

October 27, 2020

National Stock Exchange of India Limited

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

BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400001, India

Ref: Bharti Airtel Limited (BHARTIARTL/532454)

Sub: Quarterly report for the second quarter (Q2) ended September 30, 2020

Dear Sir/ Ma'am,

Pursuant to Regulation 30 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the quarterly report for the second quarter (Q2) ended September 30, 2020 being released by the Company.

Kindly take the same on record.

Thanking you,
Sincerely yours,

For Bharti Airtel Limited



Rohit Krishan Puri
Dy. Company Secretary & Compliance Officer



Bharti Airtel Limited

(a Bharti Enterprise)

Regd. & Corporate Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi - 110 070
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CIN: L74899DL1995PLC070609

Airtel launches “**Airtel Secure**” – a comprehensive suite of advanced cyber security solutions.

Airtel & Amazon Web Services (AWS) partner to deliver innovative cloud solutions to large and SME customers in India.

Airtel announces the deployment of India's largest open cloud-based **VoLTE network** powered by Nokia software products.



Oct 27, 2020

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

Bharti Airtel Limited

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

Supplemental Disclosures

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

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

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

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

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

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

Further, disclosures are also provided under “7.3 Use of Non - GAAP Financial Information” on page 33

Others: In this report, the terms “we”, “us”, “our”, “Bharti”, or “the Company”, unless otherwise specified or the context otherwise implies, refer to Bharti Airtel Limited (“Bharti Airtel”) and its subsidiaries, Bharti Airtel Services Limited, Bharti Hexacom Limited, Bharti Infratel Limited, Bharti Telemedia Limited, Telesonic Networks Limited, Nxta Data Limited, Airtel Digital Limited (formerly known as Wynk Limited), Indo Teleports Limited (formerly known as Bharti Teleports Limited), Nettle Infrastructure Investments Limited (formerly known as Nettle Developers Limited), SmarTx Services Limited, Bharti Airtel (France) SAS, Bharti Airtel (Hong Kong) Limited, Bharti Airtel (Japan) Private Limited, Bharti Airtel (UK) Limited, Bharti Airtel (USA) Limited, Bharti Airtel International (Mauritius) Limited, Bharti Airtel International (Netherlands) B.V., Bharti Airtel Lanka (Private) Limited, Bharti International (Singapore) Pte Ltd, Network i2i Limited, Africa Towers N.V., Airtel (Seychelles) Limited, Airtel Congo S.A., Airtel Gabon S.A., Airtel Madagascar S.A., Airtel Malawi plc, Airtel Mobile Commerce B.V., Airtel Mobile Commerce Holdings B.V., Airtel Mobile Commerce (Kenya) Limited, Airtel Mobile Commerce Limited, Airtel Mobile Commerce Madagascar S.A., Airtel Mobile Commerce (Rwanda) Limited, Airtel Mobile Commerce (Seychelles) Limited, Airtel Mobile Commerce Tanzania Limited, Airtel Mobile Commerce Tchad S.a.r.l., Airtel Mobile Commerce Uganda Limited, Airtel Mobile Commerce Zambia Limited, Airtel Money (RDC) S.A., Airtel Money Niger S.A., Airtel Money S.A., Airtel Networks Kenya Limited, Airtel Networks Limited, Airtel Networks Zambia plc, Airtel Rwanda Limited, Airtel Tanzania plc, Airtel Tchad S.A., Airtel Uganda Limited, Bharti Airtel Africa B.V., Bharti Airtel Chad Holdings B.V., Bharti Airtel Congo Holdings B.V., Bharti Airtel Developers Forum Limited, Bharti Airtel Gabon Holdings B.V., Bharti Airtel Kenya B.V., Bharti Airtel Kenya Holdings B.V., Bharti Airtel Madagascar Holdings B.V., Bharti Airtel Malawi Holdings B.V., Bharti Airtel Mali Holdings B.V., Bharti Airtel Niger Holdings B.V., Bharti Airtel Nigeria B.V., Bharti Airtel Nigeria Holdings II B.V., Bharti Airtel RDC Holdings B.V., Bharti Airtel Services B.V., Bharti Airtel Tanzania B.V., Bharti Airtel Uganda Holdings B.V., Bharti Airtel Zambia Holdings B.V., Celtel (Mauritius) Holdings Limited, Airtel Congo (RDC) S.A., Celtel Niger S.A., Channel Sea Management Company (Mauritius) Limited, Congo RDC Towers S.A., Indian Ocean Telecom Limited, Madagascar Towers S.A., Malawi Towers Limited, Mobile Commerce Congo S.A., Montana International, Partnership Investments S.a.r.l, Société Malgache de Téléphone Cellulaire S.A., Tanzania Towers Limited, Bharti Airtel Rwanda Holdings Limited, Airtel Money Transfer Limited, Airtel Money Tanzania Limited, Airtel Mobile Commerce (Nigeria) Limited, Bharti Airtel International (Mauritius) Investments Limited, Airtel Africa Mauritius Limited, Bharti Airtel Holding (Mauritius) Limited, Bharti Airtel Overseas (Mauritius) Limited, Airtel Africa Plc, Airtel Mobile Commerce Nigeria B.V., Bharti Airtel Employees Welfare Trust, Airtel Mobile Commerce (Seychelles) B.V., Airtel Mobile Commerce Congo B.V., Airtel Mobile Commerce Kenya B.V., Airtel Mobile Commerce Madagascar B.V., Airtel Mobile Commerce Malawi B.V., Airtel Mobile Commerce Rwanda B.V., Airtel Mobile Commerce Tchad B.V., Airtel Mobile Commerce Uganda B.V., Airtel Mobile Commerce Zambia B.V., Airtel International LLP, Network I2I (Kenya) Limited ((incorporated w.e.f. July 3, 2019), Bharti Infratel Employees's Welfare Trust, Airtel Money Trust, Airtel Mobile Commerce DRC B.V. Airtel Mobile Commerce Gabon B.V., Airtel Mobile Commerce Niger B.V., Airtel Money Kenya Limited, Network I2I (UK) Limited (incorporated w.e.f. May 19, 2020), The Airtel Africa Employee Benefit Trust (May 14, 2020), Airtel Money Trust.

