

July 27, 2020

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 first quarter (Q1) ended June 30, 2020

Dear Sir/ Madam,

In compliance with Regulation 30 and 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing the following for the first quarter (Q1) ended June 30, 2020:

- 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 today i.e. July 27, 2020 and based on its recommendation, approved by the Board of Directors in its meeting held today i.e. July 27, 2020. The Board Meeting commenced at 02:00 p.m. and concluded at 05:45 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 ended June 30, 2020 ("the Statement" / "Consolidated Financial Results") 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 and its joint venture for the quarter ended June 30, 2020.

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

Material uncertainty arising out of certain developments and its consequential impact on business operations - Given by auditors of Indus Towers Limited, a Joint Venture Company

As stated in Note 10, the auditors of Indus Towers Limited ("Indus"), a Joint Venture Company, in their audit report on the financial statements of that Company for the three months period ended June 30, 2020, have reported under the above heading a matter which describes the effect on business, results of operations, financial position of the Joint Venture Company on account of uncertainty regarding continuance of operations of their top customer caused by financial stress post the AGR judgement of Honourable Supreme Court dated October 24, 2019, subsequently upheld on March 18, 2020.

Our opinion is not modified in respect of above 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 for the quarter ended June 30, 2020. 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.

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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/financial information 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.

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Deloitte Haskins & Sells LLP

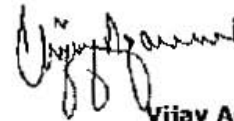
We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

Other Matter

The interim consolidated financial results includes the Group's share of profit after tax of Rs.3,334 million and total comprehensive income of Rs.3,332 million for the quarter ended June 30, 2020, 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. 117365W/W-100018



Vijay Agarwal
Partner
Membership No.094468
UDIN: 20094468AAAAET7014

Place: Gurugram
Date: July 27, 2020

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 ended June 30, 2020

(In ₹ Million except per share data)

Particulars	Quarter ended		Year ended	
	June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
	Audited	Audited	Audited	Audited
Income				
Revenue from operations	16,354	16,821	17,254	67,430
Other income	165	386	528	1,287
Total income	16,519	17,207	17,782	68,717
Expenses				
Power and fuel	5,809	5,866	5,771	23,672
Employee benefit expenses	840	796	688	2,935
Repairs and maintenance	608	707	353	2,503
Other expenses	520	806	643	2,144
Total expenses	7,777	8,175	7,455	31,254
Profit before depreciation and amortisation, finance costs, finance income, charity and donation, share of profit of joint venture and tax	8,742	9,032	10,327	37,463
Depreciation and amortisation expense	3,082	3,562	3,228	13,217
Less: adjusted with general reserve in accordance with the scheme of arrangement with Bharti Airtel Limited	(98)	(99)	(101)	(402)
Finance costs	2,984	3,463	3,127	12,815
Finance income	827	1,020	551	3,350
Charity and donation	(690)	(863)	(893)	(3,370)
Charity and donation	251	12	573	598
Profit before share of profit of joint venture and tax	5,370	5,400	6,969	24,070
Share of profit of joint venture	3,020	2,445	2,642	13,805
Profit before tax	8,390	7,845	9,611	37,875
Income tax expense :	1,354	1,350	741	4,888
Current tax	1,503	1,364	2,494	5,806
Deferred tax	(149)	(14)	(1,753)	(918)
Profit after tax	7,036	6,495	8,870	32,987
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)	(6)	(5)	(15)	(12)
Share of profit/(loss) in OCI of joint venture	(2)	5	(1)	(9)
Items that will be re-classified to profit and loss				
Fair value changes on financial assets through OCI (net of tax)	-	-	14	(98)
Other comprehensive income for the period/year (net of tax)	(8)	-	(2)	(119)
Total comprehensive income for the period/year (net of tax)	7,028	6,495	8,868	32,868
Paid-up equity share capital (Face value ₹ 10 each)	18,496	18,496	18,496	18,496
Other equity	116,218	116,927	109,128	116,927
Earnings per share (nominal value of share ₹ 10 each)				
Basic	3.805	3.513	4.797	17.840
Diluted	3.804	3.512	4.797	17.839

Notes to accounts

- The above financial results for the quarter ended June 30, 2020 have been reviewed by the Audit Committee in its meeting held on July 27, 2020 and approved by the Board of Directors in its meeting held on July 27, 2020.
- The above financial results are extracted from the audited consolidated financial statements of the Company, which has been 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 and the other accounting principles generally accepted in India. The consolidated financial results represent results of the Company, its subsidiary (Smartx Services Limited), its controlled trust (Bharti Infratel Employee's 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.

