

October 21, 2019

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400001

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

Ref: Bharti Infratel Limited (534816 / INFRATEL)

Sub: Financial results for the second quarter (Q2) and half year ended September 30, 2019

Dear Sir/ Madam,

In compliance with Regulation 30 and 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing the following for the second quarter (Q2) and half year ended on September 30, 2019.

- Audited consolidated financial results as per Ind-AS;
- Audited standalone financial results as per Ind-AS;
- Auditor's reports on the aforesaid financial results.

The above financial results have been reviewed by the Audit & Risk Management Committee in its meeting held on Monday, October 21, 2019 and based on its recommendation, approved by the Board of Directors in its meeting held on Monday, October 21, 2019. The Board Meeting commenced at 02:30 p.m. and concluded at 06 : 30 p.m.

Kindly take the same on record.

Thanking you,

Sincerely Yours,

For Bharti Infratel Limited



Samridhi Rodhe
Company Secretary



Encl: As above

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF INTERIM CONSOLIDATED FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF BHARTI INFRATEL LIMITED

Opinion

We have audited the accompanying Statement of Interim Consolidated Financial Results of **BHARTI INFRATEL LIMITED** ("the Parent") and its subsidiary (the Parent and its subsidiary together referred to as "the Group"), and its share of the net profit after tax and total comprehensive income of its joint venture for the quarter and six months ended September 30, 2019 ("the Statement") being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the Listing Regulations).

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the audit report of the other auditor on separate financial statements of joint venture referred to in Other Matter Section below the Interim Consolidated Financial Results:

- (i) includes the results of the following entities:
 - a. Bharti Infratel Limited (BIL) (Parent)
 - b. Smartx Services Limited (100% subsidiary of BIL)
 - c. Indus Towers Limited (Joint venture of BIL)
 - d. Bharti Infratel Employee Welfare Trust
- (ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standard 34 and other accounting principles generally accepted in India of the consolidated net profit and consolidated total comprehensive income and other financial information of the Group for the quarter and six months ended September 30, 2019.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the audit of the Interim Consolidated Financial Results section of our report. We are independent of the Group and its joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Interim Consolidated Financial Results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their report referred to in Other Matter section below is sufficient and appropriate to provide a basis for our audit opinion.



Emphasis of Matter

As stated in Note 11(b), the auditors of Indus Towers Limited ("Indus"), a Joint Venture Company, have included an 'Emphasis of Matter' paragraph in their audit report on the financial statements of that company for the six month period ended September 30, 2019 with respect to accounting treatment of adjustments of Rs.2,039 million in carrying value of deferred tax assets, by setting off the same against the reserves created out of scheme of merger pursuant to the scheme of merger as approved by the appropriate judicature. However, this is not in compliance with Ind AS 12, Income taxes.

The Group's share out of above adjustment is Rs.856 million (i.e. 42%).

Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Interim Consolidated Financial Results

This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been compiled from the related audited interim consolidated financial statements. The Parent's Board of Directors are responsible for the preparation and presentation of the Interim Consolidated Financial Results that give a true and fair view of the consolidated net profit and consolidated other comprehensive income and other financial information of the Group including its joint venture in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Interim Consolidated Financial Results by the Directors of the Parent, as aforesaid.

In preparing the Interim Consolidated Financial Results, the respective Board of Directors of the companies included in the Group and joint venture are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and joint venture are responsible for overseeing the financial reporting process of the Group and joint venture.

Auditor's Responsibilities for the Audit of the Interim Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Interim Consolidated Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Interim Consolidated Financial Results.



As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Interim Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Interim Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Interim Consolidated Financial Results, including the disclosures, and whether the Interim Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations to the extent applicable.
- Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Group and its joint venture to express an opinion on the Interim Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Interim Consolidated Financial Results of which we are the independent auditors. For the other entity included in the Interim Consolidated Financial Results, which has been audited by the other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Interim Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Interim Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Interim Consolidated Financial Results.