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

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SECTION 1

BHARTI AIRTEL – PERFORMANCE AT A GLANCE

Particulars	Unit	Full Year Ended			Quarter Ended				
		Ind-AS			Ind-AS				
		2018	2019	2020	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20
<u>Operating Highlights</u>									
Total Customer Base	000's	413,822	403,645	423,287	411,424	418,811	423,287	419,996	439,841
Total Minutes on Network	Mn Min	2,159,386	3,069,646	3,331,604	789,776	836,075	902,412	902,704	951,597
Network Towers	Nos	187,541	204,356	219,546	209,743	214,338	219,546	221,850	227,672
Total Employees	Nos	20,978	19,444	19,405	19,207	19,233	19,405	19,650	19,138
No. of countries of operation	Nos	18	18	18	18	18	18	18	18
Population Covered	Bn	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
<u>Consolidated Financials (Rs Mn)</u>									
Total revenues	Rs Mn	826,388	807,802	875,390	211,313	219,472	237,227	239,387	257,850
EBITDA	Rs Mn	304,479	262,937	371,053	89,363	93,501	103,263	106,392	118,483
EBIT	Rs Mn	110,845	47,629	92,447	19,930	24,008	32,464	33,279	44,117
Cash profit from operations before Derivative & Exchange Fluctuations	Rs Mn	227,169	167,777	254,951	60,980	64,961	75,123	75,622	80,480
Profit before tax	Rs Mn	40,602	(46,606)	(26,121)	(6,231)	(4,526)	(65)	3,720	5,671
Net income	Rs Mn	10,992	4,095	(321,832)	(230,449)	(10,353)	(52,370)	(159,331)	(7,632)
Capex	Rs Mn	268,176	287,427	253,586	37,901	51,831	113,385	39,753	67,907
Operating Free Cash Flow (EBITDA - Capex)	Rs Mn	36,303	(24,490)	117,466	51,461	41,670	(10,122)	66,638	50,577
Net Debt	Rs Mn	1,001,060	1,129,899	1,188,590	1,181,065	1,149,193	1,188,590	1,165,405	1,378,417
Shareholder's Equity*	Rs Mn	695,344	714,222	771,448	699,285	688,287	771,448	609,902	593,393
<u>Consolidated Financials (US\$ Mn)</u>									
Total Revenue ¹	US\$ Mn	12,823	11,567	12,377	3,014	3,090	3,288	3,158	3,470
EBITDA ¹	US\$ Mn	4,725	3,768	5,246	1,275	1,317	1,431	1,403	1,595
EBIT ¹	US\$ Mn	1,720	686	1,307	284	338	450	439	594
Cash profit from operations before Derivative & Exchange Fluctuations ¹	US\$ Mn	3,525	2,406	3,605	870	915	1,041	997	1,083
Profit before Tax ¹	US\$ Mn	630	(662)	(369)	(89)	(64)	(1)	49	76
Net income ¹	US\$ Mn	170	59	(4,550)	(3,287)	(146)	(726)	(2,102)	(103)
Capex ¹	US\$ Mn	4,162	4,126	3,585	541	730	1,572	524	914
Operating Free Cash Flow (EBITDA - Capex)	US\$ Mn	563	(358)	1,661	734	587	(140)	879	681
Net Debt ²	US\$ Mn	15,360	16,339	15,707	16,738	16,104	15,707	15,418	18,663
Shareholder's Equity ²	US\$ Mn	10,669	10,328	10,194	9,910	9,645	10,194	8,069	8,034
<u>Key Ratios</u>									
EBITDA Margin	%	36.8%	32.5%	42.4%	42.3%	42.6%	43.5%	44.4%	46.0%
EBIT Margin	%	13.4%	5.9%	10.6%	9.4%	10.9%	13.7%	13.9%	17.1%
Net Profit Margin	%	1.3%	0.5%	-36.8%	-109.1%	-4.7%	-22.1%	-66.6%	-3.0%
Net Debt to Funded Equity Ratio	Times	1.44	1.58	1.54	1.69	1.67	1.54	1.91	2.32
Net Debt to EBITDA (Annualised)**	Times	3.29	4.30	3.20	3.30	3.07	2.88	2.74	2.91
Interest Coverage ratio	Times	4.37	2.84	3.41	3.43	3.44	3.70	3.63	3.55
Return on Shareholder's Equity (Post Tax)	%	1.6%	0.6%	-35.5%	-31.9%	-38.7%	-44.1%	-65.5%	-38.2%
Return on Shareholder's Equity (Pre Tax)	%	4.3%	-2.1%	-41.5%	-35.0%	-39.4%	-44.3%	-54.5%	-22.8%
Return on Capital employed (Annualised)	%	6.3%	2.5%	4.0%	3.7%	4.7%	6.1%	6.3%	8.3%
<u>Valuation Indicators</u>									
Market Capitalization	Rs Bn	1,595	1,331	2,404	1,885	2,339	2,404	3,053	2,296
Market Capitalization	US\$ Bn	24.5	19.2	31.8	26.7	32.8	31.8	40.4	31.1
Enterprise Value	Rs Bn	2,596	2,461	3,592	3,066	3,488	3,592	4,219	3,675
EV / EBITDA	Times	8.52	9.36	9.68	8.58	9.33	8.70	9.91	7.75
P/E Ratio	Times	145.10	346.26	(6.95)	(7.25)	(8.62)	(6.95)	(6.52)	(9.94)

Note 1: Average exchange rates used for Rupee conversion to US\$ is (a) Rs 64.44 for the financial year ended March 31, 2018 (b) Rs 69.86 for the financial year ended March 31, 2019 (c) Rs 70.73 for the financial year ended March 31, 2020 (d) Rs 70.10 for the quarter ended September 30, 2019 (e) Rs 71.02 for the quarter ended December 31, 2019 (f) Rs 72.14 for the quarter ended March 31, 2020 (g) Rs 75.82 for the quarter ended June 30, 2020 (h) Rs 74.31 for the quarter ended September 30, 2020 based on the RBI Reference rate.

Note 2: Closing exchange rates used for Rupee conversion to US\$ is (a) Rs 65.18 for the financial year ended March 31, 2018 (b) Rs 69.16 for the financial year ended March 31, 2019 (c) Rs 75.68 for the financial year ended March 31, 2020 (d) Rs 70.56 for the quarter ended September 30, 2019 (e) Rs 71.36 for the quarter ended December 31, 2019 (f) Rs 75.68 for the quarter ended March 31, 2020 (g) Rs 75.59 for the quarter ended June 30, 2020 (h) Rs 73.86 for the quarter ended September 30, 2020 being the RBI Reference rate.

Note 3: With the adoption of Ind AS 116 "Leases", effective April 1, 2019, the results and ratios of period commencing April 1, 2019 are not comparable with the past period results.

* The difference of Rs 548 Mn in Q2'20 is on account of transition related impact on IFRS 16 'Leases' (corresponding to Ind AS 116 'Leases') adoption by one of the associate company of the Group.

** The net debt for Q2'21 includes the impact of the AGR judgment by the Hon'ble Supreme Court.

SECTION 2

BHARTI AIRTEL - AN INTRODUCTION

2.1 Introduction

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

We provide telecom services under wireless and fixed line technology, national and international long distance connectivity and Digital TV; and complete integrated telecom solutions to our enterprise customers. All these services are rendered under a unified brand "airtel". 'Airtel Money' (known as 'Airtel Payments Bank' in India) extends our product portfolio to further our financial inclusion agenda and offers convenience of payments and money transfers on mobile phones over secure and stable platforms in India, and across all 14 countries in Africa. The Company also owns Tower Infrastructure pertaining to telecom operations through its subsidiary and joint venture entity.

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

2.2 Business Divisions

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

B2C Services:

Mobile Services (India) –We offer postpaid, pre-paid, roaming, internet and other value added services. Our distribution channel is spread across 1.06 Mn outlets with network presence in 7,907 census and 790,450 non-census towns and villages in India covering approximately 95.4% of the country's population.

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

Our national long distance infrastructure provides a pan-India reach with 310,289 RKms of optical fiber.

Homes Services – The Company provides fixed-line telephone and broadband services for homes in 145 cities (including LCOs) pan-India. The product offerings include high-speed broadband on copper and fiber and voice connectivity, up to the speeds of 1 Gbps for the home segment.

Digital TV Services – Our Direct-To-Home (DTH) platform offers both standard and high definition (HD) digital TV services with 3D capabilities and Dolby surround sound. We currently offer a total of 655 channels including 87 HD channels (including 3 HD SVOD services), 62 SVOD services, 7 international channels and 3 interactive services.

B2B Services:

Airtel Business – We are India's leading and most trusted provider of ICT services with a diverse portfolio of services to enterprises, governments, carriers and small and medium business. For small and medium business, Airtel is a trusted solution provider for fixed-line voice (PRIs), data and other

connectivity solutions like MPLS, VoIP, SIP trucking. Additionally, the Company offers solutions to businesses Audio, Video and Web Conferencing. Cloud portfolio is also an integral part of its office solutions suite, which offers Storage, compute, Microsoft office 365, ecommerce package through shopify and CRM packages on a pay as you go model.

