised the business, whereby, the assets and liabilities pertaining to bandwidth capacities have been allocated to Mobile Services India, Airtel Business and Homes Services segments.

Previously, these operations were part of Mobile segment and bandwidth capacities were billed by Mobile Services Segment to Airtel Business and Homes Services segments. Without such reorganisation, Segment results for Mobile Services India, Homes Services and Airtel Business would have been:

5.1.3 Segmentwise Summarized impact

Amount in Rs Mn

Quarter Ended Dec 31, 2019	With Reporting change					Without Reporting change				
	Total Revenues	EBITDA	*% EBITDA*	EBIT	*% EBIT*	Total Revenues	EBITDA	*% EBITDA*	EBIT	*% EBIT*
Mobile Services (India)	111,653	40,109	*35.9%*	(8,249)	*-7.4%*	115,362	42,552	*36.9%*	(8,770)	*-7.6%*
Homes Services	5,546	3,302	*59.5%*	1,094	*19.7%*	5,546	2,774	*50.0%*	1,325	*23.9%*
Airtel Business	33,176	12,125	*36.5%*	8,075	*24.3%*	33,176	9,401	*28.3%*	7,964	*24.0%*

5.2 India SA

1. Key Industry Developments

A. In the previous quarter, arising from a judgement of the Hon'ble Supreme Court of India on October 24th, 2019 ('Court Judgement'), in the absence of any potential reliefs from the Government, the Group had recorded as a liability/provision an aggregate of Rs. 342,600 Mn as at September 30th, 2019 (of which Rs. 284,500 Mn was recorded in previous quarter as exceptional item). The Court Judgement was 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'). The Hon'ble Supreme Court in a Supplementary Order of the same date directed the affected parties to pay amounts due to DoT within a period of three months, which ended on January 23rd, 2020. These judgements/orders have significant financial implications on the Group. A Review Petition filed by the Group and other telecom operators against the above Court Judgement was rejected in January 2020. Thereafter, the telecom operators have filed an application for modification of the Supplementary Order before the Hon'ble Supreme Court of India, which is pending disposal.

B. On December 17th, 2019 the Telecom Regulatory Authority of India (TRAI) issued "**The Telecommunication Interconnection Usage Charges (Fifteenth Amendment) Regulations, 2019**" which prescribes revision in the date of applicability of Bill and Keep (BAK) regime in respect of wireless to wireless domestic call termination charges. Key features are:

a) For wireless-to-wireless domestic calls, termination charge would continue to remain as Re. 0.06 (paise six only) per minute up to December 31st, 2020.

b) From January 1st, 2021 onwards the termination charge for wireless to wireless domestic calls shall be zero.

C. On November 20th, 2019 the Union Cabinet approved a proposal which gives an option to the Telecom Service Providers (TSPs) to **defer the payment of the spectrum auction instalments due for FY 2020-21 & FY 2021-22**, **either for one or both years**. These deferred amounts will be spread equally in the remaining instalments to be paid by TSPs. The Interest as stipulated while auctioning of the concerned spectrum will however be charged so that Net Present Value (NPV) is protected.

D. On November 20th, 2019 TRAI issued an order on the "**Framework of Publishing Mobile Number Revocation List"** to all the telecom service providers to facilitate publishing of the Mobile Number Revocation List (MNRL) of permanently disconnected mobile numbers on monthly basis on the TRAI's website.

E. On October 21st, 2019 TRAI has released its recommendations on '**Review of terms and conditions for registration of Other Service Providers (OSPs)**.' The salient points include:

- Only voice based outsourced OSPs need to have registration at par with existing process. Data/internet based OSPs would need to furnish intimation only.
- Provision of services for captive purposes i.e. Captive contact centers have been kept out from the scope of OSP. They would require furnishing intimation only.

- Requirement of agreement of bank guarantee for sharing of infrastructure between domestic and international OSP of same company has been removed.
- Contact centre service provider (CCSP)/Hosted contact centre service provider (HCCSP) providing platform as a service are brought under registration. The CCSP/HCCSP involved in reselling of telecom resources would require Virtual network operators (VNOs) license.
- CCSP/HCCSP to be given 3 months' time to get themselves necessary registration/license after declaration of the policy by DoT.
- Multiple OSP centres of single company within one Licensed service area (LSA) can be registered as single OSP.

F. On January 1st, 2020 TRAI issued amendment to the DTH regulatory framework – **The Telecommunication (Broadcasting and Cable) Services (Eighth) (Addressable Systems) Tariff (Second Amendment) order, 2020**. The salient points include:

- Introduction of twin conditions for pricing of bouquets by the Broadcaster:
  (a) The sum of the a-la-carte rates of the pay channels (MRP) forming part of a bouquet shall not exceed one and a half times the rate of the bouquet of which such pay channels are a part; and
  (b) The a-la-carte rates of each pay channel (MRP), forming part of a bouquet, shall not exceed three times the average rate of a pay channel of the bouquet of which such pay channel is a part.
- Increasing the number of SD channels within the Network Capacity Fee (NCF) of Rs. 130/- per month from 100 to 200 and capping the NCF for more than 200 SD channels at Rs. 160/- per month.
- Flexibility to Distribution Platform Operators (DPOs) to declare different NCFs for different geographical regions/areas within its service area, to offer promotional schemes at par with Broadcasters and to offer discounts on NCF and Distributor Retail Prices (DRP) on long term subscriptions with duration of 6 months and above.
- Provision of discounts on NCFs for multi TV homes. DPOs shall not charge more than 40% of declared NCF per additional TV for 2nd TV connection and onwards in a multi TV home.

These amendments have been challenged by Broadcasters before various High Courts and the matters are pending without any interim relief.

G. On November 11th, 2019 TRAI released **Amendment to Quality of service (QOS) regulations** defining duration of alert for the called party w.e.f November 15th, 2019. The regulation defined time duration of alert for an incoming voice call on Mobile to be 30 seconds for Terminating Exchange & 90 seconds for Originating Exchange and the same on Landline to be 60 seconds on Terminating Exchange and 90 seconds on Originating Exchange.

2. Key Company Developments

A. Digital Innovations & Customer Delight: Airtel is consistently working on fine-tuning its strategies and strengthening its innovative core to anticipate and lead change in the global digital landscape.

- **Airtel Wi-Fi Calling** - In an industry first, Airtel launched its voice over Wi-Fi service that leverages innovative technology to enhance the indoor voice calling experience for Airtel smartphone customers. The service is currently live in all circles except J&K and across all broadband providers.
- **NEFT Facility -** Airtel Payments Bank enabled the use of National Electronic Funds Transfer (NEFT) facility for all its users. The facility would be available to customers on 24x7 basis even on holidays, allowing them to send or receive funds to any bank from anywhere, anytime.
- **Enterprise Hub -** Airtel Business announced the launch of Enterprise Hub, a one-stop digital self-care portal, where subscribers can avail a host of services including bill payments and complete account management on one interface with a single sign-in.

B. Strategic Alliances & Partnerships:

- Airtel has been chosen as the strategic Network Solution partner by **Faridabad Smart City Limited** (FSCL) to transform Faridabad into a Smart City. Airtel will work closely with FSCL to design and deploy a future ready high capacity network and a range of connectivity solutions to build a digitally enabled Faridabad city.
- Airtel announced a partnership with global content leader **Lionsgate (**the international premium subscription platform from Starz) to bring premium content from Lionsgate Play to Airtel subscribers in India. The partnership will give Airtel customers access to a deep portfolio of critically acclaimed and beloved Lionsgate feature film content. This content will be available on the Airtel Xstream app and web platforms.
- **Airtel Payments Bank**, in partnership with the **National Payments Corporation of India (NPCI) and the Indian Highways Management Company Limited (IHMCL)**, made FASTag available across its digital and retail touch points. FASTag enables automatic cashless payments at toll plazas across India, making road travel frictionless and time efficient.
- Airtel announced a partnership with **CuriosityStream**, an award-winning global media company that provides best-in-class factual entertainment content, to offer its content on Airtel Xtream Mobile app, web and TV platform. Airtel is the first partner to bring CuriosityStream to India, directly to viewers.
- Airtel & **Google Cloud** have announced a partnership to boost collaboration, productivity and digital transformations in India. Airtel will offer G suite (a set of intelligent apps – Gmail, Docs, Drive, Calendar and more) to small and medium sized business (SMBs) in India as part of its integrated Information and communication

technology (ICT) portfolio designed with real-time collaboration and machine intelligence to bring people together and help them work smarter and safer.

C. Fund Raising: Subsequent to the reporting period ended December 31st , 2019, the Company has successfully **raised Rs. 215,017 Mn** of additional long term financing through a combination of Rs.144,000 Mn in the form of qualified institutional placement (QIP) of equity shares (approximately 323.60 Mn fully paid up equity shares of face value Rs. 5 each were issued and allotted at a price of Rs. 445 per equity share) and Rs. 71,017 Mn in the form of 1.50% Foreign Currency Convertible Bond offerings (FCCBs) (issued at par and repayable in 2025 at 102.66% of their outstanding principal amount).

The transaction is the largest ever dual tranche Equity and FCCB offering in Asia-Pacific, largest QIP ever by a private sector issuer in India, largest FCCB offering from an India issuer in the last 12 years.

The overall allotment is pre-dominantly to long only investors, thereby also ensuring diversification of the shareholder base of Bharti Airtel.

D. Awards and Recognition

- In October 2019, **Airtel** has been ranked **#1** by **OpenSignal** as having India's Best Video Experience in its Mobile Network experience report. OpenSignal is an independent mobile analytics company specializing in quantifying mobile network experience.

- **App Annie** ranked **Wynk Music as India's #1 music-streaming app** in terms of Daily Active Users in October 2019. The performance metric underlines the massive user preference for Wynk Music when it comes to consuming music on smartphones.

- **Airtel Thanks** campaign won Bronze at **EFFIES 2020** for its marketing campaign effectiveness. The EFFIE Award is a pre-eminent award in the advertising industry, which recognizes all forms of marketing that contributes to a brand's success.

- **Airtel Business** won three prestigious awards at **Global Carrier Awards 2019**, namely, Best Global Wholesale Carrier – Voice, Best Voice Service Innovation – Emerging Markets and Best Security Solution.

- **Airtel Business** bagged five prestigious awards at the **CIO Choice Awards 2020** , namely,
  - Unified Communication & Collaboration (Software Vendor)
  - Telecom Carrier, International Access (Telecom Services Vendor)
  - Telecom Carrier, Leased Lines (Telecom Services Vendor)
  - Network Security (Security Vendor)
  - Colocation (Data Center & IT Infrastructure Vendor)

5.3 Africa

A. Key Company Developments

- On November 7th, 2019 Airtel Africa plc was added to the MSCI Small Cap index.

- In November 2019, Airtel Networks Limited (Airtel Nigeria) signed an agreement with Intercellular Nigeria Limited, in order to acquire an additional 10 MHz spectrum in the 900 MHz band in Nigeria for a consideration of $70 million, excluding NCC fees as per the Nigerian Communications Commission (NCC) Spectrum Trading Guidelines. The additional spectrum will allow Airtel Nigeria to expand and strengthen its LTE network across the country. The acquisition is subject to regulatory approval by NCC.