We communicate with those charged with governance of the Parent and such other entities included in the Interim Consolidated Financial Results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Other Matter

The interim consolidated financial results includes the Group's share of profit after tax of Rs.4,866 million and Rs.7,508 million for the quarter and six months ended September 30, 2019 respectively and total comprehensive income of Rs.4,858 million and Rs.7,499 million for the quarter and six months ended September 30, 2019 respectively, as considered in the Statement, in respect of one joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this joint venture, is based solely on the reports of the other auditor and the procedures performed by us as stated under Auditor's Responsibilities for the Audit of the Interim Consolidated Financial Results section above.

Our opinion on the Statement is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.



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

Vijay Agarwal
Partner

Membership No.094468

UDIN: 19094468AAAAG15450

Place: New Delhi
Date: October 21, 2019

BHARTI INFRATEL LIMITED
(CIN : L64201HR2006PLC073821)

Regd. Office: 901, Park Centra, Sector 30, NH-8, Gurugram, Haryana – 122001

Telephone no. +91 124 4132600 Fax no. +91 124 4109580, Email id: compliance.officer@bharti-infratel.in

Statement of Audited Consolidated Ind AS financial results for the quarter and half year ended September 30, 2019

Particulars	Quarter ended			Half Year Ended		Year Ended
	September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
	Audited	Audited	Audited	Audited	Audited	Audited
Income						
Revenue from operations	16,683	17,254	17,202	33,937	34,172	68,262
Other income	200	528	202	728	566	1,015
Total income	16,883	17,782	17,404	34,665	34,738	69,277
Expenses						
Power and fuel	6,019	5,771	6,634	11,790	13,145	25,607
Rent	-	-	859	-	1,736	3,446
Employee benefit expenses	714	688	727	1,402	1,469	2,915
Repairs and maintenance	714	353	850	1,067	1,749	3,286
Other expenses	167	643	360	810	636	1,342
Total expenses	7,614	7,455	9,430	15,069	18,735	36,596
Profit before depreciation and amortisation, finance costs, finance income, charity and donation, share of profit of joint venture and tax	9,269	10,327	7,974	19,596	16,003	32,681
Depreciation and amortization expense	3,229	3,228	2,800	6,457	5,669	11,064
Less: adjusted with general reserve in accordance with the scheme of arrangement with Bharti Airtel Limited	(101)	(101)	(103)	(202)	(204)	(406)
Finance costs	3,128	3,127	2,697	6,255	5,465	10,658
Finance income	895	551	111	1,446	236	529
Charity and donation	(933)	(893)	(1,106)	(1,826)	(2,108)	(4,406)
Profit before share of profit of joint venture and tax	13	573	75	586	84	545
Share of profit of joint venture	6,166	6,969	6,197	13,135	12,326	25,355
Profit before tax	4,866	2,642	2,390	7,508	5,356	10,172
Income tax expense :						
Current tax	11,032	9,611	8,587	20,643	17,682	35,527
Deferred tax	1,397	741	2,589	2,138	5,304	10,589
Current tax	626	2,494	2,440	3,120	6,934	10,786
Deferred tax	771	(1,753)	149	(982)	(1,630)	(197)
Profit after tax	9,635	8,870	5,998	18,505	12,378	24,938
Other comprehensive income ('OCI')						
Items that will not be re-classified to profit and loss						
Remeasurement of the gain/ (loss) of defined benefit plans (net of tax)	4	(15)	2	(11)	5	5
Share of profit/(loss) in OCI of joint venture	(8)	(1)	(2)	(9)	(2)	(2)
Items that will be re-classified to profit and loss						
Fair value changes on financial assets through OCI (net of tax)	(112)	14	(17)	(98)	(32)	(27)
Other comprehensive income for the period/year (net of tax)	(116)	(2)	(17)	(118)	(29)	(24)
Total comprehensive income for the period/year (net of tax)	9,519	8,868	5,981	18,387	12,349	24,914
Paid-up equity share capital (Face value ₹ 10 each)	18,496	18,496	18,496	18,496	18,496	18,496
Other equity	1,09,239	1,09,128	1,31,653	1,09,239	1,31,653	1,26,820
Earnings per share (nominal value of share ₹ 10 each)						
Basic	5.211	4.797	3.244	10.008	6.695	13.488
Diluted	5.211	4.797	3.244	10.008	6.694	13.487