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

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

Tower Infrastructure Services – Our subsidiary, Bharti Infratel Ltd (Infratel), is India's leading provider of tower and related infrastructure and it deploys, owns & manages telecom towers and communication structures, for various mobile operators. It holds 42% equity interest in Indus towers, a joint venture with Vodafone group, Vodafone-idea and providence who hold 42%, 11.15% and 4.85% respectively. The Company's consolidated portfolio of 97,283 telecom towers, which includes 43,110 of its own towers and the balance from its 42% equity interest in Indus Towers, makes it one of the largest tower infrastructure providers in the country with presence in all 22 telecom circles. The Company has been the industry pioneer in adopting green energy initiatives for its operations.

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

South Asia – South Asia represents our operations in Sri Lanka. In Sri Lanka, we operate across 25 administrative districts with distribution network of over 53 K retailers across the country. Our 3.5G services are present across major towns in Sri Lanka.

2.2.2 Africa

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

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

2.3 Partners

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

SECTION 3

FINANCIAL HIGHLIGHTS

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

Detailed financial statements, analysis & other related information is attached to this report (page 28 - 31). Also, kindly refer to Section 7.3 - use of Non - GAAP financial information (page 33) and Glossary (page 54) for detailed definitions.

3.1 Consolidated - Summary of Consolidated Financial Statements

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

Particulars	Quarter Ended			Six Months Ended		
	Sep-20	Sep-19	Y-o-Y Growth	Sep-20	Sep-19	Y-o-Y Growth
Total revenues	257,850	211,313	22%	497,237	418,692	19%
EBITDA	118,483	89,363	33%	224,875	174,289	29%
EBITDA / Total revenues	46.0%	42.3%		45.2%	41.6%	
EBIT	44,117	19,930	121%	77,396	35,975	115%
Finance cost (net)	37,259	29,083	28%	67,757	60,898	11%
Share of results of Joint Ventures/Associates	(423)	3,154	-113%	1,243	4,086	-70%
Profit before tax	5,671	(6,231)	191%	9,391	(21,529)	144%
Income tax expense	5,729	(1,874)	406%	7,473	(7,704)	197%
Profit after tax (before exceptional items)	(57)	(4,357)	99%	1,918	(13,826)	114%
Non Controlling Interest	7,387	6,872	7%	13,726	11,405	20%
Net income (before exceptional items)	(7,444)	(11,228)	34%	(11,808)	(25,230)	53%
Exceptional Items (net of tax)	493	212,445	-100%	87,764	227,859	-61%
Tax related Exceptional items	(211)	11,499	-102%	66,406	10,538	530%
Profit after tax (after exceptional items)	(339)	(228,301)	100%	(152,252)	(252,223)	40%
Non Controlling Interest	7,293	2,148	240%	14,712	6,886	114%
Net income	(7,632)	(230,449)	97%	(166,963)	(259,109)	36%
Capex	67,907	37,901	79%	107,660	88,370	22%
Operating Free Cash Flow (EBITDA - Capex)	50,577	51,461	-2%	117,215	85,919	36%
Cumulative Investments	3,727,628	3,514,674	6%	3,727,628	3,514,674	6%

3.1.2 Consolidated Summarized Statement of Financial Position

Particulars	Amount in Rs Mn	
	As at Sep 30, 2020	As at Mar 31, 2020
Assets		
Non-current assets	2,783,375	2,841,358
Current assets	619,818	766,432
Total assets	3,403,193	3,607,790
Liabilities		
Non-current liabilities	1,451,832	1,271,619
Current liabilities	1,108,391	1,314,876
Total liabilities	2,560,223	2,586,495
Equity & Non Controlling Interests		
Equity	593,393	771,448
Non controlling interests	249,577	249,847
Total Equity & Non Controlling Interests	842,970	1,021,295
Total Equity and liabilities	3,403,193	3,607,790

3.2 Region wise - Summary of Consolidated Financial Statements

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

Amount in Rs Mn, except ratios

Particulars	Quarter Ended Sep 2020			Quarter Ended Sep 2019			Six Months Ended Sep 2020			Six Months Ended Sep 2019		
	India SA	Africa	Total	India SA	Africa	Total	India SA	Africa	Total	India SA	Africa	Total
Total revenues	188,471	71,660	257,850	154,608	59,157	211,313	365,390	136,173	497,237	309,056	114,590	418,692
EBITDA	86,032	32,453	118,483	63,298	26,082	89,363	164,000	60,878	224,875	124,021	50,288	174,289
<i>EBITDA / Total revenues</i>	<i>45.6%</i>	<i>45.3%</i>	<i>46.0%</i>	<i>40.9%</i>	<i>44.1%</i>	<i>42.3%</i>	<i>44.9%</i>	<i>44.7%</i>	<i>45.2%</i>	<i>40.1%</i>	<i>43.9%</i>	<i>41.6%</i>
EBIT	24,165	19,952	44,117	4,601	15,344	19,930	41,514	35,885	77,396	6,888	29,106	35,975
Profit before tax	(3,768)	13,019	5,671	(17,071)	10,633	(6,231)	(3,911)	21,405	9,391	(37,607)	18,688	(21,529)
Income tax expense	(190)	6,331	5,729	(6,908)	4,753	(1,874)	(3,076)	10,961	7,473	(16,132)	8,074	(7,704)
Profit after tax (before exceptional items)	(3,578)	6,687	(57)	(10,163)	5,880	(4,357)	(834)	10,444	1,918	(21,475)	10,614	(13,826)
Non Controlling Interest	3,591	3,659	7,387	3,878	2,832	6,872	7,822	5,835	13,726	6,547	4,642	11,405
Net income (before exceptional items)	(7,168)	3,028	(7,444)	(14,041)	3,048	(11,228)	(8,656)	4,608	(11,808)	(28,022)	5,972	(25,230)
Exceptional Items (net of tax)			493			212,445			87,764			227,859
Tax related Exceptional items			(211)			11,499			66,406			10,538
Profit after tax (after exceptional items)			(339)			(228,301)			(152,252)			(252,223)
Non Controlling Interest			7,293			2,148			14,712			6,886
Net income			(7,632)			(230,449)			(166,963)			(259,109)
Capex	56,761	11,146	67,907	27,576	10,326	37,901	91,510	16,150	107,660	71,117	17,252	88,370
Operating Free Cash Flow (EBITDA - Capex)	29,271	21,307	50,577	35,723	15,756	51,461	72,490	44,728	117,215	52,904	33,035	85,919
Cumulative Investments	3,063,713	637,824	3,727,628	2,903,597	586,118	3,514,674	3,063,713	637,824	3,727,628	2,903,597	586,118	3,514,674

3.2.2 Region wise Summarized Statement of Financial Position

Amount in Rs Mn

Particulars	As at Sep 30, 2020			
	India SA	Africa	Eliminations/Others	Total
Assets				
Non-current assets	2,345,981	574,767	(137,373)	2,783,375
Current assets	489,270	135,089	(4,541)	619,818
Total assets	2,835,251	709,856	(141,914)	3,403,193
Liabilities				
Non-current liabilities	1,224,760	224,200	2,872	1,451,832
Current liabilities	871,220	239,459	(2,288)	1,108,391
Total liabilities	2,095,980	463,659	584	2,560,223
Equity & Non Controlling Interests				
Equity	593,232	142,659	(142,498)	593,393
Non controlling interests	146,039	103,538	0	249,577
Total Equity & Non Controlling Interests	739,271	246,197	(142,498)	842,970
Total Equity and liabilities	2,835,251	709,856	(141,914)	3,403,193