3. 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 financial year 2019-20, the Trust has further acquired 237,000 shares of the Company from the open market at a price of ₹ 194.93 per share and sold 35,330 shares at a price of ₹ 193.74 per share. During the quarter ended June 30, 2020, 61,999 equity shares of ₹ 10 each and 19,942 equity shares of ₹ 109.67 each have been transferred to employees upon exercise of stock options and 497,532 shares have been sold at a price of ₹ 207.25 per share. As of June 30, 2020, the Trust holds 158,504 shares (of Face Value of ₹10 each) (March 31, 2020 - 737,977 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			Year ended
		June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
1	Revenue from operations	16,343	16,811	17,243	67,383
2	Profit before tax	9,585	5,415	6,988	24,122
3	Profit after tax	8,232	4,064	4,481	17,466

5. 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			Year ended
		June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
		Audited	Audited	Audited	Audited
1	Segment Revenue				
	a) Infratel (including subsidiaries)	16,354	16,821	17,254	67,430
	b) Indus (Proportionate Share)*	18,702	19,431	19,874	79,078
	Total	35,056	36,252	37,128	146,508
	Less: Inter segment Revenue	9	8	9	36
	Net Income from Operations	35,047	36,244	37,119	146,472
	Less: Revenue related to Joint venture (Indus)	18,693	19,423	19,865	79,042
	Net Income from Operations	16,354	16,821	17,254	67,430
2	Segment Results				
	Profit before finance cost/ (income) and tax				
	a) Infratel (including subsidiaries)	9,707	5,557	6,627	24,050
	b) Indus (Proportionate Share)*	5,347	4,352	5,554	21,791
	Total	15,054	9,909	12,181	45,841
	Less: Inter segment Profit	4,200	-	-	-
	Net Profit before finance cost/ (income) and tax	10,854	9,909	12,181	45,841
	Less: Share of profit of joint venture	5,347	4,352	5,554	21,791
	Net Profit before finance cost/ (income) and tax	5,507	5,557	6,627	24,050
	Less: Finance Cost	827	1,020	551	3,350
	Less: Finance income	(690)	(863)	(893)	(3,370)
	Net Profit before tax	5,370	5,400	6,969	24,070
	Share of profit/ (loss) of joint venture	3,020	2,445	2,642	13,805
	Net Profit from ordinary activities before tax	8,390	7,845	9,611	37,875
3	Segment Assets				
	a) Infratel (including subsidiaries)	192,361	204,689	196,290	204,689
	b) Indus (Proportionate Share)*	141,577	142,482	139,669	142,482
	Total	333,938	347,171	335,959	347,171
	Less: Intersegment Assets	61,167	61,417	61,848	61,417
	Net assets	272,771	285,754	274,111	285,754
	Less: Share of assets of joint venture	84,865	84,166	90,512	84,166
	Net segment assets	187,906	201,588	183,599	201,588
4	Segment Liabilities				
	a) Infratel (including subsidiaries)	53,192	66,165	55,975	66,165
	b) Indus (Proportionate Share)*	85,613	85,164	91,940	85,164
	Total	138,805	151,329	147,915	151,329
	Less: Intersegment Liabilities	712	955	1,364	955
	Net assets	138,093	150,374	146,551	150,374
	Less: Share of liabilities of joint venture	84,901	84,209	90,576	84,209
	Net segment liabilities	53,192	66,165	55,975	66,165

* Includes impact of accounting policy alignment in Joint Venture for period ended June 30, 2020.