Notes to accounts

- The above financial results for the quarter and half year ended September 30, 2019 have been reviewed by the Audit Committee in its meeting held on October 21, 2019 and approved by the Board of Directors in its meeting held on October 21, 2019.
- The above financial results are extracted from the audited interim condensed consolidated financial statements of the Company, which are prepared in accordance with Indian Accounting Standard ('Ind AS') 34, "Interim Financial Reporting" as prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued there under. The interim consolidated financial results represent results of the Company, its subsidiary (Smartx Services Limited), its controlled trust (Bharti Infratel Employee Welfare Trust) and its share in Joint Venture Company (Indus Towers Limited) prepared as per Ind AS 110 on consolidated financial statements, Ind AS 111 on joint arrangements and Ind AS 28 on Investment in associates and joint venture.
- Bharti Infratel Employee Welfare Trust [a trust set up for administration of Employee Stock Option Plan ('ESOP') of the Company] had acquired 1,652,000 equity shares of the Company from the open market at an average price of ₹ 377.72 per share. During the quarter ended September 30, 2019, 86,923 equity shares of ₹ 10 each and 4,000 equity shares of ₹ 109.67 each have been transferred to employees upon exercise of stock options. As of September 30, 2019, Bharti Infratel Employee Welfare Trust ('the Trust') holds 538,428 shares (of Face Value of ₹ 10 each) (March 31, 2019- 636,660 shares) of the Company.

4. The Company has also opted to publish the consolidated financial results. Standalone results are available on the Company's website www.bharti-infratel.com. Key numbers of Standalone Financial Results of the Company are as under:

(In ₹ Million)							
S.No	Particulars	Quarter ended			Half Year Ended		Year Ended
		September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
1	Revenue from operations	16,670	17,243	17,191	33,913	34,146	68,217
2	Profit before tax	6,177	6,988	6,219	13,165	23,606	36,651
3	Profit after tax	4,780	4,481	4,032	9,261	19,211	27,790

5. Statement of assets and liabilities is as follows:

		(In ₹ Million)	
		As at	
Particulars		September 30, 2019	March 31, 2019
		Audited	Audited
A	Assets		
	Non-current assets		
	Property, plant and equipment	51,515	53,251
	Right of use asset	15,842	-
	Capital work-in-progress	1,176	1,180
	Intangible assets	152	71
	Investment in joint venture	51,417	51,085
	Financial assets		
	Investment	16,535	18,424
	Other financial assets	1,430	1,361
	Income tax assets (net)	1,119	1,137
	Deferred tax assets (net)	1,395	159
	Other non - current assets	2,561	1,837
		1,43,142	1,28,505
	Current assets		
	Financial assets		
	Investment	31,085	29,549
	Trade receivables	12,299	5,509
	Cash and cash equivalents	340	3
	Other bank balance	17	14
	Other financial assets	1,105	5,210
	Other current assets	2,353	2,515
		47,199	42,800
	Total assets	1,90,341	1,71,305
B	Equity and liabilities		
	Equity		
	Equity share capital	18,496	18,496
	Other equity	1,09,239	1,26,820
		1,27,735	1,45,316
	Non-current liabilities		
	Financial liabilities		
	Lease liabilities	19,419	-
	Other financial liabilities	1,395	2,430
	Provisions	2,883	2,723
	Deferred tax liabilities	-	1,776
	Other non - current liabilities	953	1,308
		24,650	8,237
	Current liabilities		
	Financial liabilities		
	Borrowings	18,199	57
	Trade payable		
	-Total outstanding dues of micro enterprises and small enterprises	68	26
	-Total outstanding dues of creditors other than micro enterprises and small enterprises	9,209	10,807
	Lease liabilities	1,775	-
	Other financial liabilities	2,519	2,177
	Other current liabilities	5,847	4,397
	Provisions	160	140
	Current tax liabilities (net)	179	148
		37,956	17,752
	Total Liabilities	62,606	25,989
	Total equity and liabilities	1,90,341	1,71,305