3.3 Segment wise Summarized Statement of Operations

3.3.1 India & South Asia

Particulars	Quarter Ended			Six Months Ended		
	Sep-20	Sep-19	Y-o-Y Growth	Sep-20	Sep-19	Y-o-Y Growth
Total revenues	188,471	154,608	22%	365,390	309,056	18%
EBITDA	86,032	63,298	36%	164,000	124,021	32%
EBITDA / Total revenues	45.6%	40.9%		44.9%	40.1%	
EBIT	24,165	4,601	425%	41,514	6,888	503%
Capex	56,761	27,576	106%	91,510	71,117	29%
Operating Free Cash Flow (EBITDA - Capex)	29,271	35,723	-18%	72,490	52,904	37%
Cumulative Investments	3,063,713	2,903,597	6%	3,063,713	2,903,597	6%

3.3.2 India

Particulars	Quarter Ended			Six Months Ended		
	Sep-20	Sep-19	Y-o-Y Growth	Sep-20	Sep-19	Y-o-Y Growth
Total revenues	187,470	153,610	22%	363,364	307,056	18%
EBITDA	85,916	63,213	36%	163,786	123,844	32%
EBITDA / Total revenues	45.8%	41.2%		45.1%	40.3%	
EBIT	24,404	4,878	400%	42,034	7,425	466%
Capex	55,903	27,469	104%	90,318	70,692	28%
Operating Free Cash Flow (EBITDA - Capex)	30,013	35,744	-16%	73,468	53,151	38%
Cumulative Investments	3,046,309	2,888,882	5%	3,046,309	2,888,882	5%

B2C Services

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

Particulars	Quarter Ended			Six Months Ended		
	Sep-20	Sep-19	Y-o-Y Growth	Sep-20	Sep-19	Y-o-Y Growth
Total revenues	138,319	109,814	26%	267,090	218,482	22%
EBITDA	58,919	39,913	48%	111,146	78,655	41%
EBITDA / Total revenues	42.6%	36.3%		41.6%	36.0%	
EBIT	6,799	(11,449)	159%	8,449	(23,869)	135%
Capex	41,736	19,639	113%	67,321	56,065	20%
Operating Free Cash Flow (EBITDA - Capex)	17,183	20,274	-15%	43,826	22,590	94%
Cumulative Investments	2,433,322	2,392,024	2%	2,433,322	2,392,024	2%

3.3.4 Homes Services

Particulars	Quarter Ended			Six Months Ended		
	Sep-20	Sep-19	Y-o-Y Growth	Sep-20	Sep-19	Y-o-Y Growth
Total revenues	5,873	5,475	7%	11,659	11,180	4%
EBITDA	3,424	2,471	39%	6,938	4,995	39%
<i>EBITDA / Total revenues</i>	<i>58.3%</i>	<i>45.1%</i>		<i>59.5%</i>	<i>44.7%</i>	
EBIT	1,418	1,233	15%	3,002	2,268	32%
Capex	3,087	1,023	202%	4,268	2,192	95%
Operating Free Cash Flow (EBITDA - Capex)	338	1,447	-77%	2,670	2,802	-5%
Cumulative Investments	90,913	78,756	15%	90,913	78,756	15%

3.3.5 Digital TV Services

Particulars	Quarter Ended			Six Months Ended		
	Sep-20	Sep-19	Y-o-Y Growth	Sep-20	Sep-19	Y-o-Y Growth
Total revenues	7,548	7,893	-4%	14,997	15,282	-2%
EBITDA	5,351	5,607	-5%	10,392	10,870	-4%
<i>EBITDA / Total revenues</i>	<i>70.9%</i>	<i>71.0%</i>		<i>69.3%</i>	<i>71.1%</i>	
EBIT	2,945	3,243	-9%	5,456	6,855	-20%
Capex	3,469	2,052	69%	5,926	4,488	32%
Operating Free Cash Flow (EBITDA - Capex)	1,882	3,556	-47%	4,466	6,382	-30%
Cumulative Investments	104,500	93,046	12%	104,500	93,046	12%

Note 4: On a comparable basis (adjusting for deferment of revenue, pursuant to accounting policy change) DTH revenue grew by 1.9% (Y-o-Y) for Q2'21 and 5.5% (Y-o-Y) for H1'21.

B2B Services

3.3.6 Airtel Business

Particulars	Quarter Ended			Six Months Ended		
	Sep-20	Sep-19	Y-o-Y Growth	Sep-20	Sep-19	Y-o-Y Growth
Total revenues	35,821	33,312	8%	70,840	65,392	8%
EBITDA	13,377	9,396	42%	26,088	17,051	53%
<i>EBITDA / Total revenues</i>	<i>37.3%</i>	<i>28.2%</i>		<i>36.8%</i>	<i>26.1%</i>	
EBIT	9,633	7,706	25%	18,503	13,855	34%
Capex	5,538	2,620	111%	9,726	3,775	158%
Operating Free Cash Flow (EBITDA - Capex)	7,840	6,776	16%	16,362	13,276	23%
Cumulative Investments	190,494	107,229	78%	190,494	107,229	78%

3.3.7 Tower Infrastructure Services

Particulars	Quarter Ended			Six Months Ended		
	Sep-20	Sep-19	Y-o-Y Growth	Sep-20	Sep-19	Y-o-Y Growth
Total revenues	17,663	16,674	6%	34,084	33,935	0%
EBITDA	9,293	9,268	0%	18,035	19,323	-7%
<i>EBITDA / Total revenues</i>	<i>52.6%</i>	<i>55.6%</i>		<i>52.9%</i>	<i>56.9%</i>	
EBIT	6,247	6,125	2%	11,754	12,482	-6%
Share of results of joint ventures/associates	2,882	4,866	-41%	5,902	7,508	-21%
Capex	2,073	2,136	-3%	3,077	4,172	-26%
Operating Free Cash Flow (EBITDA - Capex)	7,220	7,132	1%	14,958	15,151	-1%
Cumulative Investments	216,914	206,935	5%	216,914	206,935	5%

3.3.8 South Asia – comprises of operations in Sri Lanka.

Particulars	Quarter Ended			Six Months Ended		
	Sep-20	Sep-19	Y-o-Y Growth	Sep-20	Sep-19	Y-o-Y Growth
Total revenues	1,116	1,106	1%	2,204	2,194	0%
EBITDA	116	84	37%	214	177	21%
<i>EBITDA / Total revenues</i>	<i>10.4%</i>	<i>7.6%</i>		<i>9.7%</i>	<i>8.0%</i>	
EBIT	(240)	(277)	14%	(520)	(537)	3%
Capex	858	107	705%	1,192	425	181%
Operating Free Cash Flow (EBITDA - Capex)	(742)	(22)	-3265%	(978)	(248)	-294%
Cumulative Investments	17,404	14,715	18%	17,404	14,715	18%

3.3.9 Africa In USD Constant Currency – ^{Note 5}

Particulars	Quarter Ended			Six Months Ended		
	Sep-20	Sep-19	Y-o-Y Growth	Sep-20	Sep-19	Y-o-Y Growth
Total revenues	963	805	20%	1,818	1,562	16%
EBITDA	436	353	24%	813	681	19%
<i>EBITDA / Total revenues</i>	<i>45.3%</i>	<i>43.8%</i>		<i>44.7%</i>	<i>43.6%</i>	
EBIT	269	205	31%	480	390	23%
Capex	149	147	2%	216	246	-12%
Operating Free Cash Flow (EBITDA - Capex)	287	206	39%	597	435	37%
Cumulative Investments	8,636	8,306	4%	8,636	8,306	4%

Note 5: Closing currency rates as on March 31, 2020 considered for above financials up to EBIT. Actual currency rates are taken for Capex & Cumulative Investments.