6. On April 25, 2018, Bharti Infratel Limited ('Infratel') and Indus Towers Limited ('Indus') and their respective shareholders and creditors entered into a proposed scheme of amalgamation and arrangement (under section 230 to 232 and other applicable provisions of the Companies Act, 2013) ('Scheme') to create a pan-India tower company operating across all 22 telecom service areas. The combined company, which will fully own the respective businesses of 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 has received approval from Competition Commission of India and No Objection from the Securities Exchange Board of India through BSE Limited and National Stock Exchange of India Limited. The Scheme has also been approved by the Hon'ble Chandigarh Bench of the National Company Law Tribunal (NCLT). Further, approval of Department of Telecommunications for FDI has been received on February 21, 2020. The long stop date for the Scheme has been extended by the Board of Directors till August 31, 2020, subject to agreement on closing adjustments and other conditions precedent for closing, with each party retaining the right to terminate and withdraw the scheme. The Scheme shall become effective on the date on which certified copy of the final order of Hon'ble NCLT is filed with Registrar of Companies upon fulfilment/ waiver of other conditions precedent in the Scheme.
7. The Board of Directors had declared 3rd interim dividend of ₹ 4.10 per equity share for the financial year 2019-20 in its meeting held on April 23, 2020 which was paid subsequently. Further, the Board of Directors in its meeting held today i.e. July 27, 2020 has declared interim dividend of ₹ 2.30 per equity share for financial year 2020-21.
8. The Board has appointed Ms. Pooja Jain as the Chief Financial Officer of the Company effective June 4, 2020.
9. In view of the impending merger, during the quarter ended June 30, 2019, deferred tax liability as on March 31, 2019 amounting to ₹ 1,776 Mn which was hitherto being recognised had been reversed in respect of dividend distribution tax on undistributed profits of its Joint Venture Company and accordingly, the tax charge for the quarter ended June 30, 2019 and year ended March 31, 2020 is net of above amount. Further, the Group has not recognized any deferred tax charge during the quarter ended June 30, 2020 on undistributed profits of its Joint Venture Company owing to its dividend distribution policy and Section 80M of the Income Tax Act, 1961 (as introduced by Finance Act, 2020).
10. (a) As reported by the Joint Venture Company, "For the quarter ended June 30, 2020, the Company's top two customers contributed substantial part of the net sales of the company for this period which also resulted in significant part of the trade receivables due from these two customers as at June 30, 2020.

The Hon'ble Supreme Court on October 24, 2019 passed the judgment ('SC AGR Judgement') wherein it has held that the definition of Adjusted Gross Revenue (AGR) is all encompassing and comprehensive and directed the Telecom operators to pay the dues within 90 days from the date of the order.

The Company's largest customer in its declared results for the quarter and twelve months' period ended March 31, 2020 had expressed its ability to continue as going concern to be dependent on positive outcome of the application for modification of the Supplementary Order before the Hon'ble Supreme Court and subsequent agreement with DoT for the payment in installments after some moratorium and other reliefs. The said customer has paid part of the amount as determined by its self-assessment filed with DoT. Further, one of Company's major customer, as per their official announcements had raised US\$ 3.25 billion to finance its liabilities arising out of the SC AGR Judgement and paid the amount as per its self-assessment to DoT.

The Hon'ble Supreme Court on June 11, 2020 directed the telecom operators to file their proposals, as to the time frame required by them to make the payment and what kind of securities, undertakings and guarantees should be furnished to ensure that the AGR dues are paid.

On June 18, 2020, the Hon'ble Supreme Court inter alia considered the affidavit filed by telecom operators and directed all the telecom operators to file certain documents and make payments of reasonable amount also to show their bonafides before the next date of hearing. The matter was listed for hearing on July 20, 2020 wherein the Hon'ble Supreme Court after hearing all parties upheld the demands raised by DoT, but reserved its order on the issue of period over which such payments could be made and terms thereof.

The loss of the significant customer or the failure to attract new customers could have a material adverse effect on the business, results of operations and financial condition for the Company."

(b) The largest customer of the Joint venture company referred above is also significant customer of the company. The loss of a significant customer or the failure to attract new business could have an adverse effect on the business and results of operations of the Company. However, considering the above sensitivity the Company has concluded that there is no impairment with respect to its property, plant and equipment and its investment in the Joint Venture Company.