6. Statement of cash flows is as follows:

Particulars	(In ₹ Million)	
	September 30, 2019	September 30, 2018
Cash flow from/(used in) operating activities		
- Profit before taxation	20,643	17,682
- Operating profit/(loss) before changes in assets and liabilities	20,451	26,823
Cash flow from/(used in) operating activities	10,052	21,782
Cash flow from/(used in) investing activities	(656)	10,472
Cash flow from/(used in) financing activities	(9,002)	(31,223)
Net increase/(decrease) in Cash and cash equivalents	394	1,031
Cash and cash equivalents at the beginning of the period	(54)	308
Cash and cash equivalents at the end of the period	340	1,339
Components of Cash and cash equivalents		
Balances with banks		
- Current accounts	340	639
- Deposits with original maturity of less than three months	-	700
Total Cash and cash equivalents	340	1,339

7. The Consolidated segment information has been prepared in line with the review of operating results by the chief operating decision maker (CODM) which includes review of the results of the joint venture on proportionate consolidation basis. The results of the joint venture which were hitherto consolidated and/or accounted under proportionate consolidation method under the previous GAAP but have now been accounted for under equity method of accounting under Ind AS. The Company, however, considers joint venture as "Operating Segment" as defined under Ind AS 108 based on review by CODM and accordingly presented segment information for two segments i.e. Infratel (including subsidiaries) and Indus (proportionate share). The total segment revenue and segment results have also been reconciled with the amount reported in the financial results.

S.No.	Particulars	Quarter ended			Half Year Ended		Year Ended
		September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
		Audited	Audited	Audited	Audited	Audited	Audited
1	Segment Revenue						
	a) Infratel (including subsidiaries)	16,683	17,254	17,202	33,937	34,172	68,262
	b) Indus (Proportionate Share)	19,705	19,874	19,492	39,579	39,268	77,606
	Total	36,388	37,128	36,694	73,516	73,440	1,45,868
	Less: Inter segment Revenue	12	9	11	21	22	45
	Net Income from Operations	36,376	37,119	36,683	73,495	73,418	1,45,823
	Less: Revenue related to Joint venture (Indus)	19,693	19,865	19,481	39,558	39,246	77,561
	Net Income from Operations	16,683	17,254	17,202	33,937	34,172	68,262
2	Segment Results						
	Profit before finance cost/ (income) and tax						
	a) Infratel (including subsidiaries)	6,128	6,627	5,202	12,755	21,715	32,739
	b) Indus (Proportionate Share)	5,551	5,554	4,594	11,105	9,758	18,329
	Total	11,679	12,181	9,796	23,860	31,473	51,068
	Less: Inter segment Profit	-	-	-	-	11,261	11,261
	Net Profit before finance cost/ (income) and tax	11,679	12,181	9,796	23,860	20,212	39,807
	Less: Share of profit of joint venture	5,551	5,554	4,594	11,105	9,758	18,329
	Net Profit before finance cost/ (income) and tax	6,128	6,627	5,202	12,755	10,454	21,478
	Less: Finance Cost	895	551	111	1,446	236	529
	Less: Finance income	(933)	(893)	(1,106)	(1,826)	(2,108)	(4,406)
	Net Profit before tax	6,166	6,969	6,197	13,135	12,326	25,355
	Share of profit/ (loss) of joint venture	4,866	2,642	2,390	7,508	5,356	10,172
	Net Profit from ordinary activities before tax	11,032	9,611	8,587	20,643	17,682	35,527
3	Segment Assets						
	a) Infratel (including subsidiaries)	1,99,343	1,96,290	1,91,297	1,99,343	1,91,297	1,80,639
	b) Indus (Proportionate Share)	1,37,853	1,39,669	99,095	1,37,853	99,095	1,02,538
	Total	3,37,196	3,35,959	2,90,392	3,37,196	2,90,392	2,83,177
	Less: Intersegment Assets	61,606	61,848	61,302	61,606	61,302	60,681
	Net assets	2,75,590	2,74,111	2,29,090	2,75,590	2,29,090	2,22,496
	Less: Share of assets of joint venture	85,249	90,512	51,453	85,249	51,453	51,191
	Net segment assets	1,90,341	1,83,599	1,77,637	1,90,341	1,77,637	1,71,305
4	Segment Liabilities						
	a) Infratel (including subsidiaries)	62,606	55,975	26,533	62,606	26,533	24,213
	b) Indus (Proportionate Share)	86,435	91,940	52,336	86,435	52,336	51,452
	Total	1,49,041	1,47,915	78,869	1,49,041	78,869	75,665
	Less: Intersegment Liabilities	1,128	1,364	(157)	1,128	(157)	(1,586)
	Net assets	1,47,913	1,46,551	79,026	1,47,913	79,026	77,251
	Less: Share of liabilities of joint venture	85,307	90,576	51,538	85,307	51,538	51,262
	Net segment liabilities	62,606	55,975	27,488	62,606	27,488	25,989