3.4 Region wise & Segment wise - Investment & Contribution

Quarter Ended:

Segment	Quarter Ended Sep 2020						Amount in Rs Mn, except ratios As at Sep 30, 2020	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Cummulative Investments	% of Total
Mobile Services	138,319	73%	58,919	68%	41,736	74%	2,433,322	80%
Homes Services	5,873	3%	3,424	4%	3,087	5%	90,913	3%
Digital TV Services	7,548	4%	5,351	6%	3,469	6%	104,500	3%
Airtel Business	35,821	19%	13,377	16%	5,538	10%	190,494	6%
Tower Infrastructure Services	17,663	9%	9,293	11%	2,073	4%	216,914	7%
South Asia	1,116	1%	116	0%	858	2%	17,404	1%
Sub Total	206,341	109%	90,481	105%	56,761	100%	3,053,547	100%
Eliminations / Others	(17,870)	-9%	(4,449)	-5%	0	0%	10,167	
Accumulated Depreciation and Amortisation							(1,428,728)	
Total (India SA)	188,471	100%	86,032	100%	56,761	100%	1,634,986	
India SA % of Consolidated	73%		73%		84%		82%	
Africa	71,660		32,453		11,146		637,824	
Accumulated Depreciation and Amortisation							(150,352)	
Total (Africa)	71,660		32,453		11,146		487,472	
Africa % of Consolidated	28%		27%		16%		17%	
Eliminations / Others	(2,282)		(1)		0		26,092	
Eliminations / Others % of Consolidated	-1%		0%		0%		0%	
Consolidated	257,850		118,483		67,907		3,727,628	

Six Months Ended:

Segment	Six Months Ended Sep 2020						Amount in Rs Mn, except ratios As at Sep 30, 2020	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Cummulative Investments	% of Total
Mobile Services	267,090	73%	111,146	68%	67,321	74%	2,433,322	80%
Homes Services	11,659	3%	6,938	4%	4,268	5%	90,913	3%
Digital TV Services	14,997	4%	10,392	6%	5,926	6%	104,500	3%
Airtel Business	70,840	19%	26,088	16%	9,726	11%	190,494	6%
Tower Infrastructure Services	34,084	9%	18,035	11%	3,077	3%	216,914	7%
South Asia	2,204	1%	214	0%	1,192	1%	17,404	1%
Sub Total	400,874	110%	172,814	105%	91,510	100%	3,053,547	100%
Eliminations / Others	(35,484)	-10%	(8,814)	-5%	0	0%	10,167	
Accumulated Depreciation and Amortisation							(1,428,728)	
Total (India & SA)	365,390	100%	164,000	100%	91,510	100%	1,634,986	
India SA % of Consolidated	73%		73%		85%		82%	
Africa	136,173		60,878		16,150		637,824	
Accumulated Depreciation and Amortisation							(150,352)	
Total (Africa)	136,173		60,878		16,150		487,472	
Africa % of Consolidated	27%		27%		15%		17%	
Eliminations / Others	(4,326)		(3)		0		26,092	
Eliminations / Others % of Consolidated	-1%		0%		0%		1%	
Consolidated	497,237		224,875		107,660		3,727,628	

SECTION 4

OPERATING HIGHLIGHTS

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

4.1 Customers - Consolidated

Parameters	Unit	Sep-20	Jun-20	Q-on-Q Growth	Sep-19	Y-on-Y Growth
India	000's	320,605	305,689	4.9%	304,703	5.2%
South Asia	000's	2,865	2,847	0.6%	2,840	0.9%
Africa	000's	116,371	111,461	4.4%	103,881	12.0%
Total	000's	439,841	419,996	4.7%	411,424	6.9%

4.2 Mobile Services India

Parameters	Unit	Sep-20	Jun-20	Q-on-Q Growth	Sep-19	Y-on-Y Growth
Customer Base	000's	293,742	279,869	5.0%	279,430	5.1%
Net Additions	000's	13,873	(3,798)	465.3%	2,613	431.0%
Pre-Paid (as % of total Customer Base)	%	94.8%	94.8%		94.9%	
Monthly Churn	%	1.7%	2.2%		2.1%	
Average Revenue Per User (ARPU)	Rs	162	157	3.4%	128	26.7%
Average Revenue Per User (ARPU)	US\$	2.2	2.1	5.5%	1.8	19.5%
Revenue per towers per month	Rs	233,150	220,942	5.5%	195,769	19.1%
Voice						
Minutes on the network	Mn	860,854	820,246	5.0%	716,642	20.1%
Voice Usage per customer	min	1,005	994	1.1%	848	18.4%
Data						
Data Customer Base	000's	162,185	149,089	8.8%	124,242	30.5%
Of which 4G data customers	000's	152,685	138,294	10.4%	103,111	48.1%
As % of Customer Base	%	55.2%	53.3%		44.5%	
Total MBs on the network	Mn MBs	7,639,997	7,239,836	5.5%	4,828,577	58.2%
Data Usage per customer	MBs	16,409	16,655	-1.5%	13,116	25.1%

4.3 Homes Services

Parameters	Unit	Sep-20	Jun-20	Q-on-Q Growth	Sep-19	Y-on-Y Growth
Homes Customers	000's	2,578	2,449	5.3%	2,350	9.7%
Net additions	000's	129	34	276.5%	8	1603.4%
Average Revenue Per User (ARPU)	Rs	783	802	-2.4%	777	0.8%
Average Revenue Per User (ARPU)	US\$	10.5	10.6	-0.4%	11.1	-4.9%

4.4 Digital TV Services

Parameters	Unit	Sep-20	Jun-20	Q-on-Q Growth	Sep-19	Y-on-Y Growth
Digital TV Customers	000's	17,387	16,838	3.3%	16,207	7.3%
Net additions	000's	549	226	143.1%	181	204.0%
Average Revenue Per User (ARPU)*	Rs	148	149	-0.7%	162	-9.1%
Average Revenue Per User (ARPU)	US\$	2.0	2.0	1.3%	2.3	-14.2%
Monthly Churn	%	1.5%	1.3%		1.6%	

*Restated ARPU including impact of Revenue deferment for Sep'19 is Rs 152.

4.5 Network and Coverage – India

Parameters	Unit	Sep-20	Jun-20	Q-on-Q Growth	Sep-19	Y-on-Y Growth
Mobile Services						
Census Towns	Nos	7,907	7,907	0	7,906	1
Non-Census Towns and Villages	Nos	790,450	789,572	878	786,268	4,182
Population Coverage	%	95.4%	95.4%		95.3%	
Optic Fibre Network	R Kms	310,289	306,788	3,501	294,867	15,422
Network towers	Nos	201,192	196,145	5,047	185,582	15,610
Of which Mobile Broadband towers	Nos	199,464	194,205	5,259	181,825	17,639
Total Mobile Broadband Base stations	Nos	537,206	506,957	30,249	461,891	75,315
Homes Services - Cities covered	Nos	145	117	28	100	45
Airtel Business - Submarine cable systems	Nos	7	7	0	7	0
Digital TV Services						
Districts Covered	Nos	639	639	0	639	0
Coverage	%	99.8%	99.8%		99.8%	

*Districts covered is as per 2011 census.