- In December 2019, the group launched Airtel TV in Nigeria and Zambia with more than 5000 hours of videos free of any subscription fees.

- In January 2020, the group signed a strategic partnership with Western Union. Through this partnership, Airtel Money customers will be able to reliably send and receive international money transfers directly from their phones, using the Airtel Africa mobile money wallet.

- Airtel Tanzania has been allocated an additional spectrum of 10 MHz in 1800 MHz band with an annual fee of $0.6 Mn. In addition, Airtel Tanzania has been authorized by the Tanzania Communications Regulatory Authority (TCRA) to use 10 MHz in the 700 MHz band for 8 months from October 21st, 2019 onwards. The license of 700 MHz band will be issued post completion of a total of $12 Mn payment to the regulatory authorities in June, 2020.

- On December 24th, 2019 Airtel Malawi announced that the price for the initial public offering has been set at MK 12.69 ($0.02) per ordinary share in addition to its intention to float its local business Airtel Malawi plc (Airtel Malawi or the subsidiary) on the Malawi stock exchange as announced on December 11th, 2019. The offer is expected to comprise of 1.65 billion shares, representing 15 per cent of the issued share capital. An additional 550 million shares, representing 5% of the issued share capital shall be made available subject to the exercise of the over-allotment option. Airtel Malawi expects to raise gross proceeds of up to MK 27.92 billion ($37.5 Mn) and the price implies a market capitalization on admission of MK 139.59 ($187.4 Mn).

5.4 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 is the first operator to launch 4.5G service in all the 64 districts of the country and has also successfully conducted the trial run of 5G and Voice over LTE technology.

Key operational and financial performance:

Bangladesh	Unit	Quarter Ended			
		Sep-19*	Jun-19	Mar-19	Dec-18
Operational Performance					
Customer Base	000's	48,194	47,939	47,341	46,886
Data Customer as % of Customer Base	%	63.8%	62.8%	61.3%	60.4%
ARPU	BDT	125	124	122	118
Financial Highlights (proportionate share of Airtel)					
Total revenues	Rs Mn	3,945	3,823	3,844	3,707
EBITDA	Rs Mn	1,495	1,748	1,117	1,042
EBITDA / Total revenues	%	*37.9%*	*45.7%*	*29.1%*	*28.1%*
Net Income	Rs Mn	354	(66)	24	(202)

** Financials for the Quarter ending Jun-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			
		Dec-19	Sep-19	Jun-19	Mar-19
Operational Performance					
Customer Base	000's	4888	4811	4821	4,804
Data Customer as % of Customer Base	%	59.2%	61.3%	59.1%	58.7%
ARPU	GHS	13.1	13.2	13.1	13.0
Financial Highlights (proportionate share of Airtel)					
Total revenues	Rs Mn	1,212	1,224	1,247	1,284
EBITDA	Rs Mn	149	164	131	(3)
EBITDA / Total revenues	%	12.3%	13.4%	10.5%	-0.2%
Net Income	Rs Mn	(2,577)	(652)	(928)	(1,550)

C) Airtel Payment Bank Limited

Airtel Payment Bank Limited became an associate of Bharti Airtel Limited w.e.f November 1st, 2018.

Key operational and financial performance:

Airtel Payments Bank Limited	Unit	Quarter ended			
		Dec-19	Sep-19	Jun-19	Mar-19
Operational Performance					
Active users	000's	12,208	9,895	8,307	7,767
Financial Highlights (proportionate share of Airtel)					
Total revenues	Rs Mn	1,030	853	909	737
EBITDA	Rs Mn	(943)	(811)	(722)	(698)
EBITDA / Total revenues	%	*-91.5%*	*-95.0%*	*-79.4%*	*-94.8%*
Net Income	Rs Mn	(992)	(843)	(755)	(738)

5.5 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 Dec 31, 2019

- **Overall customer base at 419 Mn across 16 countries (up 3.7% Y-o-Y)**
- **Consolidated mobile data traffic at 5,753 Bn MBs (up 72.7% Y-o-Y)**
- **Total revenues of Rs 219.5 Bn; up 8.5% Y-o-Y (up 10.5% on comparable basis)**
- **EBITDA at Rs 93.5 Bn; up 48.3% Y-o-Y; EBITDA margin up 11.4% Y-o-Y**
- **EBIT at Rs 24.0 Bn; up 195.2% Y-o-Y**
- **Consolidated net loss (before EI) of Rs 10.8 Bn vis-à-vis loss of Rs 10.4 Bn in the corresponding quarter last year**
- **Consolidated net loss (after EI) of Rs 10.4 Bn (Net loss of Rs 230.4 Bn in Q2'20) vis-à-vis profit of Rs 0.9 Bn in the corresponding quarter last year**

Results for the quarter ended Dec 31, 2019

5.5.1 Bharti Airtel Consolidated

As on Dec 31, 2019, the Company had 419 Mn customers, an increase of 3.7% as compared to 403.7 Mn in the corresponding quarter last year. Total minutes of usage on the network during the quarter were 836 Bn, representing a growth of 8.9% as compared to 768 Bn in the corresponding quarter last year. Mobile Data traffic grew 72.7% to 5,753 PBs during the quarter as compared to 3,332 PBs in the corresponding quarter last year.

Consolidated revenues for the quarter stood at Rs 219,471 Mn, up 8.5% (up 10.5% on a comparable basis) compared to Rs 202,310 Mn in the corresponding quarter last year.

India revenues for the quarter stood at Rs 157,974 Mn, up 7.0% (up 9.7% on a comparable basis) compared to Rs 147,683 Mn in the corresponding quarter last year primarily led by increase in prepaid mobile revenue.

Consolidated net revenues, after netting off access costs, license fees and cost of goods sold, stood at Rs 171,278 Mn, up 8.6% (up 11.2% on comparable basis) as compared to Rs 157,652 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 17.7% Y-o-Y (up 3.2% Q-o-Q) to Rs 78,522 Mn for the quarter ending Dec 31, 2019.

Consolidated EBITDA was at Rs 93,501 Mn during the quarter, compared to Rs 63,069 Mn in the corresponding quarter last year (up 48.3% Y-o-Y) and Rs 89,363 Mn in the previous quarter (up 4.6% Q-o-Q). EBITDA margin for the quarter was at 42.6% as compared to 31.2% in the corresponding quarter last year and 42.3% in the previous quarter. India EBITDA margin for the quarter was at 41.2% as compared to 27.9% in the corresponding quarter last year and 41.2% in the previous quarter.

Depreciation and amortization expenses were at Rs 69,408 Mn vis-à-vis Rs 54,723 Mn in the corresponding quarter last year (up 26.8% Y-o-Y) and Rs 69,350 Mn in the previous quarter (up 0.1% Q-o-Q). EBIT for the quarter was at Rs 24,008 Mn as compared to Rs 8,132 Mn in the corresponding quarter last year and the resultant EBIT margin was 10.9% as compared to 4.0% in the corresponding

quarter last year. EBIT has increased by 20.5% as compared to Rs 19,930 Mn in the previous quarter and EBIT margin has increased by 1.5% as compared to 9.4% in the previous quarter. Cash profits from operations (before derivative and exchange fluctuations) for the quarter were at Rs 64,961 Mn as compared to Rs 41,641 Mn in the corresponding quarter last year and Rs 60,980 Mn in the previous quarter.

Net finance costs for the quarter were at Rs 29,846 Mn as compared to Rs 19,448 Mn (up 53.5% Y-o-Y) in the corresponding quarter last year and Rs 29,083 Mn in the previous quarter (up 2.6% Q-o-Q) largely led by lower derivative and forex loss and higher investment income for the quarter.

The resultant loss before tax and exceptional items for the quarter ended Dec 31, 2019 was Rs 4,526 Mn as compared to loss of Rs 12,135 Mn in the corresponding quarter last year and a loss of Rs 6,231 Mn in the previous quarter.

The consolidated income tax expense for the period of nine months ended Dec 31, 2019 was (negative) Rs 6,811 Mn as compared to (negative) Rs 19,169 Mn in the corresponding period of last year. The underlying effective tax rate (ETR) in India for the period was at 35.3% vs 34.9% for the full year ended March 31, 2019.

Net loss before exceptional items for the quarter ended Dec 31, 2019 was Rs 10,805 Mn as compared to loss of Rs 10,408 Mn in the corresponding quarter last year and Rs 11,228 in the previous quarter. After accounting for gain of Rs 452 Mn towards exceptional items (net of tax and non-controlling interests) (details provided below in 5.5.2), the resultant net loss for the quarter ended Dec 31, 2019 came in at Rs 10,353 Mn, compared to profit of Rs 862 Mn in the corresponding quarter last year and net loss of Rs 230,449 Mn in the previous quarter.

The capital expenditure for the quarter was Rs 51,831 Mn as compared to Rs 65,679 Mn in the corresponding quarter last year and Rs 37,901 in the previous quarter. The consolidated operating free cash flow during the quarter was Rs 41,670 Mn as compared to cash burn of Rs 2,609 Mn in the corresponding quarter last year and cash flow of Rs 51,461 in the previous quarter.

Consolidated net debt for the Company has decreased to Rs 1,149,193 Mn from Rs 1,181,065 Mn in the previous quarter. The Net Debt-EBITDA ratio (annualized) as at Dec 31, 2019 at 3.07 times as compared to 4.41 times as on Dec 31, 2018 and 3.30 times in the previous quarter. The Net Debt-Equity ratio was at 1.67 times as at Dec 31, 2019 as compared to 1.57 times as on Dec 31, 2018 and 1.69 times as on Jun 30, 2019.

5.5.2 Exceptional Items

The net exceptional charge of Rs. 10,500 Mn during the quarter ended Dec 31, 2019 comprises of a charge on account of interest on the provision of license fee and spectrum usage charges recorded in the quarter ended Sep 30, 2019 of Rs. 10,481 Mn (as detailed in Note* below) pending disposal of the modification application before the Hon'ble Supreme Court; accelerated depreciation on 3G network equipment / operating costs on network re-farming and up-gradation program of Rs. 4,008 Mn; charge on account of rates and taxes, largely paid under protest in

Results and ratios of periods commencing April 1, 2019 are basis IndAS 116 and are not comparable with previous periods
The term 'Comparable' refers to DTH reporting change effective April 1, 2019 pursuant to New Tariff Order, leading to content cost becoming a pass through expense

earlier years, arising from a detailed management review in light of High Court judgements in multiple states of Rs. 16,974 Mn; deferment of customer acquisition cost following reassessment of customer life for subsidiaries of Airtel Africa plc of Rs. 1,911 Mn; and release of provision on account of full and final settlement of customary indemnities to a clutch of investors of Airtel Africa plc of Rs. 19,052 Mn. Net tax benefit due to the above exceptional items and tax credit arising from deferred tax asset pertaining to one of the subsidiaries, aggregating Rs. 11,270 Mn is included under tax expense/ (credit). As a result, the overall net exceptional gain (after tax) is Rs. 770 Mn. The net benefit allocated to non-controlling interests on the above exceptional items is Rs. 318 Mn.