8. During the previous year ended March 31, 2019, Bharti Infratel Limited and Indus Towers Limited have entered into a proposed scheme ('Scheme') of amalgamation and arrangement (under section 230 to 232 and other applicable provisions of the Companies

Act, 2013) to create a Pan-India tower company operating across all 22 telecom service areas. The combined company, which will fully own the respective businesses of Bharti Infratel and Indus Towers, will change its name to Indus Towers Limited and will continue to be listed on the Indian Stock Exchanges. The scheme will be accounted for on receipt of regulatory and other approvals. The Scheme of arrangement has received approval from Competition Commission of India and No Objection from the SEBI through BSE Limited and National Stock Exchange of India Limited. The Scheme has also been approved by the Hon'ble Chandigarh Bench of National Company Law Tribunal (NCLT) and approval of Department of Telecommunications for FDI approval is awaited. The Scheme shall become effective on the date on which certified copy of the order of Hon'ble NCLT is filed with Registrar of Companies upon fulfilment/ waiver of other conditions prescribed in the Scheme.

9. Effective April 1, 2019 being the transition date, the Group has adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right of use asset (ROU) of ₹ 15,872 Mn, and a lease liability of ₹ 21,547 Mn. The effect of applying the standard resulted in ₹ 9,452 Mn being debited to retained earnings (including share of joint venture), net of taxes. In the profit and loss account for the current period, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the right of use asset and finance cost for interest accrued on lease liability.
10. The Board of Directors has declared an interim dividend of ₹ 7.50 per equity share in its meeting held on April 24, 2019 for the year ended March 31, 2019 and has been paid subsequently. Further, the Board of Directors has also declared an interim dividend of ₹ 3.65 per equity share in its meeting held on August 12, 2019 which has been paid subsequently during the quarter ended September 30, 2019.
11. (a) The Group has elected to exercise the option permitted under section 115BAA of the Income - tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 dated September 20, 2019. Accordingly, the Parent and its subsidiary Company has recognised current tax and re-measured its deferred tax assets basis the rate prescribed in the said section and taken the full effect to Statement of profit and loss in the current quarter.

(b) The Joint Venture Company ("Indus") has recognised current tax and re-measured its deferred tax liabilities as per the prescribed rate in section 115BAA of the Income Tax Act, 1961. Further, the rate change impact of ₹ 2,039 Mn on account of deferred tax created on transition to Ind AS 116 has been utilized from general reserves created out of scheme of merger as approved by the Hon'ble High Court of Delhi vide order dated April 18, 2013 effective from June 11, 2013. The Group's share out of above adjustment is ₹ 856 Mn (i.e. 42%). The scheme inter alia permits such reserve to be treated as free reserves for all intents and purposes as may be decided by the board of directors of Indus, including for amortisation of any merger related expenses or losses, issuance of bonus shares, off-setting any additional or accelerated depreciation related to the fixed assets transferred to the transferee Company pursuant to the Scheme, lease equalization reserve, site restoration obligations, deferred tax assets or liabilities, other expenses, impairment, losses or write-offs and any other permitted purpose and shall form part of the net worth of the transferee Company. The auditors of Indus, have included an 'Emphasis of Matter' paragraph in their audit report with respect to this accounting treatment.
12. In view of the impending merger, deferred tax liability as on March 31, 2019 amounting to ₹ 1,776 Mn which was hitherto being recognized has been reversed in respect of dividend distribution tax on undistributed profits of its Joint Venture Company and the tax charge for the quarter ended June 30, 2019 and half year ended September 30, 2019 is net of above amount. Further the group has not recognized any deferred tax charge during the half year ended September 30, 2019 on undistributed profits of its Joint Venture Company.