4.6 Tower Infrastructure Services

4.6.1 Bharti Infratel Standalone

Parameters	Unit	Sep-20	Jun-20	Q-on-Q Growth	Sep-19	Y-on-Y Growth
Total Towers	Nos	43,110	42,339	771	41,050	2,060
Total Co-locations	Nos	76,565	75,435	1,130	76,176	389
Key Indicators						
Sharing Revenue per sharing operator per month	Rs	47,400	45,173	4.9%	46,095	2.8%
Average Sharing Factor	Times	1.78	1.79		1.86	

Additional Information:

4.6.2 Indus Towers

Parameters	Unit	Sep-20	Jun-20	Q-on-Q Growth	Sep-19	Y-on-Y Growth
Total Towers	Nos	128,984	127,291	1,693	124,692	4,292
Total Co-locations	Nos	237,541	235,192	2,349	231,500	6,041
Average Sharing Factor	Times	1.84	1.85		1.86	

4.6.3 Bharti Infratel Consolidated

Parameters	Unit	Sep-20	Jun-20	Q-on-Q Growth	Sep-19	Y-on-Y Growth
Total Towers	Nos	97,283	95,801	1,482	93,421	3,862
Total Co-locations	Nos	176,332	174,216	2,117	173,406	2,926
Average Sharing Factor	Times	1.82	1.82		1.86	

4.7 Human Resource Analysis – India

Parameters	Unit	Sep-20	Jun-20	Q-on-Q Growth	Sep-19	Y-on-Y Growth
Total Employees	Nos	15,518	16,047	(529)	15,854	(336)
Number of Customers per employee	Nos	20,660	19,050	1,611	19,219	1,441
Personnel cost per employee per month	Rs	125,811	139,742	-10.0%	117,612	7.0%
Gross Revenue per employee per month	Rs	4,026,930	3,653,738	10.2%	3,229,674	24.7%

4.8 Africa

4.8.1 Operational Performance (In Constant Currency)

Parameters	Unit	Sep-20	Jun-20	Q-on-Q Growth	Sep-19	Y-on-Y Growth
Customer Base	000's	116,371	111,461	4.4%	103,881	12.0%
Net Additions	000's	4,910	857	473.1%	4,211	16.6%
Monthly Churn	%	5.3%	5.7%		4.5%	
Average Revenue Per User (ARPU)	US\$	2.8	2.6	8.8%	2.6	6.8%
Voice						
Voice Revenue	\$ Mn	517	456	13.4%	464	11.5%
Minutes on the network	Mn	80,375	71,891	11.8%	60,795	32.2%
Voice Average Revenue Per User (ARPU)	US\$	1.5	1.4	9.6%	1.5	-0.4%
Voice Usage per customer	min	235	218	8.1%	199	18.1%
Data						
Data Revenue	\$ Mn	283	267	6.0%	215	31.3%
Data Customer Base	000's	39,596	36,972	7.1%	31,910	24.1%
As % of Customer Base	%	34.0%	33.2%		30.7%	
Total MBs on the network	Mn MBs	293,919	279,541	5.1%	162,394	81.0%
Data Average Revenue Per User (ARPU)	US\$	2.5	2.5	-0.4%	2.3	6.9%
Data Usage per customer	MBs	2,576	2,607	-1.2%	1,748	47.3%
Mobile Money						
Transaction Value	\$ Mn	11,637	9,038	28.7%	7,442	56.4%
Transaction Value per Sub	US\$	199	164	21.4%	166	20.3%
Airtel Money Revenue	\$ Mn	100	81	22.3%	74	33.9%
Active Customers	000's	20,120	18,529	8.6%	15,521	29.6%
Airtel Money ARPU	US\$	1.7	1.5	15.4%	1.7	3.0%
Network & coverage						
Network towers	Nos	24,246	23,471	775	21,936	2,310
Owned Towers	Nos	4,561	4,569	(8)	4,461	100
Leased Towers	Nos	19,685	18,902	783	17,475	2,210
Of which Mobile Broadband towers	Nos	22,250	21,171	1,079	18,274	3,976
Total Mobile Broadband Base stations	Nos	63,705	51,963	11,742	40,187	23,518
Revenue Per Site Per Month	US\$	13,408	12,257	9.4%	12,361	8.5%

Constant currency rates as on March 31, 2020 considered for above KPIs.

4.8.2 Human Resources Analysis

Parameters	Unit	Sep-20	Jun-20	Q-on-Q Growth	Sep-19	Y-on-Y Growth
Total Employees	Nos	3,453	3,432	21	3,184	269
Number of Customers per employee	Nos	33,701	32,477	1,225	32,626	1,075
Personnel cost per employee per month	US\$	6,933	6,470	7.1%	6,652	4.2%
Gross Revenue per employee per month	US\$	92,948	83,094	11.9%	84,295	10.3%

SECTION 5

MANAGEMENT DISCUSSION AND ANALYSIS

5.1 India SA

1. Key Industry Developments

- A.** Pursuant to the Judgement of the Hon'ble Supreme Court of India on October 24, 2019 ('Court Judgement') including subsequent supplementary judgments, and in the absence of any potential reliefs, the Group provided for Rs. 368,322 Mn for the periods up to March 31, 2020 on the basis of demands received and the period for which demands have not been received having regard to assessments carried out in earlier years and the guidelines / clarifications in respect of License Fees and Spectrum Usage Charges ('AGR Provision').

On July 20, 2020 the Hon'ble Supreme Court, after hearing all parties, observed that the amounts of AGR dues given by DoT in their modification application is to be treated as final ('DoT Demand') and there can be no scope of re-assessment or recalculation. Consequently, without prejudice and on prudence, during the quarter ended June 30, 2020 the Group had further recorded an incremental provision of Rs. 107,444 Mn (including net interest on total provision created considering interest rate as per the affidavit filed by DoT on March 16, 2020 with effect from the date of Court Judgement) to give effect of the differential amount between the AGR provision and the DoT demand along with provision for subsequent periods for which demands have not been received computed on the basis of the License Agreement read with the guidelines / clarifications and the Court Judgment, which had been presented as exceptional item. During the quarter ended September 30, 2020, the Company has continued to recognize its AGR obligations based on Court Judgement and guidelines/clarifications received from DoT in respect of License Fees and Spectrum Usage Charges.

Further, in its judgment dated, September 1, 2020 the Hon'ble Supreme Court reaffirmed that the demand raised by the DoT stated in its modification application as final and no dispute or re-assessment shall be undertaken. In addition, Hon'ble Supreme Court directed that the Telecom Operators shall make a payment of 10% of the total dues as demanded by DoT, by March 31, 2021 and remaining dues in yearly instalments commencing April 1, 2021 till March 31, 2031, payable by March 31 of every succeeding financial year. The Group has represented to DoT that it has already paid more than 10% of the total dues as demanded by DoT and will ensure ongoing compliance with the Hon'ble Supreme Court's orders.

- B.** On September 30, 2020, TRAI has issued "Telecom Consumers Protection (Eleventh Amendment) Regulations, 2020". The salient points include:-
- The international mobile roaming service is inactive by default for all consumers and shall be activated only on the request of a consumer and once activated, it may be deactivated at any time on the request of the consumer.
 - In case of existing consumers, the specific choice of every consumer to continue with or to discontinue the activated international mobile roaming service, if applicable, may be obtained through SMS, email or mobile application, if available within thirty days