*Note:
In the previous quarter, arising from a judgement of the Hon'ble Supreme Court of India on Oct 24, 2019 ('Court Judgement'), in the absence of any potential reliefs from the Government, the Group had recorded as a liability/provision an aggregate of Rs. 342,600 Mn as at Sep 30, 2019 (of which Rs. 284,500 Mn was recorded in previous quarter as exceptional item). The Court Judgement was 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'). The Hon'ble Supreme Court in a Supplementary Order of the same date directed the affected parties to pay amounts due to DoT within a period of three months, which ended on Jan 23, 2020. These judgements/orders have significant financial implications on the Group. A Review Petition filed by the Group and other telecom operators against the above Court Judgement was rejected in Jan 2020. Thereafter, the telecom operators have filed an application for modification of the Supplementary Order before the Hon'ble Supreme Court of India, which is pending disposal.

During the quarter ended Dec 31, 2019, the Group has continued to recognise, in the same manner, its obligations under the judgements/ orders. Accordingly, during the quarter, the Group has further recorded interest of Rs. 10,481 Mn which has been presented as exceptional item.

Pursuant to the infusion of long-term financing and available liquidity/facilities with the Group (refer section 5.2.2.C above for details), the management has concluded that the previously reported material uncertainty on the Group's ability to continue as a going concern no longer exists.

5.5.3 B2C Services – India

5.5.3.1 Mobile Services

As on Dec 31, 2019, the Company had 283.0 Mn customers as compared to 279.4 Mn in the last quarter, an increase of 1.3% Q-o-Q. Minutes traffic growth of 8.0% to 759 Bn during the quarter as compared to 703 Bn in the corresponding quarter last year.

The current quarter has witnessed total data customer addition of 14.2 Mn on a sequential basis with 4G data customer base growing faster at 20.7 Mn; overall 4G customer base stood at 123.8 Mn at the end of the quarter. With increased data penetration, the total MBs on the network have increased by 72.4% to 5,547 PBs as compared to 3,217 PBs in the corresponding quarter last year. Mobile Data usage per customer witnessed an increase of 32.3% to 13.6 GBs during the quarter as compared to 10.3 GBs in the corresponding quarter last year.

To serve the evolving needs of millions of customers in the rapidly digitizing economy, Airtel continued to re-farm its 4G spectrum to provide the customers with an industry leading network experience. By the end of the quarter, the Company had 189,857 network towers as compared to 175,300 network towers in the corresponding quarter last year. Out of the total number of towers, 188,591 are mobile broadband towers. The Company has total 473,859 mobile broadband base stations as compared to 371,562 mobile broadband base stations at the end of the corresponding quarter last year and 461,891 at the end of the previous quarter.

Revenue from mobile services increased by 9.6% to Rs 111,653 Mn as compared to Rs 101,894 Mn in the corresponding quarter last year. Q-o-Q revenue increased by 1.7%; however, without the reorganization as detailed in section 5.1, the Q-o-Q revenue growth would have been 5.1%. Majorly led by increase in bundle net additions, 4G penetration and realization of price increase in December 2019. Overall ARPU for the quarter was Rs 135 as compared to Rs 104 in the corresponding quarter last year.

EBITDA for the quarter was Rs 40,109 Mn as compared to Rs 19,498 Mn in the corresponding quarter last year and Rs 39,913 Mn in the previous quarter. EBITDA margin was 35.9% during the Quarter as compared to 19.1% in the corresponding quarter last year and 36.3% in the previous quarter.

EBIT during the quarter was (negative) Rs 8,249 Mn as compared to (negative) Rs 19,032 Mn in the corresponding quarter last year and (negative) Rs 11,449 Mn in the previous quarter. The resultant EBIT margin was at (negative) 7.4% as compared to (negative) 18.7% in corresponding quarter last year and (negative) 10.4% in the previous quarter.

During the quarter, the Company has incurred a capex of Rs 25,415 Mn, primarily to enhance its indoor coverage, voice quality and data capacities. Improvement in EBITDA has resulted into cash flow of Rs 14,694 Mn for the quarter as compared to cash outflow of Rs 17,474 Mn in the corresponding quarter last year.

5.5.3.2 Homes Services

As on Dec 31, 2019, the Company had Homes operations in 103 cities with 2.35 Mn customers.

For the quarter ended Dec 31, 2019, revenues from Homes operations were Rs 5,546 Mn as compared to Rs 5,503 Mn in the corresponding quarter last year. During the quarter, the Company accelerated its Local cable Operators (LCO) partnership model and continued up-gradation of its copper network to FTTH. The company also launched Integrated Homes offering in Bangalore.

EBITDA for the quarter stood at Rs 3,302 Mn as compared to Rs 2,583 Mn in the corresponding quarter last year and Rs 2,471 Mn in the previous quarter. EBITDA margin stood at 59.5% during the quarter as against 46.9% in the corresponding quarter last year and 45.1% in the previous quarter. EBIT for the quarter ended Dec 31, 2019 was Rs 1,094 Mn as compared to Rs 734 Mn in the corresponding quarter last year and Rs 1,233 Mn in the previous quarter. The resultant EBIT margin was at 19.7% as compared to 13.3% in corresponding quarter last year and 22.5% in the previous quarter.

During the quarter ended Dec 31, 2019, the Company incurred capital expenditure of Rs 2,661 Mn primarily on account of expansion of high speed fiber. The resulting cash flow for the quarter was Rs 642 Mn as compared to Rs 211 Mn in the corresponding quarter last year and Rs 1,447 Mn in the previous quarter.

5.5.3.3 Digital TV Services

As on Dec 31, 2019, the Company had its Digital TV operations in 639 districts. DTH had 16.3 Mn customers at the end of the quarter, which represents an increase of 8.7%, as compared to the corresponding quarter last year. During the quarter, the Company collaborated with Sony to bundle Airtel XStream Stick, revamped regional pack offerings in select markets. The company also collaborated with TV panel makers – Samsung and MI, to bundle TV and DTH sales. Underlying ARPU for the quarter was at Rs 245

as compared to Rs 231 in the corresponding quarter last year, an increase of 5.9% Y-o-Y.

Underlying revenue from Digital TV services was at Rs 11,940 Mn vis-à-vis Rs 10,330 Mn in the corresponding quarter last year.

EBITDA for this segment was at Rs 5,441 Mn as compared to Rs 3,826 Mn in the corresponding quarter last year and Rs 5,607 Mn in the previous quarter. The reported EBITDA margin was 68.7% in the current quarter as compared to 37.0% in the corresponding quarter last year and 71.0% in the previous quarter. EBIT for the quarter was Rs 3,011 Mn as compared to Rs 1,568 Mn in the corresponding quarter last year and Rs 3,243 Mn In the previous quarter. The resultant EBIT margin was at 38.0% as compared to 15.2% in the corresponding quarter last year and 41.1% in the previous quarter.

During the current quarter, the Company incurred a capital expenditure of Rs 3,509 Mn. The resultant operating free cash flow during the quarter was at Rs 1,931 Mn as compared to Rs 558 Mn in the corresponding quarter last year and Rs 3,556 Mn in the previous quarter.

5.5.4 B2B Services – India: Airtel Business

Airtel Business segment revenues for the current quarter was at Rs 33,176 Mn as compared to Rs 31,116 Mn in the corresponding quarter last year. The company has designed industry-specific solutions like Enterprise Hub, a one-stop digital self-care portal, to improve customer engagement, experience and life cycle management.

EBITDA stood at Rs 12,125 Mn during the quarter as compared to Rs 9,874 Mn in the corresponding quarter last year, growth of 22.8%. EBITDA increased by 29.0% as compared to Rs 9,396 Mn in the previous quarter. The EBITDA margin stood at 36.5% in the current quarter, as compared to 31.7% in the corresponding quarter last year and 28.2% in the previous quarter. EBIT for the current quarter has increased by 21.1% to Rs 8,075 Mn as compared to Rs 6,667 Mn during the corresponding quarter last year and the resultant EBIT margin was at 24.3% during the quarter as compared to 23.1% the corresponding quarter last year. EBIT increased by 4.8% as compared to Rs 7,706 Mn in the previous quarter.

The Company incurred a capital expenditure of Rs 7,628 Mn in Airtel Business as compared to Rs 8,603 Mn in the corresponding quarter last year and Rs 2,620 Mn in the previous quarter. Operating free cash flow during the quarter was Rs 4,498 Mn as compared to Rs 1,271 Mn in the corresponding quarter last year and Rs 6,776 Mn in the previous quarter.

5.5.5 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 Dec 31, 2019 has decreased by 3.8% to Rs 16,662 Mn as compared to Rs 17,325 Mn in the corresponding quarter last year. EBITDA during the quarter was at Rs 8,782 Mn compared to Rs 8,510 Mn in the corresponding quarter last year (up 3.2% Y-o-Y) and Rs 9,268 Mn in the previous quarter (down 5.2% Q-o-Q). EBIT for the quarter was at Rs 5,686 Mn as compared to Rs 5,829 Mn in the corresponding quarter last year (down 2.5% Y-o-Y) and Rs 6,125 Mn in the previous quarter (down 7.2% Q-o-Q).

As at the end of the quarter, Infratel had 41,471 towers with average sharing factor of 1.85 times compared to 1.95 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 94,244 towers with an average sharing factor of 1.85 times as compared to 1.89 times in the corresponding quarter last year.

Bharti Infratel incurred a capital expenditure of Rs 1,611 Mn during the quarter on a standalone basis. Operating free cash flows during the quarter were Rs 7,171 Mn as compared to Rs 6,633 Mn in the corresponding quarter last year and Rs 7,132 Mn in the previous quarter. The share of profits of Indus during the quarter came in at Rs 3,852 Mn as compared to Rs 2,177 Mn in the corresponding quarter last year and Rs 4,866 Mn in the previous quarter.

5.5.6 Africa

As on Dec 31, 2019, the Company had an aggregate customer base of 107.1 Mn as compared to 97.9 Mn in the corresponding quarter last year, an increase of 9.4%. Customer churn for the quarter has increased to 5.2% as compared to 4.5% in the previous quarter. Total minutes on network during the quarter registered a growth of 24.1% to 65.1 Bn as compared to 52.4 Bn in the corresponding quarter last year.

Data customers during the quarter increased by 3.6 Mn to 32.9 Mn as compared to 29.3 Mn in the corresponding quarter last year. Data customers now represent 30.7% of the total customer base, as compared to 29.9% in the corresponding quarter last year. The total MBs on the network grew at a healthy growth rate of 80.2% to 189.8 Bn MBs compared to 105.3 Bn MBs in the corresponding quarter last year. Data usage per customer during the quarter was at 1,967 MBs as compared to 1,248 MBs in the corresponding quarter last year, an increase of 57.6%.

The total customer base using the Airtel Money platform increased by 20.5% to 16.6 Mn as compared to 13.8 Mn in the corresponding quarter last year. Total value of transactions on the Airtel money platform has witnessed a growth of 31.7% to $ 8,576 Mn in the current quarter as compared to $ 6,509 Mn in the corresponding quarter last year. Airtel Money revenue is at $ 83.9 Mn as compared to $ 64.2 Mn in the corresponding quarter last year reflecting a growth of 30.6%.