For Bharti Infratel Limited

Akhil Gupta

Akhil Gupta
Chairman

New Delhi
October 21, 2019



For Bharti Infratel Limited

D S Rawat

D S Rawat
Managing Director & CEO

"Bharti Infratel", or "the Company", wherever stated stands for Bharti Infratel Limited.
For more details on the financial results, please visit our website www.bharti-infratel.com

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF INTERIM STANDALONE FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF BHARTI INFRATEL LIMITED

Opinion

We have audited the accompanying Statement of Interim Standalone Financial Results of **BHARTI INFRATEL LIMITED** ("the Company"), for the quarter and six months ended September 30, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the Listing Regulations).

In our opinion and to the best of our information and according to the explanations given to us, these Standalone Financial Results:

- a. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- b. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standard 34 and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the quarter and six months ended September 30, 2019.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Interim Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Interim Standalone Financial Results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Interim Standalone Financial Results

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related audited interim standalone condensed financial statements. The Company's Board of Directors are responsible for the preparation and presentation of the Interim Standalone Financial Results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement

principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records,

relevant to the preparation and presentation of the Interim Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Interim Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Interim Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Interim Standalone Financial Results as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Interim Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Interim Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Interim Standalone Financial Results, including the disclosures, and whether the Interim Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Interim Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Interim Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Interim Standalone Financial Results.



Deloitte Haskins & Sells LLP

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



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

Vijay Agarwal
Partner

Membership No.094468

UDIN: 190944 68 AAAA GE 9569

Place: New Delhi
Date: October 21, 2019

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BHARTI INFRATEL LIMITED
(CIN : L64201HR2006PLC073821)

Regd. Office: 901, Park Centra, Sector 30, NH-8, Gurugram, Haryana – 122001

Telephone no. +91 124 4132600 Fax no. +91 124 4109580, Email id: compliance.officer@bharti-infratel.in

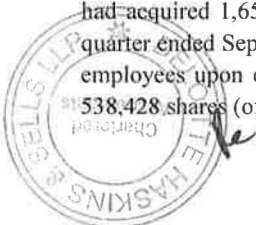
Statement of Audited Standalone Ind AS financial results for the quarter and half year ended September 30, 2019

(In ₹ Million except per share data)

Particulars	Quarter ended			Half Year Ended		Year ended
	September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
	Audited	Audited	Audited	Audited	Audited	Audited
Income						
Revenue from operations	16,670	17,243	17,191	33,913	34,146	68,217
Other income	200	528	202	728	11,827	12,276
Total Income	16,870	17,771	17,393	34,641	45,973	80,493
Expenses						
Power and fuel	6,017	5,769	6,632	11,786	13,141	25,598
Rent	-	-	853	-	1,726	3,421
Employee benefit expenses	714	688	727	1,402	1,469	2,915
Repairs and maintenance	714	353	850	1,067	1,749	3,286
Other expenses	161	630	337	791	609	1,317
Total Expenses	7,606	7,440	9,399	15,046	18,694	36,537
Profit before depreciation and amortization, finance cost, finance income, charity and donation	9,264	10,331	7,994	19,595	27,279	43,956
Depreciation and amortization expense	3,217	3,217	2,798	6,434	5,665	11,043
Less: adjusted with general reserve in accordance with the scheme of arrangement with Bharti Airtel Limited	(101)	(101)	(103)	(202)	(204)	(406)
Finance costs	3,116	3,116	2,695	6,232	5,461	10,637
Finance income	891	547	111	1,438	236	529
Charity and donation	(933)	(893)	(1,106)	(1,826)	(2,108)	(4,406)
	13	573	75	586	84	545
Profit before tax	6,177	6,988	6,219	13,165	23,606	36,651
Income tax expense:	1,397	2,507	2,187	3,904	4,395	8,861
Current tax	626	2,493	2,440	3,119	4,618	8,469
Deferred tax	771	14	(253)	785	(223)	392
Profit after tax	4,780	4,481	4,032	9,261	19,211	27,790
Other comprehensive income ('OCI')						
Items that will not be re-classified to Profit and Loss						
Remeasurements gains/(loss) of defined benefit plans (net of tax)	4	(15)	2	(11)	5	5
Items that will be re-classified to Profit and Loss						
Fair value changes on financial assets through OCI (net of tax)	(111)	14	(17)	(98)	(32)	(27)
Other comprehensive income for the period/year, net of tax	(107)	(1)	(15)	(109)	(27)	(22)
Total comprehensive income for the period/year, net of tax	4,673	4,480	4,017	9,152	19,184	27,768
Paid-up equity share capital (Face value ₹ 10 each)	18,496	18,496	18,496	18,496	18,496	18,496
Other equity	118,469	122,071	146,496	118,469	146,496	138,147
Earnings per share (Nominal Value of share ₹ 10 each)						
Basic	2.584	2.423	2.180	5.007	10.387	15.025
Diluted	2.584	2.423	2.180	5.007	10.387	15.025