11. The Ministry of Home Affairs vide order No.40-3/2020 dated 24.03.2020 notified telecommunication services among the essential services which continued to operate during lock down in the crisis situation of COVID-19, which has been declared as pandemic by World Health Organisation. The passive infrastructure as well as active telecom operations of the Group's customers are covered under essential services which are actively engaged in fulfilling the surge in demand arising out of the choice exercised by almost all industries to conduct their operations remotely. Hence, the telecom industry is among the businesses that are least impacted due to COVID-19. The Group believes that thus far, there is no significant impact of COVID-19 pandemic on the financial position and performance of the Group. Further, the Group is not expecting any significant changes in estimates as of now as the Group is running its business and operations as usual without any major disruptions.

For Bharti Infratel Limited



D S Rawat
Managing Director & CEO

New Delhi
July 27, 2020

"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 ended June 30, 2020 ("the Statement" / "Standalone Financial Results"), 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:

- is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- 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 ended June 30, 2020.

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 for the quarter ended June 30, 2020. 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.

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Deloitte Haskins & Sells LLP

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.

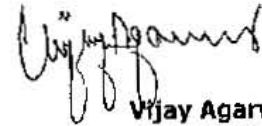
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings that we identify during our audit.

WHS

**Deloitte
Haskins & Sells LLP**

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: 20094468AAAAES6749

Place: Gurugram
Date: July 27, 2020

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 ended June 30, 2020

(In ₹ Million except per share data)

Particulars	Quarter ended			Year ended
	June 30, 2020	March 31, 2020	June 30, 2019	March 31, 2020
	Audited	Audited	Audited	Audited
Income				
Revenue from operations	16,343	16,811	17,243	67,383
Other income	4,365	386	528	1,287
Total income	20,708	17,197	17,771	68,670
Expenses				
Power and fuel	5,807	5,865	5,769	23,664
Employee benefit expenses	840	796	688	2,935
Repairs and maintenance	608	707	353	2,503
Other expenses	514	803	630	2,111
Total expenses	7,769	8,171	7,440	31,213
Profit before depreciation and amortization, finance cost, finance income, charity and donation	12,939	9,026	10,331	37,457
Depreciation and amortization expense	3,068	3,546	3,217	13,176
Less: adjusted with general reserve in accordance with the scheme of arrangement with Bharti Airtel Limited	(98)	(99)	(101)	(402)
	2,970	3,447	3,116	12,774
Finance costs	823	1,015	547	3,333
Finance income	(690)	(863)	(893)	(3,370)
Charity and donation	251	12	573	598
Profit before tax	9,585	5,415	6,988	24,122
Income tax expense:	1,353	1,351	2,507	6,656
Current tax	1,502	1,364	2,493	5,805
Deferred tax	(149)	(13)	14	851
Profit after tax	8,232	4,064	4,481	17,466
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)	(6)	(5)	(15)	(12)
Items that will be re-classified to profit and loss				
Fair value changes on financial assets through OCI (net of tax)	-	-	14	(98)
Other comprehensive income for the period/year, net of tax	(6)	(5)	(1)	(110)
Total comprehensive income for the period/year, net of tax	8,226	4,059	4,480	17,356
Paid-up equity share capital (Face value ₹ 10 each)	18,496	18,496	18,496	18,496
Other equity	120,837	120,313	122,071	120,313
Earnings per share (nominal value of share ₹ 10 each)				
Basic	4.451	2.197	2.423	9.443
Diluted	4.451	2.197	2.423	9.443

Notes to accounts

- The above financial results for the quarter ended June 30, 2020 have been reviewed by the Audit Committee in its meeting held on July 27, 2020 and approved by the Board of Directors in its meeting held on July 27, 2020.