The Company had 22,253 network towers at end of the quarter as compared to 20,582 network towers in the corresponding quarter last year. Out of the total number of towers, 19,133 are mobile broadband towers. The Company has total 43,174 mobile broadband base stations as compared to 29,650 mobile broadband base stations at the end of the corresponding quarter last year.

Africa revenues at $ 896 Mn grew by 14.2% as compared to $ 785 Mn in the corresponding quarter last year as a result of continued strong performance in Nigeria and East Africa and an improvement in the performance of the Rest of Africa.

Opex for the quarter is at $ 313 Mn as compared to $ 321 Mn in the corresponding quarter last year and $ 305 Mn in the previous quarter. EBITDA was at $ 404 Mn as compared to $ 306 Mn in the corresponding quarter last year and $ 376 Mn in the previous quarter. EBITDA margin was at 45.1% for the quarter (up 6.1% Y-o-Y, up 1.1% Q-o-Q). Depreciation and amortization charges were at $ 155 Mn as compared to $ 114 Mn in the corresponding quarter last year and $ 154 Mn in the previous quarter. EBIT for the quarter was at $ 248 Mn as compared to $ 191 Mn in the corresponding quarter last year and $ 221 Mn in the previous quarter.
The resultant profit before tax and exceptional items for the quarter was at $ 175 Mn as compared to $ 114 Mn in the corresponding quarter last year and $ 143 Mn in the previous quarter.

Capital expenditure during the quarter was $ 150 Mn for Africa operations. Operating free cash flow during the quarter was at $ 254 Mn, as compared to $ 136 Mn in the corresponding quarter last year and $ 228 Mn in the previous quarter.

5.6 Bharti's Three Line Graph

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

The parameters considered for the three-line graph are:

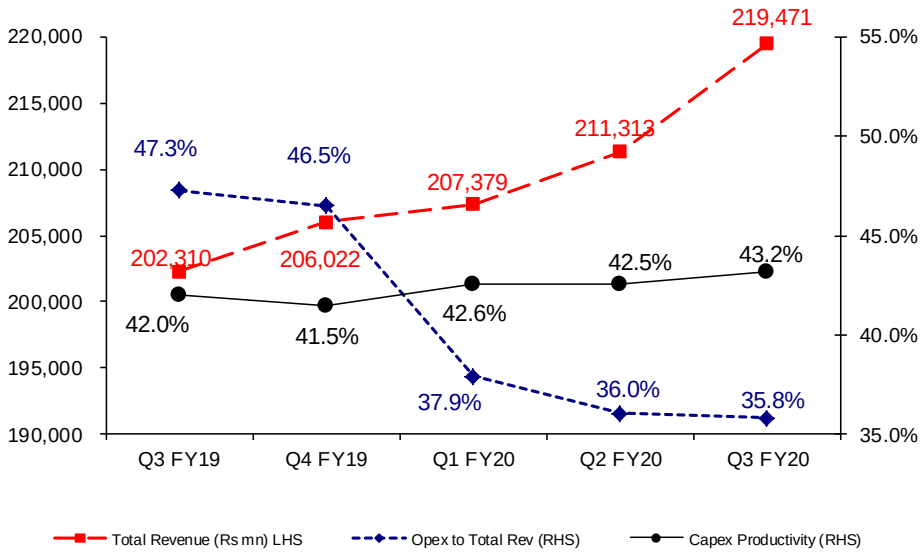
1. Total Revenues i.e. absolute turnover/sales

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

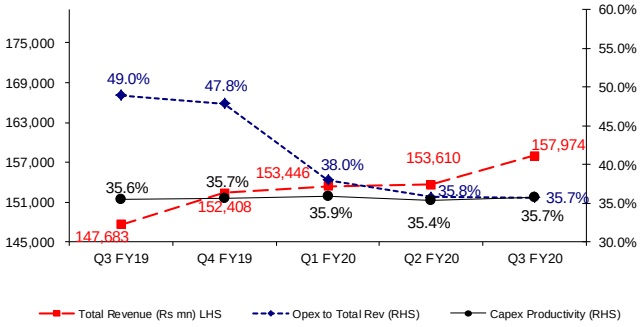
3. Capex Productivity – this is computed by dividing revenue for the quarter (annualized) by gross cumulative capex (gross fixed assets and capital work in progress) till date i.e. the physical investments made in the assets creation of the Company. This ratio depicts the asset productivity of the Company.

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.)*

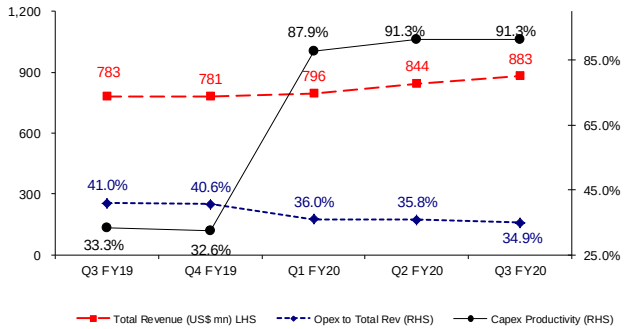
5.6.1 Bharti Airtel – Consolidated



5.6.2 Bharti Airtel – India



5.6.3 Bharti Airtel – Africa



SECTION 6

STOCK MARKET HIGHLIGHTS

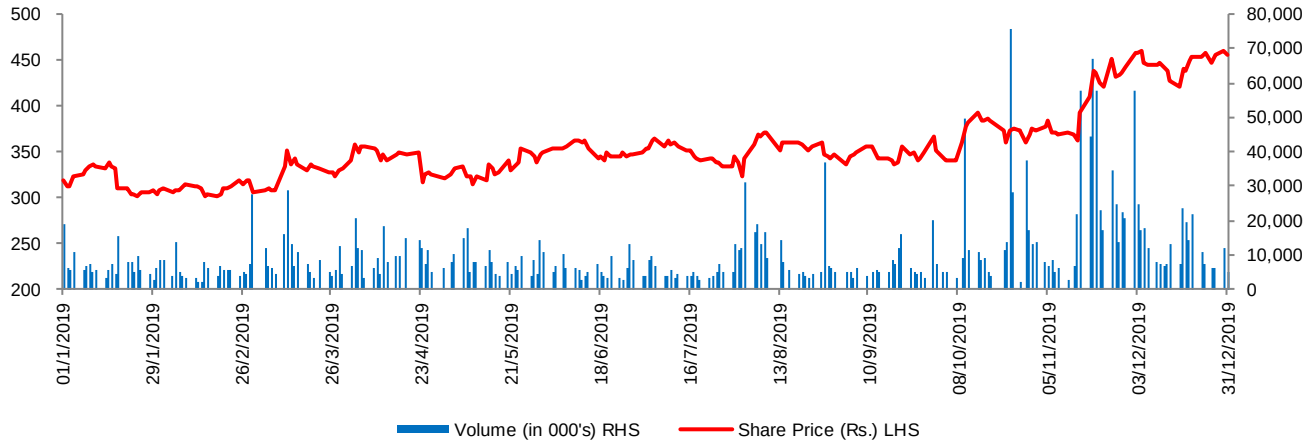
6.1 General Information

Shareholding and Financial Data	Unit	
Code/Exchange		532454/BSE
Bloomberg/Reuters		BHARTI IN/BRTI.BO
No. of Shares Outstanding (31/12/19)	Mn Nos	5,132
Closing Market Price - BSE (31/12/19)	Rs /Share	456
Combined Volume (NSE & BSE) (01/01/19 - 31/12/19)	Nos in Mn/day	10.40
Combined Value (NSE & BSE) (01/01/19 - 31/12/19)	Rs Mn /day	3,838
Market Capitalization	Rs Bn	2,339
Market Capitalization	US$ Bn	32.78
Book Value Per Equity Share	Rs /share	134.12
Market Price/Book Value	Times	3.40
Enterprise Value	Rs Bn	3,488
Enterprise Value	US$ Bn	48.88
Enterprise Value/ EBITDA	Times	9.33
P/E Ratio	Times	(8.62)

6.2 Summarized Shareholding pattern as of Dec 31, 2019

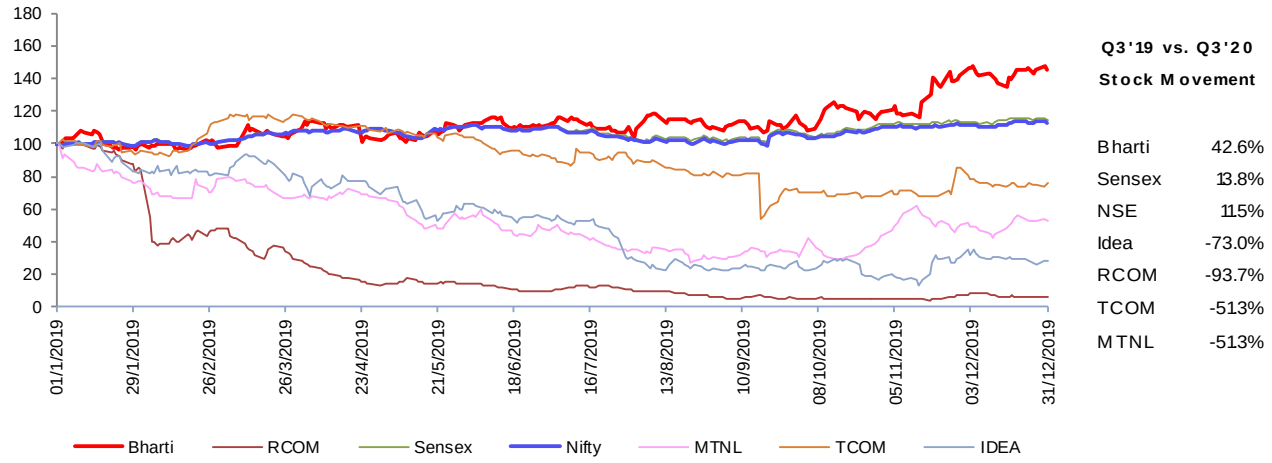
Category	Number of Shares	%
Promoter & Promoter Group		
Indian	2,116,236,438	41.24%
Foreign	1,101,344,767	21.46%
Sub total	**3,217,581,205**	**62.70%**
Public Shareholding		
Institutions	1,567,537,969	30.54%
Non-institutions	344,531,393	6.71%
Sub total	**1,912,069,362**	**37.26%**
Others	**2,311,283**	**0.05%**
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



Q3'19 vs. Q3'20 Stock Movement

Bharti	42.6%
Sensex	13.8%
NSE	11.5%
Idea	-73.0%
RCOM	-93.7%
TCOM	-51.3%
MTNL	-51.3%

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)