- C.** On September 22, 2020, TRAI has issued recommendations on "Traffic Management Practices (TMPs) and Multi-Stakeholder Body for Net Neutrality". The salient points include:-
- The DoT may establish a multi-stakeholder body (MSB) to ensure that Internet Access Providers adhere to the provisions of net neutrality in their license.
 - The DoT may define the process for the creation and maintenance of a repository of reasonable TMPs.
 - The Internet Access Providers shall submit, to both the DoT and the MSB, the TMPs that it employs for managing their networks.
- D.** On September 18, 2020, TRAI has issued direction on "Tariff Publication" mandating each tariff offer in the nature of Postpaid plans, Plan Vouchers, STV/Combo vouchers/ Add on Packs shall be made available to the subscribers at customer care centers, the point of sale, retail outlets and on the website & App.
- E.** On September 18, 2020, TRAI has issued directions for "Tariff Advertisements" mandating the TSPs to promptly highlight additional terms & conditions (T&Cs) in all tariff advertisements with specific link of such T&Cs on the TSP website and mobile application.
- F.** On September 14, 2020, TRAI has issued recommendations on "Regulatory Framework for Over-The-Top (OTT) Communication Services. The salient points include:-
- Market forces may be allowed to respond to the situation without prescribing any regulatory intervention.
 - No regulatory interventions are required in respect of issues related with Privacy and security of OTT services at the moment.
 - It is not an opportune moment to recommend a comprehensive regulatory framework for various aspects of services referred to as OTT services, beyond the extant laws and regulations prescribed presently
- G.** On August 27, 2020, TRAI issued direction granting the clearance for generating Unique Porting Code (UPC) if the outstanding payment due from postpaid subscriber in the previous bill is Rs. 10 or less and nonpayment disconnection request should not be raised if the amount is Rs. 10 or less.
- H.** On August 17, 2020, TRAI issued recommendations on "Methodology of applying Spectrum Usage Charges (SUC) under the weighted average method of SUC assessment, in cases of Spectrum Sharing" clarifying that an increment of 0.5% on SUC rate should apply on the spectrum holding in specific band in which sharing is taking place, and not on the entire spectrum holding.
- I.** TRAI Recommendations dated July 28, 2020 on "Provision of Cellular Backhaul Connectivity via Satellite through VSAT under Commercial VSAT CUG Service Authorization". The salient points include:-
- The Commercial VSAT CUG Service provider should be permitted to provide backhaul connectivity for cellular mobile services through satellite using VSAT to the Access Service providers.

- Sharing of active & passive infrastructure owned by a licensee under any of the service authorizations be permitted.
- Reduction in SUC payout from current 4% of AGR to 1% of AGR in the commercial VSAT License i.e. a reduction in SUC payout by approximately Rs.3.5 Crs (basis AGR for FY 2019-20)
- Reduction in SUC payout for VSAT links used in NLD License from current formula based payout which are exorbitantly high to 1% of AGR from Satellite services

- J. On July 10, 2020, TRAI has issued "The Telecommunication Interconnection (Second Amendment) Regulations, 2020". The salient points of the regulation include:-
- The regulation does away with the requirement to have Interconnection at Short Distance Charging Center (SDCC) and mandates it at the Long Distance Charging Area (LDCA) Level.
 - Now the SDCC call from Fixed Network can be handed over at LDCC POI itself which would lead to Capex/ Opex reduction & faster rollout of Fixed Network Services.

2. Key Company Developments

A. COVID-19

With the series of unlocks throughout the country, we see a gradual return to normalcy. However, while the economy opens up, the COVID pandemic continues. Delivering uninterrupted services and great end user experience while ensuring safety of our employees and partners continues to remain our key priority. We continue to drive awareness about digital channels for online recharges and payments, as well as redressal of customer complaints.

- **Network:** Connectivity has become even more essential across all realms of life – work, education or entertainment. We accelerated the pace of our infrastructure deployment to support growing customer needs. Our network teams continue to ensure urgent response for service restoration where impacted, while simultaneously improving the overall network experience of customers through digital tools and analytics.
- **Governance:** We continue to closely track all developments through a 24*7 war room with rigorous cadence of leadership meetings chaired by the CEO to monitor safety of our employees and partners, review network and customer experience along with business performance.
- **Safety & Society:** Our utmost priority remains safety of our employees and partnerships. We have provided all sanitation essentials to our workforce on the field and stepped up hygiene measures across all our offices. All our retail stores are maintaining social distancing norms, restricting number of customers inside the store at any time. We reopened our offices across the country with voluntary attendance ensuring strict adherence to local regulations. We have also ensured comprehensive insurance coverage for our employees, and extended financial support to our partners wherever critical for medical expenses. We tied up with various hospitals across India, appointed a national health advisor, and empanelled a network of doctors to ensure immediate medical consultation, not only for our employees but for their families as well.

B. Digital Innovations & Customer Delight

Airtel is consistently working on strengthening its innovative core to anticipate and lead change in the global digital landscape.

- Wynk Music from Airtel launched an innovative campaign #ExpresswithHellotune, to enable customers to share their current moods and feeling with friends and loved ones through music, with a song of their choice. The campaign was aimed at giving a platform to millions of Airtel customers to use music to express how they feel to their friends and family by playing them a song when they call.
 - **Wynk**, our music streaming app launched Navratri Nights, a first-of-its kind **online concert** series to ring in the festive spirit with LIVE performances from some of the biggest artists in the industry. The concert series aimed at digitally recreating the experience of a live concert through advanced digital technologies. Accessible on a host of mediums, it enabled music listeners to post messages, song requests and interact with the artists in real time. Wynk Stage is also a boon for artists as they can overcome physical barriers to reach out to a much larger fan base with the help of Airtel's digital footprint.
 - Our B2B customers have been asking us how we can help them in delivering brilliant experiences to consumers through digital channels. And towards this, we have launched **Airtel IQ** – a cloud based omni-channel communications platform that enables voice, SMS, IVR and more through a unified channel. Be it a consumer ordering food online and tracking her order by calling the delivery agent or someone arranging for a home sample collection by a pathology lab. The entire communication between the consumer and the brand gets orchestrated over Airtel IQ in a timely, seamless and privacy safe fashion. Already, some of India's biggest brands are running their consumer communication on Airtel IQ and giving us very positive feedback.
- We believe that with Airtel IQ, we are well positioned to become a major player in the fast growing India cloud communications market that is already close to a billion dollars. Airtel IQ will be amongst the many digital services we will bring to market as part of our strategy of building new revenues streams by leveraging the strength of our networks and digital assets.
- To change entertainment forever, Airtel announced the launch of its new **Airtel Xstream Bundle**. The Airtel Xstream Bundle combines the power of Airtel Xstream Fiber with speeds upto 1 Gbps, Unlimited Data, the first of its kind Airtel Xstream Android 4K TV Box and access to all OTT content. The plan further includes Airtel Xstream Box worth Rs 3999 and offers complimentary access to premier video streaming apps. All Airtel Xstream Fiber plans will now offer unlimited data to enable customers to binge on their favourite content.
 - Airtel announced the launch of **Airtel Secure** - a comprehensive suite of advanced cyber security solutions to help businesses tide over potential cyber threats. As part of Airtel Secure, Airtel unveiled its state-of-the-art Security Intelligence Centre. Located in the National Capital Region, the Airtel Security Intelligence Centre rates amongst the best in India with access to advanced technology and AI / ML tools to mitigate potential threats. Airtel also announced strategic partnerships with Cisco and Radware to bring world leading security solutions to the businesses.
 - With the commissioning of the undersea optic fiber link between Chennai and Andaman and Nicobar by the Hon'ble

Prime Minister of India Sh. Narendra Modi, Airtel became the first mobile operator to launch 'Ultra-Fast 4G' services in Andaman and Nicobar. Airtel has been serving customers in Andaman and Nicobar since 2005.

C. Strategic Alliances & Partnerships

- Airtel announced a multi-year, Strategic Collaboration Agreement (SCA) with Amazon Web Services (AWS) to deliver a comprehensive set of innovative cloud solutions to large enterprise and small and medium enterprise (SME) customers in India. Under the agreement, Airtel Cloud, a multi-cloud product and solutions business, will build an AWS Cloud Practice supported by AWS Professional Services, as well as develop differentiated Airtel Cloud products and capabilities leveraging AWS services, Airtel's data center capabilities, and Airtel's network and telecom offerings.
- As part of its strategy to offer best-in-class entertainment to customers in India, Airtel announced a partnership with VOOT to bring more premium digital content on to its Airtel Xstream platform. Under the partnership, Airtel Xstream users got access to premium VOOT content across multiple screens - on TV over the Airtel Xstream Box as part of the Airtel Xstream Bundle, on smartphone with the Airtel Xstream app, and on PC at www.airtelxstream.in
- Airtel partnered with the Government of Tamil Nadu to bring quality online learning classes to students in the state through Airtel's digital platforms. Content from Kalvi TV - the State Government operated education channel - was made available for FREE on Airtel Digital TV as well as Airtel Xstream app for smartphones and tablets.
- Airtel renewed its agreement with Ericsson to provide pan-India managed network operations through Ericsson Operations Engine. The three-year deal will see Airtel launching Ericsson Operation Engine during 2020. Ericsson will deploy the latest automation, machine learning and artificial intelligence (AI) technologies to enhance Airtel's mobile network performance and customer experience. Ericsson will also manage Airtel's network operations center and field maintenance activities across India.