2. The above financial results are extracted from the audited standalone financial statements of the Company which have been prepared in accordance with Indian Accounting Standard ('Ind AS') 34 'Interim Financial Reporting' as prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and the other accounting principles generally accepted in India.
3. 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 financial year 2019-20, the Trust has further acquired 237,000 shares of the Company from the open market at a price of ₹ 194.93 per share and sold 35,330 at a price of ₹ 193.74 per share. During the quarter ended June 30, 2020, 61,999 equity shares of ₹ 10 each and 19,942 equity shares of ₹ 109.67 each have been transferred to employees upon exercise of stock options and 497,532 shares have been sold at a price of ₹ 207.25 per share. As of June 30, 2020, the Trust holds 158,504 shares (of Face Value of ₹10 each) (March 31, 2020 - 737,977 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 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. On April 25, 2018, Bharti Infratel Limited ('Infratel') and Indus Towers Limited ('Indus') and their respective shareholders and creditors entered into a proposed scheme of amalgamation and arrangement (under section 230 to 232 and other applicable provisions of the Companies Act, 2013) ('Scheme') to create a pan-India tower company operating across all 22 telecom service areas. The combined company, which will fully own the respective businesses of 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 has received approval from Competition Commission of India and No Objection from the Securities Exchange Board of India through BSE Limited and National Stock Exchange of India Limited. The Scheme has also been approved by the Hon'ble Chandigarh Bench of the National Company Law Tribunal (NCLT). Further, approval of Department of Telecommunications for FDI has been received on February 21, 2020. The long stop date for the Scheme has been extended by the Board of Directors till August 31, 2020, subject to agreement on closing adjustments and other conditions precedent for closing, with each party retaining the right to terminate and withdraw the scheme. The Scheme shall become effective on the date on which certified copy of the final order of Hon'ble NCLT is filed with Registrar of Companies upon fulfilment/ waiver of other conditions precedent in the Scheme.
6. The Board of Directors had declared 3rd interim dividend of ₹ 4.10 per equity share for the financial year 2019-20 in its meeting held on April 23, 2020 which was paid subsequently. Further, the Board of Directors in its meeting held today i.e. July 27, 2020 has declared interim dividend of ₹ 2.30 per equity share for financial year 2020-21.
7. The Board has appointed Ms. Pooja Jain as the Chief Financial Officer of the Company effective June 4, 2020.
8. One of the Company's significant customer in its financial statement for the year ended March 31, 2020 had expressed its ability to continue as a going concern to be dependent on positive outcome of the application for modification of the Supplementary Order before the Hon'ble Supreme Court and subsequent agreement with DoT for the payment in installments after some moratorium and other reliefs. The said customer has paid part of the amount as determined by its self-assessment filed with DOT. The Company's parent ('Bharti Airtel Limited') has successfully raised US\$ 3.25 billion of additional long term financing through a combination of qualified institutional placement of equity shares, foreign currency convertible bonds and subordinated perpetual securities to finance its liabilities arising out of the SC AGR judgement. Further, it has paid to the DoT an amount on the basis of self-assessment of the due amount including ad-hoc advance payment (subject to subsequent refund/ adjustment) to cover differences resulting from re-verification/reconciliation, if any. The Hon'ble Supreme Court on June 11, 2020 directed the telecom operators to file their proposals, as to the time frame required by the telecom operators to make the payment and kind of securities, undertakings and guarantees that should be furnished to ensure that the AGR dues are paid. On June 18, 2020, the Hon'ble Supreme Court inter alia considered the affidavit filed by telecom operators and directed all the telecom operators to file certain documents and make payments of reasonable amount also to show their bonafides before the next date of hearing. The matter was listed for hearing on July 20, 2020 wherein the Hon'ble Supreme Court after hearing all parties upheld the demands raised by DoT, but reserved its order on the issue of period over which such payments could be made and terms thereof. The loss of a significant customer or the failure to attract new business could have an adverse effect on the business and results of operations of the Company. However, considering the above sensitivity the Company has concluded that there is no impairment with respect to its property, plant and equipment and its investment in the Joint Venture Company.

9. The Ministry of home affairs vide order No.40-3/2020 dated 24.03.2020 notified telecommunication services among the essential services which continued to operate during lock down in the crisis situation of COVID-19, which has been declared as pandemic by World Health Organisation. The passive infrastructure as well as active telecom operations of the Company's customers are covered under essential services which are actively engaged in fulfilling the surge in demand arising out of the choice exercised by almost all industries to conduct their operations remotely. Hence, the telecom industry is among the businesses that are least impacted due to COVID-19. The Company believes that thus far, there is no significant impact of COVID-19 pandemic on the financial position and performance of the Company. Further, the company is not expecting any significant change in estimates as of now as the company is running its business and operations as usual without any major disruptions.

For Bharti Infratel Limited


D S Rawat
Managing Director & CEO

New Delhi
July 27, 2020

"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