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-19	Dec-18	Y-on-Y Growth	Dec-19	Dec-18	Y-on-Y Growth
Income						
Revenue	219,471	202,310	8%	638,163	601,780	6%
Other income	745	832	-10%	2,254	2,757	-18%
Total	**220,216**	**203,142**	**8%**	**640,417**	**604,537**	**6%**
Expenses						
Network operating expenses	49,345	58,183	-15%	145,670	165,626	-12%
Access Charges	27,109	24,462	11%	79,125	69,111	14%
License fee / spectrum charges (revenue share)	17,666	17,469	1%	52,360	52,138	0%
Employee benefits	9,651	9,530	1%	27,756	28,546	-3%
Sales and marketing expenses	9,003	10,621	-15%	24,970	31,177	-20%
Other expenses	14,028	20,023	-30%	44,208	63,700	-31%
Total	**126,802**	**140,287**	**-10%**	**374,089**	**410,297**	**-9%**
Profit from operating activities before depreciation, amortization and exceptional items	**93,414**	**62,855**	**49%**	**266,328**	**194,239**	**37%**
Depreciation and amortisation	69,408	54,723	27%	206,346	158,541	30%
Finance costs	32,816	26,081	26%	98,616	79,479	24%
Finance income	(2,970)	(6,633)	-55%	(7,872)	(8,908)	-12%
Non-operating income / expenses, (net)	211	721	-71%	903	1,835	-51%
Share of results of joint ventures and associates	(1,523)	98	-1654%	(5,609)	(3,188)	76%
Profit before exceptional items and tax	**(4,528)**	**(12,135)**	**-63%**	**(26,056)**	**(33,520)**	**-22%**
Exceptional items	10,500	(14,137)		332,304	(9,067)	-3765%
Profit before tax	**(15,028)**	**2,002**	**-851%**	**(358,360)**	**(24,453)**	**1366%**
Tax expense						
Current tax	7,309	5,331	37%	19,353	16,357	18%
Deferred tax	(17,688)	(7,155)	147%	(120,841)	(51,924)	133%
Profit for the period	**(4,649)**	**3,826**	**-222%**	**(256,872)**	**11,114**	**-2411%**

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			Nine Months Ended		
	Dec-19	Dec-18	Y-on-Y Growth	Dec-19	Dec-18	Y-on-Y Growth
Profit for the period	**(4,649)**	**3,826**	**-222%**	**(256,872)**	**11,114**	**-2411%**
Other comprehensive income ('OCI'):						
Items to be reclassified subsequently to profit or loss :						
Net gains / (losses) due to foreign currency translation differences	781	(5,431)	114%	2,814	(13,711)	121%
Gains / (losses) on net investments hedge	(1,015)	2,781	-136%	(2,324)	(3,043)	24%
Gains / (Losses) on cash flow hedge	220	(223)	199%	27	(878)	103%
Gains / (losses) on fair value through OCI investments	0	10	-100%	(107)	(34)	-215%
Tax credit / (charge)	195	4,231	-95%	559	4,758	-88%
	181	**1,368**	**-87%**	**968**	**(12,908)**	**107%**
Items not to be reclassified to profit or loss :						
Re-measurement gains / (losses) on defined benefit plans	140	(51)	376%	(110)	90	-222%
Share of joint ventures and associates	7	(9)	180%	4	(9)	143%
Tax credit / (charge)	(9)	9	-207%	58	(62)	194%
	138	(51)	370%	(48)	18	-366%
Other comprehensive income / (loss) for the period	**318**	**1,317**	**-76%**	**920**	**(12,889)**	**107%**
Total comprehensive income / (loss) for the period	**(4,331)**	**5,143**	**-184%**	**(255,952)**	**(2,504)**	**-10122%**
Profit for the period Attributable to:	**(4,649)**	**3,826**	**-222%**	**(256,872)**	**11,114**	**-2411%**
Owners of the Parent	(10,353)	862	-1301%	(269,462)	3,023	-9014%
Non-controlling interests	5,704	2,964	92%	12,590	8,091	56%
Other comprehensive income / (loss) for the period attributable to :	**318**	**1,317**	**-76%**	**920**	**(12,889)**	**107%**
Owners of the Parent	(1,070)	3,201	-133%	(1,900)	(11,198)	83%
Non-controlling interests	1,389	(1,883)	174%	2,822	(1,691)	267%
Total comprehensive income / (loss) for the period attributable to :	**(4,331)**	**5,143**	**-184%**	**(255,952)**	**(2,504)**	**-10122%**
Owners of the Parent	(11,423)	4,062	-381%	(271,361)	(8,175)	-3219%
Non-controlling interests	7,092	1,081	556%	15,411	6,400	141%
Earnings per share (Face value : Rs. 5/- each) (In Rupees)						
Basic	(2.02)	0.20	-1103%	(54.25)	0.71	-7741%
Diluted	(2.02)	0.20	-1103%	(54.25)	0.71	-7740%

7.1.3 Consolidated Summarized Balance Sheet

Amount in Rs Mn

Particulars	As at Dec 31, 2019	As at Dec 31, 2018	As at Mar 31, 2019
Assets			
Non-current assets			
Property, plant and equipment (inc CWIP and ROU)	1,153,315	880,811	903,661
Intangible assets	1,159,315	1,212,330	1,200,996
Investment in joint ventures and associates	94,577	89,250	88,937
Financial Assets			
- Investments	19,862	21,645	21,941
- Others	12,504	17,286	22,784
Income & Deferred tax assets (net)	258,421	100,567	107,073
Other non-current assets	77,803	53,647	77,526
	2,775,797	**2,375,536**	**2,422,918**
Current assets			
Financial Assets			
- Investments	192,660	38,189	46,232
- Trade receivables	53,558	48,955	43,006
- Cash and bank balances	102,060	43,458	62,121
- Other bank balances	23,968	21,461	18,934
- Others	202,421	20,493	20,769
Other current assets	163,795	147,022	137,995
	738,462	**319,578**	**329,057**
Total Assets	**3,514,259**	**2,695,114**	**2,751,975**
Equity and liabilities			
Equity			
Equity attributable to owners of the Parent	688,287	711,097	714,222
Non-controlling interests ('NCI')	222,918	120,962	135,258
	911,205	**832,059**	**849,480**
Non-current liabilities			
Financial Liabilities			
- Borrowings	1,052,293	901,513	872,454
- Others	48,126	49,761	62,957
Deferred tax liabilities (net)	8,111	8,190	11,297
Other non-current liabilities	39,838	25,803	25,238
	1,148,368	**985,267**	**971,946**
Current liabilities			
Financial Liabilities			
- Borrowings	412,431	308,955	381,829
- Trade Payables	294,583	297,379	280,031
- Others	157,535	165,861	172,548
Current tax liabilities (net)	11,847	8,345	8,228
Other current liabilities	578,290	97,248	87,913
	1,454,686	**877,788**	**930,549**
Total liabilities	**2,603,054**	**1,863,055**	**1,902,495**
Total equity and liabilities	**3,514,259**	**2,695,114**	**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		Nine Months Ended	
	Dec-19	Dec-18	Dec-19	Dec-18
Cash flows from operating activities				
Profit before tax	**(15,027)**	**2,002**	**(358,360)**	**(24,453)**
Adjustments for -				
Depreciation and amortisation	69,409	54,723	206,346	158,541
Finance costs	32,825	26,081	98,218	80,978
Finance income	(2,970)	(6,633)	(7,872)	(10,407)
Other non-cash items	9,178	(15,140)	330,638	(6,264)
Operating cash flow before changes in working capital	**93,414**	**61,034**	**268,971**	**198,396**
Changes in working capital -				
Trade receivables	(907)	(1,984)	(16,813)	2,760
Trade payables	23,325	11,057	13,152	16,923
Other assets and liabilities	1,225	(16,168)	14,246	(63,139)
Net cash generated from operations before tax and dividend	**117,057**	**53,938**	**279,557**	**154,939**
Income tax (paid) / refund	(5,412)	6,372	(18,788)	(6,113)
Net cash generated from operating activities (a)	**111,645**	**60,310**	**260,768**	**148,826**
Cash flows from investing activities				
Net (Purchase) / proceeds from sale of PPE	(56,614)	(53,366)	(145,507)	(212,127)
Purchase of intangible assets, spectrum- DPL	(1,884)	(13,430)	(15,513)	(34,221)
Net movement in current investments	(130,950)	14,350	(143,789)	27,959
Net (Purchase) / Sale of non-current investments	599	(14,694)	2,951	(14,533)
Consideration / advance for acquisitions, net of cash acquired	0	(811)	0	(283)
Sale of tower assets	0	78	0	3,051
Investment in joint venture / associate	(2,134)	0	(4,736)	(60)
Dividend received	0	54	0	11,440
Interest received	1,038	2,608	3,540	4,451
Net cash (used in) / generated from investing activities (b)	**(189,945)**	**(65,210)**	**(303,055)**	**(214,322)**
Cash flows from financing activities				
Net roceeds / (repayments) from borrowings	75,316	(62,549)	22,039	11,962
Net (repayment of) / proceeds from short-term borrowings	17,376	11,863	(121,476)	32,710
Repayment of lease liabilities and proceeds from sale and finance leaseback of towers	(16,243)	(2,029)	(34,474)	(2,060)
Purchase of treasury shares and proceeds from exercise of share	(411)	(42)	(492)	(240)
Interest and other finance charges paid	(21,549)	(12,801)	(79,463)	(49,551)
Dividend paid (including tax)	(6,377)	(19,820)	(17,934)	(46,617)
Proceeds from issuance of equity shares / perpetual bonds to Non-controlling interest	53,074	89,751	108,104	90,348
Sale of interest in a subsidiary	0	0	0	16,238
Purchase of shares from NCI	0	(23)	0	(5,389)
Net proceeds from issue of shares	(0)	0	249,136	0
Payment towards derivatives	(25,733)	0	(41,517)	0
Net cash (used in) / generated from financing activities (c)	**75,453**	**4,350**	**83,922**	**47,401**
Net increase / (decrease) in cash and cash equivalents during the period (a+b+c)	**(2,847)**	**(551)**	**41,635**	**(18,096)**
Effect of exchange rate on cash and cash equivalents	(2)	(1,221)	2,457	1,870
Cash and cash equivalents as at beginning of the period	84,256	14,014	37,316	28,468
Cash and cash equivalents as at end of the period	**81,409**	**12,242**	**81,409**	**12,242**

** 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

Amount in Rs Mn

Particulars	As at Dec 31, 2019	As at Dec 31, 2018	As at Mar 31, 2019
Long term debt, net of current portion	428,423	432,029	407,938
Short-term borrowings and current portion of long-term debt	292,601	288,549	360,779
Deferred payment liability	439,051	445,905	440,853
Less:			
Cash and Cash Equivalents	102,060	43,459	62,121
Investments & Receivables	210,351	59,350	65,101
Net Debt	**847,664**	**1,063,674**	**1,082,346**
Lease Obligation	301,529	49,294	47,553
Net Debt including Lease Obligations	**1,149,193**	**1,112,968**	**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$