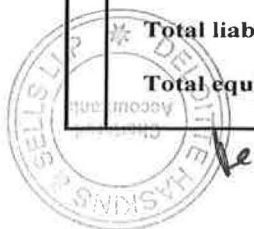
Notes to accounts

- The above financial results for the quarter and half year ended September 30, 2019 have been reviewed by the Audit Committee in its meeting held on October 21, 2019 and approved by the Board of Directors in its meeting held on October 21, 2019.
- The above financial results are extracted from the audited standalone financial statements of the Company which have been prepared in accordance with Indian Accounting Standards (Ind AS 34 'Interim Financial Reporting') as prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and the other accounting principles generally accepted in India.
- Bharti Infratel Employee's Welfare Trust [a trust set up for administration of Employee Stock Option Plan ('ESOP') of the Company] had acquired 1,652,000 equity shares of the Company from the open market at an average price of ₹ 377.72 per share. During the quarter ended September 30, 2019, 86,923 equity shares of ₹ 10 each and 4,000 equity shares of ₹ 109.67 each have been transferred to employees upon exercise of stock options. As of September 30, 2019, Bharti Infratel Employee's Welfare Trust ('the Trust') holds 538,428 shares (of Face Value of ₹ 10 each) (March 31, 2019- 636,660 shares) of the Company.



4. The Company was set-up with the object of, inter alia, establishing, operating and maintaining wireless communication towers. This is the only activity performed and is thus also the main source of risks and returns. The Company's segments as reviewed by the Chief Operating Decision Maker (CODM) does not result in to identification of different ways / sources into which they see the performance of the Company. Accordingly, the Company has a single reportable segment. Further, as the Company does not operate in more than one geographical segment, hence, the relevant disclosures as per Ind AS 108 – operating segments are not applicable to the Company on a standalone basis.
5. Statement of Assets and Liabilities is as follows:

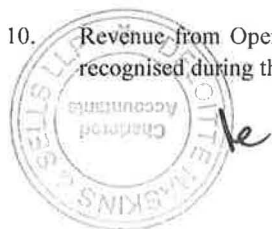
		(In ₹ Million)	
Particulars		As at	
		September 30, 2019	March 31, 2019
		Audited	Audited
A Assets			
Non-current assets			
Property, plant and equipment	51,459	53,203	
Right of use assets	15,683	-	
Capital work-in-progress	1,059	1,040	
Intangible assets	128	46	
Investment in joint venture	60,419	60,419	
Financial assets			
Investment	16,655	18,454	
Other financial assets	1,625	1,646	
Income tax assets (net)	1,113	1,136	
Deferred tax assets (net)	1,389	150	
Other non - current assets	2,560	1,837	
	152,090	137,931	
Current assets			
Financial assets			
Investment	31,085	29,549	
Trade receivables	12,273	5,454	
Cash and cash equivalents	329	2	
Other bank balance	17	14	
Other financial assets	1,114	5,216	
Other current assets	2,472	2,673	
	47,290	42,908	
Total assets	199,380	180,839	
B Equity and liabilities			
Equity			
Equity share capital	18,496	18,496	
Other equity	118,469	138,147	
	136,965	156,643	
Non-current liabilities			
Financial liabilities			
Lease liabilities	19,260	-	
Other financial liabilities	1,395	2,430	
Long term provisions	2,883	2,723	
Other non - current liabilities	953	1,308	
	24,491	6,461	
Current liabilities			
Financial liabilities			
Borrowings	18,199	57	
Trade payables			
-Total outstanding dues of micro enterprises and small enterprises	68	26	
-Total outstanding dues to creditors other than micro enterprises and small enterprises	9,200	10,800	
Lease liabilities	1,757	-	
Other financial liabilities	2,517	2,171	
Other current liabilities	5,844	4,393	
Provisions	160	140	
Current Tax liabilities (net)	179	148	
	37,924	17,735	
Total liabilities	62,415	24,196	
Total equity and liabilities	199,380	180,839	