Amount in US$ Mn

Particulars	As at Dec 31, 2019	As at Dec 31, 2018	As at Mar 31, 2019
Long term debt, net of current portion	6,004	6,177	5,899
Short-term borrowings and current portion of long-term debt	4,100	4,125	5,217
Deferred payment liability	6,153	6,375	6,375
Less:			
Cash and Cash Equivalents	1,430	621	898
Investments & Receivables	2,948	849	941
Net Debt	**11,879**	**15,207**	**15,651**
Lease Obligation	4,225	705	688
Net Debt including Lease Obligations	**16,104**	**15,912**	**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

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		Nine Months Ended	
	Dec-19	Dec-18	Dec-19	Dec-18
Interest on borrowings & Finance charges	24,422	22,636	73,168	68,745
Interest on Lease Obligations	6,451	1,380	19,226	4,098
Derivatives and exchange (gain)/ loss	1,602	(1,046)	5,147	4,693
Investment (income)/ loss	(2,629)	(3,523)	(6,797)	(6,965)
Finance cost (net)	**29,846**	**19,448**	**90,744**	**70,571**

** 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		Nine Months Ended	
	Ind AS 116	Ind AS		
	Dec-19	Dec-18	Dec-19	Dec-18
Profit / (loss) from operating activities before depreciation, amortization and exceptional items To EBITDA				
Profit / (Loss) from Operating Activities	93,414	62,855	266,328	194,239
Add: CSR Costs (Inc charity donation)	85	215	1,462	635
EBITDA	**93,501**	**63,069**	**267,790**	**194,873**
Reconciliation of Finance Cost				
Finance Cost	32,816	26,081	98,616	79,479
Less: Finance Income	(2,970)	(6,633)	(7,872)	(8,908)
Finance Cost (net)	**29,846**	**19,448**	**90,744**	**70,571**
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	93,414	62,855	266,328	194,239
Less: Finance cost (net)	29,846	19,448	90,744	70,571
Less: Non Operating Expense	211	721	903	1,835
Add: Derivatives and exchange (gain)/loss	1,602	(1,046)	5,147	4,693
Cash Profit from Operations before Derivative & Exchange Fluctuation	**64,961**	**41,641**	**179,828**	**126,524**

SECTION 8

REGION WISE COST SCHEDULES

8.1 India

8.1.1 Schedule of Operating Expenses

Amount in Rs Mn

Particulars	Quarter Ended		Nine Months Ended	
	Dec-19	Dec-18	Dec-19	Dec-18
Access charges	22,067	20,486	65,480	57,691
Licence fees, revenue share & spectrum charges	14,368	14,041	42,215	42,135
Network operations costs	37,710	45,285	113,034	129,147
Cost of goods sold	770	604	2,085	2,730
Employee costs	5,416	5,256	16,079	16,171
Selling, general and adminstration expense	13,320	21,766	40,669	67,861
Operating Expenses	**93,651**	**107,439**	**279,561**	**315,736**

**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

Amount in Rs Mn

Particulars	Quarter Ended		Nine Months Ended	
	Dec-19	Dec-18	Dec-19	Dec-18
Depreciation	42,884	31,493	128,151	90,437
Amortization	15,251	14,758	45,228	44,366
Depreciation & Amortization	**58,135**	**46,251**	**173,379**	**134,803**

** 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

Amount in Rs Mn

Particulars	Quarter Ended		Nine Months Ended	
	Dec-19	Dec-18	Dec-19	Dec-18
Current tax expense	2,696	2,765	9,878	11,314
Deferred tax expense / (income)	(8,727)	(10,764)	(32,052)	(37,540)
Income tax expense	**(6,031)**	**(7,999)**	**(22,174)**	**(26,226)**

8.2 South Asia

8.2.1 Schedule of Operating Expenses

Amount in Rs Mn

Particulars	Quarter Ended		Nine Months Ended	
	Dec-19	Dec-18	Dec-19	Dec-18
Access charges	140	146	421	373
Licence fees, revenue share & spectrum charges	165	139	473	417
Network operations costs	358	427	1,074	1,315
Cost of goods sold	1	1	2	2
Employee costs	99	101	297	315
Selling, general and adminstration expense	287	275	801	809
Operating Expenses	**1,050**	**1,088**	**3,068**	**3,230**

** 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		Nine Months Ended	
	Dec-19	Dec-18	Dec-19	Dec-18
Depreciation	383	268	1,056	863
Amortization	24	21	65	68
Depreciation & Amortization	**407**	**289**	**1,122**	**931**

** 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		Nine Months Ended	
	Dec-19	Dec-18	Dec-19	Dec-18
Access charges	99	87	285	255
Licence fees, revenue share & spectrum charges	45	46	140	136
Network operations costs	163	179	453	512
Cost of goods sold	39	30	105	81
Employee costs	66	62	186	182
Selling, general and adminstration expense	85	81	272	248
Operating Expenses	**497**	**485**	**1,440**	**1,415**

** 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		Nine Months Ended	
	Dec-19	Dec-18	Dec-19	Dec-18
Depreciation	135	94	395	265
Amortization	21	20	63	58
Depreciation & Amortization	**155**	**114**	**458**	**323**

** 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		Nine Months Ended	
	Dec-19	Dec-18	Dec-19	Dec-18
Current tax expense	62	30	133	87
Deferred tax expense / (income)	32	1	77	8
Income tax expense	**95**	**32**	**210**	**95**

SECTION 9

TRENDS AND RATIO ANALYSIS

9.1 Based on Statement of Operations Consolidated

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
Total revenues	**219,471**	**211,313**	**207,379**	**206,022**	**202,310**
Access charges	27,109	26,389	25,627	24,411	24,462
Cost of goods sold	3,418	3,420	2,383	2,366	2,729
Licence Fee	17,667	16,763	17,930	17,288	17,468
Net revenues	**171,278**	**164,741**	**161,438**	**161,958**	**157,652**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	78,522	76,055	77,344	94,601	95,414
EBITDA	**93,501**	**89,363**	**84,926**	**68,064**	**63,069**
Cash profit from operations before Derivative and Exchange Fluctuations	64,961	60,980	53,886	41,252	41,641
EBIT	24,008	19,930	16,046	11,932	8,132
Share of results of Joint Ventures/Associates	1,523	3,154	931	368	(97)
Profit before Tax	(4,526)	(6,231)	(15,298)	(13,086)	(12,135)
Profit after Tax (before exceptional items)	**(5,419)**	**(4,357)**	**(9,469)**	**(7,235)**	**(6,344)**
Non Controlling Interest	5,386	6,872	4,533	4,647	4,064
Net income (before exceptional items)	**(10,805)**	**(11,228)**	**(14,002)**	**(11,881)**	**(10,408)**
Exceptional items (net of tax)	(770)	223,944	14,454	(12,996)	(10,170)
Profit after tax (after exceptional items)	**(4,649)**	**(228,301)**	**(23,922)**	**5,761**	**3,826**
Non Controlling Interest	5,704	2,148	4,738	4,689	2,964
Net income	**(10,353)**	**(230,449)**	**(28,660)**	**1,072**	**862**
Capex	51,831	37,901	50,468	62,735	65,679
Operating Free Cash Flow (EBITDA - Capex)	41,670	51,461	34,458	5,329	(2,609)
Cumulative Investments	3,569,521	3,514,674	3,432,802	3,473,673	3,401,022

	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
As a % of Total revenues					
Access charges	12.4%	12.5%	12.4%	11.8%	12.1%
Cost of goods sold	1.6%	1.6%	1.1%	1.1%	1.3%
Licence Fee	8.0%	7.9%	8.6%	8.4%	8.6%
Net revenues	78.0%	78.0%	77.8%	78.6%	77.9%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	35.8%	36.0%	37.3%	45.9%	47.2%
EBITDA	42.6%	42.3%	41.0%	33.0%	31.2%
Cash profit from operations before Derivative and Exchange Fluctuations	29.6%	28.9%	26.0%	20.0%	20.6%
EBIT	10.9%	9.4%	7.7%	5.8%	4.0%
Share of results of JV / Associates	0.7%	1.5%	0.4%	0.2%	0.0%
Profit before Tax	-2.1%	-2.9%	-7.4%	-6.4%	-6.0%
Profit after Tax (before exceptional items)	-2.5%	-2.1%	-4.6%	-3.5%	-3.1%
Non Controlling Interest	2.5%	3.3%	2.2%	2.3%	2.0%
Net income (before exceptional items)	-4.9%	-5.3%	-6.8%	-5.8%	-5.1%
Profit after tax (after exceptional items)	-2.1%	-108.0%	-11.5%	2.8%	1.9%
Non Controlling Interest	2.6%	1.0%	2.3%	2.3%	1.5%
Net income	-4.7%	-109.1%	-13.8%	0.5%	0.4%

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India & South Asia

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
Total revenues	**159,002**	**154,608**	**154,448**	**153,433**	**148,713**
Access charges	22,124	21,952	21,581	20,519	20,546
Cost of goods sold	743	1,047	269	382	605
Licence Fee	14,533	13,407	14,748	14,138	14,180
Net revenues	**121,602**	**118,202**	**117,850**	**118,394**	**113,382**
Operating Expenses (Excl Access Charges, cost of goods sold, License Fee & CSR Costs)	57,158	55,697	57,856	72,608	72,954
EBITDA	**65,119**	**63,298**	**60,723**	**46,510**	**41,194**
EBIT	6,559	4,601	2,287	(1,120)	(5,489)
Profit before Tax	(12,097)	(17,071)	(20,536)	(19,757)	(15,918)
Profit after Tax (before exceptional items)	**(6,072)**	**(10,163)**	**(11,313)**	**(10,843)**	**(7,925)**
Non Controlling Interest	2,726	3,878	2,669	2,213	2,305
Net income (before exceptional items)	**(8,799)**	**(14,041)**	**(13,982)**	**(13,056)**	**(10,230)**
Capex	41,155	27,576	43,542	41,239	53,481
Operating Free Cash Flow (EBITDA - Capex)	23,964	35,723	17,181	5,271	(12,287)
Cumulative Investments	2,938,934	2,903,597	2,838,517	2,840,219	2,779,596

	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
As a % of Total revenues					
Access charges	13.9%	14.2%	14.0%	13.4%	13.8%
Cost of goods sold	0.5%	0.7%	0.2%	0.2%	0.4%
Licence Fee	9.1%	8.7%	9.5%	9.2%	9.5%
Net revenues	76.5%	76.5%	76.3%	77.2%	76.2%
Operating Expenses (Excl Access Charges, cost of goods sold, License Fee & CSR Costs)	35.9%	36.0%	37.5%	47.3%	49.1%
EBITDA	41.0%	40.9%	39.3%	30.3%	27.7%
EBIT	4.1%	3.0%	1.5%	-0.7%	-3.7%
Profit before Tax	-7.6%	-11.0%	-13.3%	-12.9%	-10.7%
Profit after Tax (before exceptional items)	-3.8%	-6.6%	-7.3%	-7.1%	-5.3%
Non Controlling Interest	1.7%	2.5%	1.7%	1.4%	1.5%
Net income (before exceptional items)	-5.5%	-9.1%	-9.1%	-8.5%	-6.9%

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India

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
Total revenues	**157,974**	**153,610**	**153,446**	**152,408**	**147,683**
Access charges	22,067	21,904	21,508	20,457	20,486
Cost of goods sold	770	1,047	268	382	604
Licence Fee	14,368	13,251	14,595	14,033	14,041
Net revenues	**120,769**	**117,408**	**117,074**	**117,536**	**112,551**
Operating Expenses (Excl Access Charges, cost of goods sold, License Fee & CSR Costs)	56,428	54,988	57,172	71,795	72,165
EBITDA	**65,015**	**63,213**	**60,630**	**46,466**	**41,152**
EBIT	6,861	4,878	2,547	(898)	(5,241)
Profit before Tax	(11,621)	(16,583)	(20,119)	(19,538)	(15,413)
Profit after Tax (before exceptional items)	**(5,590)**	**(9,669)**	**(10,889)**	**(10,618)**	**(7,414)**
Non Controlling Interest	2,726	3,878	2,669	2,213	2,305
Net income (before exceptional items)	**(8,316)**	**(13,547)**	**(13,558)**	**(12,831)**	**(9,719)**
Capex	40,823	27,469	43,223	41,075	53,091
Operating Free Cash Flow (EBITDA - Capex)	24,191	35,744	17,407	5,390	(11,939)
Cumulative Investments	2,923,204	2,888,882	2,823,790	2,825,696	2,765,673

	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
As a % of Total revenues					
Access charges	14.0%	14.3%	14.0%	13.4%	13.9%
Cost of goods sold	0.5%	0.7%	0.2%	0.3%	0.4%
Licence Fee	9.1%	8.6%	9.5%	9.2%	9.5%
Net revenues	76.4%	76.4%	76.3%	77.1%	76.2%
Operating Expenses (Excl Access Charges, cost of goods sold, License Fee & CSR Costs)	35.7%	35.8%	37.3%	47.1%	48.9%
EBITDA	41.2%	41.2%	39.5%	30.5%	27.9%
EBIT	4.3%	3.2%	1.7%	-0.6%	-3.5%
Profit before Tax	-7.4%	-10.8%	-13.1%	-12.8%	-10.4%
Profit after Tax (before exceptional items)	-3.5%	-6.3%	-7.1%	-7.0%	-5.0%
Non Controlling Interest	1.7%	2.5%	1.7%	1.5%	1.6%
Net income (before exceptional items)	-5.3%	-8.8%	-8.8%	-8.4%	-6.6%

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South Asia

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
Total revenues	**1,155**	**1,106**	**1,089**	**1,124**	**1,130**
Access charges	140	139	142	145	146
Cost of goods sold	1	1	1	0	1
Licence Fee	165	156	153	105	139
Net revenues	**849**	**810**	**794**	**874**	**845**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	744	726	702	830	803
EBITDA	**106**	**84**	**92**	**45**	**42**
EBIT	(301)	(277)	(260)	(220)	(248)
Profit before Tax	(475)	(489)	(418)	(218)	(506)
Profit after Tax (before exceptional items)	**(481)**	**(494)**	**(423)**	**(224)**	**(511)**
Non Controlling Interest	0	0	0	0	0
Net income (before exceptional items)	**(481)**	**(494)**	**(423)**	**(224)**	**(511)**
Capex	331	107	318	164	389
Operating Free Cash Flow (EBITDA - Capex)	(225)	(22)	(226)	(119)	(348)
Cumulative Investments	15,730	14,715	14,727	14,523	13,923

	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
As a % of Total revenues					
Access charges	12.1%	12.6%	13.0%	12.9%	12.9%
Cost of goods sold	0.1%	0.0%	0.1%	0.0%	0.1%
Licence Fee	14.3%	14.1%	14.0%	9.3%	12.3%
Net revenues	73.5%	73.3%	72.9%	77.8%	74.7%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	64.5%	65.6%	64.4%	73.8%	71.0%
EBITDA	9.2%	7.6%	8.5%	4.0%	3.7%
EBIT	-26.1%	-25.1%	-23.9%	-19.6%	-21.9%
Profit before Tax	-41.1%	-44.2%	-38.4%	-19.4%	-44.7%
Profit after Tax (before exceptional items)	-41.6%	-44.7%	-38.9%	-19.9%	-45.2%
Non Controlling Interest	0.0%	0.0%	0.0%	0.0%	0.0%
Net income (before exceptional items)	-41.6%	-44.7%	-38.9%	-19.9%	-45.2%

** 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				
	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
Total revenues	**62,692**	**59,157**	**55,433**	**55,115**	**56,154**
Access charges	6,951	6,623	6,266	6,192	6,222
Cost of goods sold	2,703	2,404	2,115	2,055	2,150
Licence Fee	3,134	3,356	3,183	3,150	3,288
Net revenues	**49,904**	**46,773**	**43,870**	**43,718**	**44,492**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	21,878	21,159	19,944	22,401	23,015
EBITDA	**28,331**	**26,082**	**24,206**	**21,608**	**21,868**
EBIT	17,398	15,344	13,762	13,107	13,614
Profit before Tax	11,829	10,633	8,055	9,203	9,506
Profit after Tax (before exceptional items)	**5,107**	**5,880**	**4,734**	**6,808**	**7,251**
Non Controlling Interest	2,644	2,832	1,810	2,466	1,734
Net income (before exceptional items)	**2,463**	**3,048**	**2,924**	**4,342**	**5,518**
Capex	10,677	10,326	6,927	21,496	12,198
Operating Free Cash Flow (EBITDA - Capex)	17,654	15,756	17,279	112	9,670
Cumulative Investments	606,434	586,118	569,702	607,892	593,875

	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
As a % of Total revenues					
Access charges	11.1%	11.2%	11.3%	11.2%	11.1%
Cost of goods sold	4.3%	4.1%	3.8%	3.7%	3.8%
Licence Fee	5.0%	5.7%	5.7%	5.7%	5.9%
Net revenues	79.6%	79.1%	79.1%	79.3%	79.2%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	34.9%	35.8%	36.0%	40.6%	41.0%
EBITDA	45.2%	44.1%	43.7%	39.2%	38.9%
EBIT	27.8%	25.9%	24.8%	23.8%	24.2%
Profit before Tax (before exceptional items)	18.9%	18.0%	14.5%	16.7%	16.9%
Profit after Tax (before exceptional items)	8.1%	9.9%	8.5%	12.4%	12.9%
Non Controlling Interest	4.2%	4.8%	3.3%	4.5%	3.1%
Net income (before exceptional items)	3.9%	5.2%	5.3%	7.9%	9.8%

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Africa: In USD Constant Currency

Amount in US$ Mn, except ratios

Particulars	Quarter Ended				
	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
Total revenues	**896**	**853**	**802**	**782**	**785**
Access charges	99	95	90	88	87
Cost of goods sold	39	35	31	29	30
Licence Fee	45	49	46	45	46
Net revenues	**713**	**674**	**635**	**620**	**622**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	313	305	288	317	321
EBITDA	**404**	**376**	**350**	**307**	**306**
EBIT	248	221	199	186	191
Profit before tax (before exceptional items)	175	143	120	129	114
Capex	150	147	99	305	170
Operating Free Cash Flow (EBITDA - Capex)	254	228	251	2	136
Cumulative Investments	8,498	8,306	8,254	8,791	8,491

	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
As a % of Total revenues					
Access charges	11.0%	11.2%	11.3%	11.3%	11.1%
Cost of goods sold	4.4%	4.1%	3.8%	3.7%	3.8%
Licence Fee	5.0%	5.7%	5.8%	5.7%	5.9%
Net revenues	79.6%	79.0%	79.1%	79.3%	79.2%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	34.9%	35.8%	36.0%	40.6%	40.9%
EBITDA	45.1%	44.0%	43.7%	39.2%	39.0%
EBIT	27.7%	25.9%	24.8%	23.8%	24.3%
Profit before tax (before exceptional items)	19.6%	16.7%	15.0%	16.5%	14.5%

** 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 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				
	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
Total revenues	**883**	**844**	**796**	**781**	**783**
Access charges	98	94	90	88	87
Cost of goods sold	38	34	30	29	30
Licence Fee	44	48	46	45	46
Net revenues	**703**	**667**	**630**	**620**	**620**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	308	302	286	317	321
EBITDA	**399**	**372**	**348**	**306**	**305**
EBIT	245	219	198	186	190
Profit before Tax	167	151	116	131	134
Profit after Tax (before exceptional items)	**73**	**84**	**68**	**97**	**102**
Non Controlling Interest	37	40	26	35	25
Net income (before exceptional items)	36	43	42	62	77
Capex	150	147	99	305	170
Operating Free Cash Flow (EBITDA - Capex)	248	224	248	2	135
Cumulative Investments	8,498	8,306	8,254	8,791	8,491

	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
As a % of Total revenues					
Access charges	11.1%	11.2%	11.3%	11.2%	11.1%
Cost of goods sold	4.3%	4.1%	3.8%	3.7%	3.8%
Licence Fee	5.0%	5.7%	5.7%	5.7%	5.9%
Net revenues	79.6%	79.1%	79.1%	79.3%	79.2%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	34.9%	35.8%	36.0%	40.6%	41.0%
EBITDA	45.2%	44.1%	43.7%	39.2%	39.0%
EBIT	27.7%	25.9%	24.8%	23.8%	24.3%
Profit before Tax	19.0%	18.0%	14.5%	16.7%	17.1%
Profit after Tax (before exceptional items)	8.3%	9.9%	8.5%	12.4%	13.0%
Non Controlling Interest	4.2%	4.8%	3.3%	4.5%	3.1%
Net income (before exceptional items)	4.0%	5.1%	5.2%	7.9%	9.9%

** 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				
	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
Total revenues	**111,653**	**109,814**	**108,667**	**106,322**	**101,894**
EBITDA	40,109	39,913	38,742	25,657	19,498
EBITDA / Total revenues	*35.9%*	*36.3%*	*35.7%*	*24.1%*	*19.1%*
EBIT	(8,249)	(11,449)	(12,419)	(13,778)	(19,032)
Capex	25,415	19,639	36,426	34,632	36,971
Operating Free Cash Flow (EBITDA - Capex)	14,694	20,274	2,316	(8,975)	(17,474)
Cumulative Investments	2,350,313	2,392,024	2,334,818	2,319,107	2,266,463

** 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.*
** Please refer section 5.1 on Page no. 19 for "Reporting changes".*

Homes Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
Total revenues	**5,546**	**5,475**	**5,705**	**5,536**	**5,503**
EBITDA	3,302	2,471	2,524	2,450	2,583
EBITDA / Total revenues	*59.5%*	*45.1%*	*44.2%*	*44.3%*	*46.9%*
EBIT	1,094	1,233	1,034	487	734
Capex	2,661	1,023	1,169	1,431	2,372
Operating Free Cash Flow (EBITDA - Capex)	642	1,447	1,355	1,019	211
Cumulative Investments	94,119	78,756	77,727	75,782	75,237

** 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.*
** Please refer section 5.1 on Page no. 19 for "Reporting changes"..*