6. Statement of Cash flows is as follows:

Particulars	Half Year ended	
	September 30, 2019	September 30, 2018
Cash flow from/(used in) operating activities		
- Profit before taxation	13,165	23,606
- Operating profit/(loss) before changes in assets and liabilities	20,451	15,558
Cash flow from/(used in) operating activities	10,029	10,644
Cash flow from/(used in) investing activities	(652)	21,609
Cash flow from/(used in) financing activities	(8,993)	(31,223)
Net increase/(decrease) in Cash and cash equivalents	384	1,030
Cash and cash equivalents at the beginning of the period	(55)	305
Cash and cash equivalents as at the end of the period	329	1,335
Components of Cash and cash equivalents		
Balances with banks		
- Current accounts	329	635
- Deposits with original maturity of less than three months	-	700
Total cash and cash equivalents	329	1,335

7. The company has elected to exercise the option permitted under section 115BAA of the Income - tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019 dated September 20, 2019. Accordingly, the Company has recognised Provision of Income tax and remeasured its deferred tax assets basis the rate prescribed in the said section and taken the full effect to Statement of profit and loss in the current quarter.
8. Effective April 1, 2019 being the transition date, the Company has adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right of use asset (ROU) of ₹ 15,699 Mn, reversal of carrying value of Property Plant & Equipment (capitalized lease rental cost incurred prior to the date of Installation) of ₹ 86 Mn and recognition of a lease liability of ₹ 21,360 Mn. The cumulative effect of applying the standard resulted in ₹ 3,739 Mn being debited to retained earnings, net of taxes. In the profit and loss account for the current period, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the right-to-use asset and finance cost for interest accrued on lease liability.
9. During the year ended March 31, 2019, Bharti Infratel Limited and Indus Towers Limited have entered into a proposed scheme ('Scheme') of amalgamation and arrangement (under section 230 to 232 and other applicable provisions of the Companies Act, 2013) to create a pan-India tower company operating across all 22 telecom service areas. The combined company, which will fully own the respective businesses of Bharti Infratel and Indus Towers, will change its name to Indus Towers Limited and will continue to be listed on the Indian Stock Exchanges. The scheme will be accounted for on receipt of regulatory and other approvals. The Scheme of arrangement has received approval from Competition Commission of India and No Objection from the SEBI through BSE Limited and National Stock Exchange of India Limited. The Scheme has also been approved by the Hon'ble Chandigarh Bench of National Company Law Tribunal (NCLT) and approval of Department of Telecommunications for FDI approval is awaited. The Scheme shall become effective on the date on which certified copy of the order of Hon'ble NCLT is filed with Registrar of Companies upon fulfilment/ wavier of other conditions prescribed in the Scheme.
10. Revenue from Operations includes exit charges amounting to ₹ 1,027 Mn (previous year ended March 31, 2019 ₹ 1,010 Mn) was recognised during the six months period ended September 30, 2019.



11. During the quarter ended June 30, 2019, the Company has reassessed the estimate for provisions related to operating expenses and consequently amount aggregating to ₹ 1,246 Mn have been credited to the respective line items of expenses in the Statement of Profit and Loss. Also, an amount of ₹ 154 Mn, representing provision in respect of rent expenses, has been considered as other Income.
12. On April 24, 2019, The Board of Directors has declared an interim dividend of ₹ 7.50 per equity share in its meeting held for financial year 2018-19 which has been paid subsequently. Further, The Board of Directors has declared an interim dividend of ₹ 3.65 per equity share in its meeting held on August 12, 2019, which has been paid subsequently during the quarter ended September 30, 2019.

For Bharti Infratel Limited

Akhil Gupta

Akhil Gupta
Chairman

New Delhi
October 21, 2019



For Bharti Infratel Limited

D S Rawat

D S Rawat
Managing Director & CEO

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