Digital TV Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
Total revenues	**7,922**	**7,893**	**7,389**	**10,506**	**10,330**
EBITDA	5,441	5,607	5,263	3,926	3,826
EBITDA / Total revenues	*68.7%*	*710%*	*712%*	*37.4%*	*37.0%*
EBIT	3,011	3,243	3,612	1,853	1,568
Capex	3,509	2,052	2,437	1,917	3,268
Operating Free Cash Flow (EBITDA - Capex)	1,931	3,556	2,826	2,009	558
Cumulative Investments	96,553	93,046	90,987	88,570	86,765

** 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				
	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
Total revenues	**33,176**	**33,312**	**32,080**	**30,040**	**31,116**
EBITDA	12,125	9,396	7,655	9,587	9,874
EBITDA / Total revenues	*36.5%*	*28.2%*	*23.9%*	*319%*	*317%*
EBIT	8,075	7,706	6,149	5,623	6,667
Capex	7,628	2,620	1,155	1,385	8,603
Operating Free Cash Flow (EBITDA - Capex)	4,498	6,776	6,500	8,201	1,271
Cumulative Investments	160,565	107,229	105,826	129,829	126,988

**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*
** Please refer section 5.1 on Page no. 19 for "Reporting changes".*

Tower Infrastructure Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
Total revenues	**16,662**	**16,674**	**17,262**	**16,705**	**17,325**
EBITDA	8,782	9,268	10,055	8,167	8,510
EBITDA / Total revenues	*52.7%*	*55.6%*	*58.3%*	*48.9%*	*49.1%*
EBIT	5,686	6,125	6,357	5,193	5,829
Share of results of Joint ventures / Associates	3,852	4,866	2,642	2,639	2,177
Capex	1,611	2,136	2,036	1,710	1,876
Operating Free Cash Flow (EBITDA - Capex)	7,171	7,132	8,019	6,457	6,633
Cumulative Investments	210,237	206,935	202,120	201,760	198,872

** 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				
	Dec 31, 2019	Sep 30, 2019	Jun 30, 2019	Mar 31, 2019	Dec 31, 2018
Equity attributable to equity holders of parent	688,287	699,833	913,746	714,222	711,097
Net Debt	1,149,193	1,181,065	1,166,458	1,129,899	1,112,968
Net Debt (US$ Mn)	16,104	16,738	16,900	16,339	15,912
Capital Employed = Equity attributable to equity holders of parent + Net Debt	1,837,480	1,880,898	2,080,204	1,844,121	1,824,065

	Dec 31, 2019	Sep 30, 2019	Jun 30, 2019	Mar 31, 2019	Dec 31, 2018
Return on Equity attributable to equity holders of parent	-38.7%	-31.9%	-2.6%	0.6%	0.6%
Return on Capital Employed	-9.0%	-8.2%	3.2%	5.1%	4.9%
Net Debt to EBITDA (Annualised)	3.07	3.30	3.43	4.15	4.41
Assets Turnover ratio	40.7%	38.6%	37.0%	45.4%	45.5%
Interest Coverage ratio (times)	3.44	3.43	3.05	2.90	2.57
Net debt to Equity attributable to equity holders of parent (Times)	1.67	1.69	1.28	1.58	1.57
Per share data (for the period)					
Net profit/(loss) per common share (in Rs)	(2.02)	(44.92)	(6.18)	0.25	0.20
Net profit/(loss) per diluted share (in Rs)	(2.02)	(44.92)	(6.18)	0.25	0.20
Book Value Per Equity Share (in Rs)	134.1	136.4	178.1	178.7	177.9
Market Capitalization (Rs Bn)	2,339	1,885	1,779	1,331	1,251
Enterprise Value (Rs Bn)	3,488	3,066	2,945	2,461	2,364

** 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	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
Total Customers Base	**000's**	**308,738**	**304,703**	**301,451**	**302,206**	**303,268**
Mobile Services						
Customer Base*	000's	283,036	279,430	276,817	282,640	284,224
Net Additions	000's	3,606	2,613	(1,533)	(1,585)	(48,539)
Pre-Paid (as a % of total Customer Base)	%	94.4%	94.9%	94.9%	93.5%	93.6%
Monthly Churn	%	2.6%	2.1%	2.6%	2.8%	7.3%
Average Revenue Per User (ARPU)	Rs	135	128	129	123	104
Average Revenue Per User (ARPU)	US$	1.9	1.8	1.9	1.7	1.4
Revenue per towers per month	Rs	202,375	195,769	196,584	196,178	193,519
Revenues						
Mobile Services #	Rs Mn	113,969	108,118	107,240	104,870	100,532
Voice						
Minutes on the network	Mn	758,897	716,642	737,108	731,187	702,881
Voice Usage per customer	min	898	848	888	858	726
Data						
Data Customer Base	000's	138,443	124,242	120,047	115,147	107,511
Of which 4G data customers	*000's*	123,793	103,111	95,173	86,808	77,068
As % of Customer Base	*%*	48.9%	44.5%	43.4%	40.7%	37.8%
Total MBs on the network	Mn MBs	5,547,223	4,828,577	4,191,715	3,705,034	3,216,897
Data Usage per customer	MBs	13,928	13,116	11,930	11,048	10,528
Homes Services						
Homes Customers	000's	2,352	2,350	2,342	2,270	2,245
Net Additions	000's	2	8	72	25	33
Average Revenue Per User (ARPU)	Rs	787	777	825	815	821
Average Revenue Per User (ARPU)	US$	11.1	11.1	11.8	11.5	11.4
Digital TV Services						
Digital TV Customers	000's	16,308	16,207	16,027	15,392	15,001
Net additions	000's	101	181	634	391	222
Average Revenue Per User (ARPU)	Rs	162	162	157	233	231
Average Revenue Per User (ARPU)	US$	2.3	2.3	2.2	3.3	3.2
Monthly Churn	%	1.8%	1.6%	1.0%	0.8%	1.3%

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

9.6 Network and Coverage Trends - India

Parameters	Unit	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
Mobile Services						
Census Towns	Nos	7,906	7,906	7,906	7,906	7,906
Non-Census Towns & Villages	Nos	786,719	786,268	786,246	786,192	786,134
Population Coverage	%	95.3%	95.3%	95.3%	95.3%	95.3%
Optic Fibre Network	R Kms	299,592	294,867	286,662	280,534	273,600
Network towers	Nos	189,857	185,582	182,600	181,079	175,300
Of which Mobile Broadband towers	*Nos*	188,591	181,825	177,141	172,627	164,859
Total Mobile Broadband Base stations	Nos	473,859	461,891	443,804	417,613	371,562
Homes Services - Cities covered	Nos	103	100	99	93	90
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	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
Total Towers	Nos	41,471	41,050	40,636	40,388	40,192
Total Co-locations	Nos	76,322	76,176	76,119	76,341	77,693
Key Indicators						
Sharing Revenue per sharing operator per month	Rs	45,018	46,095	44,623	42,143	41,632
Average Sharing Factor	Times	1.85	1.86	1.88	1.91	1.95

Additional Information

9.7.2 Indus Towers

Parameters	Unit	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
Total Towers	Nos	125,649	124,692	123,799	123,546	124,069
Total Co-locations	Nos	232,924	231,500	231,256	229,483	230,372
Average Sharing Factor	Times	1.86	1.86	1.86	1.86	1.85

9.7.3 Bharti Infratel Consolidated

Parameters	Unit	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
Total Towers	Nos	94,244	93,421	92,632	92,277	92,301
Total Co-locations	Nos	174,150	173,406	173,247	172,724	174,449
Average Sharing Factor	Times	1.85	1.86	1.87	1.88	1.89

9.8 Human Resource Analysis - India

Parameters	Unit	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
Total Employees	Nos	15,777	15,854	16,218	16,194	16,962
Number of Customers per employee	Nos	19,569	19,219	18,321	18,662	17,879
Personnel Cost per employee per month	Rs	114,429	117,612	104,185	109,196	103,294
Gross Revenue per employee per month	Rs	3,337,637	3,229,674	3,153,819	3,137,134	2,902,235

9.9 Africa

9.9.1 Operational Performance (In Constant Currency)

Parameters	Unit	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
Customer Base	000's	107,140	103,881	99,670	98,851	97,922
Net Additions	000's	3,258	4,211	819	929	3,827
Monthly Churn	%	5.2%	4.5%	5.0%	5.4%	4.7%
Average Revenue Per User (ARPU)	US$	2.8	2.8	2.7	2.6	2.7
Voice						
Voice Revenue	$ Mn	513	491	472	482	484
Minutes on the network	Mn	65,086	60,795	55,329	52,866	52,445
Voice Average Revenue Per User (ARPU)	US$	1.6	1.6	1.6	1.6	1.7
Voice Usage per customer	min	206	199	186	179	183
Data						
Data Revenue	$ Mn	247	229	209	187	175
Data Customer Base	000's	32,887	31,910	30,001	30,024	29,264
As % of Customer Base	%	30.7%	30.7%	30.1%	30.4%	29.9%
Total MBs on the network	Mn MBs	189,798	162,394	139,303	120,674	105,338
Data Average Revenue Per User (ARPU)	US$	2.6	2.5	2.3	2.1	2.1
Data Usage per customer	MBs	1,967	1,748	1,550	1,375	1,248
Mobile Money						
Transaction Value	US$ Mn	8,576	7,978	7,208	6,474	6,509
Transaction Value per Subs	US$	177	178	163	157	156
Airtel Money Revenue	$ Mn	84	79	69	66	64
Active Customers	000's	16,634	15,521	14,600	14,216	13,805
Airtel Money ARPU	US$	1.7	1.8	1.6	1.6	1.5
Network & coverage						
Network towers	Nos	22,253	21,936	21,385	21,059	20,582
Owned towers	Nos	4,454	4,461	4,500	4,422	4,441
Leased towers	Nos	17,799	17,475	16,885	16,637	16,141
Of which Mobile Broadband towers	Nos	19,133	18,274	17,049	16,426	15,734
Total Mobile Broadband Base stations	Nos	43,174	40,187	35,283	32,501	29,650
Revenue Per site Per Month	US$	13,485	13,100	12,565	12,487	12,837

9.9.2 Human Resources Analysis

Parameters	Unit	Dec-19	Sep-19	Jun-19	Mar-19	Dec-18
Total Employees	Nos	3,286	3,184	3,100	3,075	3,071
Number of Customers per employee	Nos	32,605	32,626	32,152	32,147	31,886
Personnel Cost per employee per month	US$	6,694	6,933	5,812	6,744	6,735
Gross Revenue per employee per month	US$	90,912	89,335	86,225	84,747	85,196

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 recognised at the date of acquisition.

Goodwill is not subject to amortisation 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 recognised. 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 recognised 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 recognised. However, additional losses are provided for, and a liability is recognised, 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, 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 payments associated with these leases are recognised as an expense 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 balance sheet. 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 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, any initial direct costs less any lease incentives received.

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 balance sheet, 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 balance sheet.

- **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 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 recognised 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 effective interest rate 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 foreign currency translation reserve. 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.

Earnings Per Diluted Share	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. 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).
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 transreceivers (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.
Submarine Cable	Submarine cable system refers to owned cables and excludes cable capacity purchased on IRU.
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	It is calculated by dividing the voice minutes of usage on our network during the relevant period by the

per Customer per month	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

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