D. Mergers, Acquisitions and Divestments

- As part of its strategy to scale up its cloud offerings, Airtel announced a strategic stake in tech startup Waybeo under the Airtel Startup Accelerator Program. Under this program, Waybeo's solutions will get larger distribution reach while giving Airtel access to Waybeo's proven as well as emerging technologies.
- On April 25, 2018, Bharti Infratel Limited ('Infratel'), a subsidiary of the Company, and Indus Towers Limited ('Indus'), a joint venture of the Infratel and their respective shareholders and creditors entered into a proposed scheme of amalgamation and arrangement (under Sections 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 (being presented as part of the Group's 'Tower Infrastructure Services' operating segment), 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 received the second motion approval from the Hon'ble Chandigarh Bench of the National Company Law Tribunal (NCLT) earlier. Further, approval of Department of Telecommunications for FDI has also been received on February 21, 2020.

On August 31, 2020, Infratel's Board of Directors provided its authorization to proceed with the Scheme and to comply with the procedural requirements for completion of merger including approaching NCLT to make the Scheme effective subject to completion of certain procedural condition precedents. The certified copy of the NCLT order approving the Scheme has been allowed for filing with the Registrar of Companies ('ROC') on October 22, 2020 and the Scheme shall become effective from the date when the same is filed with the ROC.

E. Rewards & Recognitions

- AirtelThanks App was recognized as a most innovative mobile applications which is driven by technological and advanced business model bringing unmatched benefits to consumers or enterprises in the mobile industry in the prestigious ET Telecom Awards 2020.
- Airtel Business was recognized as Best Enterprise Service Provider for enabling enterprises to remain productive and meet their business objectives effectively with a host of innovative products and services in the prestigious ET Telecom Awards 2020.
- Airtel Xstream Fiber won the Best Broadband Service Provider for its super reliability and advanced network coverage that delivered a great experience to customers in the prestigious ET Telecom Awards 2020.
- Airtel has won four awards in each category of Video Experience, Games Experience, Voice App Experience and Download Speed Experience in the Open Signal Report in September 2020, for the second time in a row.

F. Other Developments

- On September 22, 2020, DoT accepted Airtel's request for Spectrum harmonization in Jammu & Kashmir and has allotted contiguous spectrum of 10 MHz in 2100 MHz band.
- Universal Service Obligation Fund (USOF) Projects:
 - On September 4, 2020, Airtel has signed a formal agreement with DoT for the execution of the project for the installation of 889 4G based mobile towers in identified 879 uncovered villages & 11 towers along National Highways in Meghalaya.
 - DoT has selected Airtel for the installation of 244 mobile towers which would provide coverage to 275 uncovered villages in the aspirational Districts of Bihar & Rajasthan.

5.2 Africa

A. KEY COMPANY DEVELOPMENTS

- In August 2020, Airtel Africa plc announced that its subsidiary Airtel Networks Kenya Limited ("Airtel Kenya") and Telkom Kenya Limited ("Telkom") have decided to no longer pursue completion of the M&A transaction. The

transaction was announced in February 2019 and was subject to the satisfaction of various conditions precedent, including regulatory approvals. Despite Airtel Africa plc and Telkom's respective endeavors to reach a successful closure, the transaction has gone through a very lengthy process that has led the parties to reconsider their stance.

- In August 2020, Airtel Africa announced a strategic partnership with Standard Chartered Bank, a leading international banking group, to drive financial inclusion across key markets in Africa by providing customers with increased access to mobile financial services. Standard Chartered and Airtel Africa work together to co-create new, innovative products aimed at enhancing the accessibility of financial services and ultimately, better serve people across Africa. In line with this, Airtel Money's customers will be able to make real-time online deposits and withdrawals from Standard Chartered bank accounts, receive international money transfers directly to their wallets, and access savings products amongst other services.
- In September 2020, Airtel Africa announced an expansion of its partnership with Mastercard by launching a Pay-on-Demand payments platform and drive the digital economy across Africa. This Pay-on-Demand platform enables safe, secure, and convenient consumer financing via Samsung devices with an embedded Knox security platform, through Airtel Africa's network. The partnership facilitates usage-based payments and builds creditworthiness.

These partnerships align with the Group's strategy of expanding the range and depth of Airtel Money offerings to drive customer growth and penetration.

5.3 Share of Associates/Joint Ventures

A. Robi Axiata Limited

Robi Axiata Limited is a joint venture between Axiata Group Berhad, of Malaysia and Bharti Airtel Limited, of India wherein Bharti Airtel holds 31.3% share. Bharti Airtel's stake has increased to 31.3% from 25% earlier, w.e.f. June 9, 2020.

Key operational and financial performance:

Key operational and financial performance:					
Bangladesh	Unit	Quarter Ended			
		Jun-20	Mar-20	Dec-19	Sep-19
Operational Performance					
Customer Base	000's	47,977	49,718	49,004	48,194
Data Customer as % of Customer Base	%	67.0%	64.9%	63.8%	63.8%
ARPU*	BDT	115	124	122	126
Financial Highlights (proportionate share of Airtel)					
Total revenues	Rs Mn	4,272	4,139	3,957	3,945
EBITDA	Rs Mn	2,170	1,673	1,245	1,495
EBITDA / Total revenues	%	50.8%	40.4%	31.5%	37.9%
Net Income	Rs Mn	146	40	(203)	354

*As per Axiata published financials

B. Airtel Ghana Limited (AirtelTigo)

AirtelTigo is a joint venture between Bharti Airtel and Millicom wherein Airtel holds a non-controlling 49.95% share in the merged entity.

Key operational and financial performance:

Ghana	Unit	Quarter Ended			
		Sep-20	Jun-20	Mar-20	Dec-19
Operational Performance					
Customer Base	000's	5,106	4769	4727	4888
Data Customer as % of Customer Base	%	56.2%	59.4%	61.3%	59.2%
ARPU	GHS	12.4	12.7	14.2	13.1
Financial Highlights (proportionate share of Airtel)					
Total revenues	Rs Mn	1,183	1,182	1,334	1,212
EBITDA	Rs Mn	88	99	179	149
EBITDA / Total revenues	%	7.5%	8.4%	13.4%	12.3%
Net Income*	Rs Mn	-	-	-	(530)

*The share of loss in JV has been restricted to the remaining value of the investment

The company is in advanced stages of discussions for conclusion of the commercial agreement for the transfer of AirtelTigo on a going concern basis to the government of Ghana. Accordingly, Airtel has voluntarily taken a charge of Rs 1,841 Mn in the quarter ended Sep 30, 2020.

C. Airtel Payments Bank Limited

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

Key operational and financial performance:

Airtel Payments Bank Limited		Unit	Quarter ended			
			Sep-20	Jun-20	Mar-20	Dec-19
Operational Performance						
Active users	000's		19,430	15,759	14,055	12,208
Financial Highlights (proportionate share of Airtel)						
Total revenues	Rs Mn	1,053	634	1,006	1,030	
EBITDA	Rs Mn	(1,036)	(1,022)	(1,083)	(943)	
EBITDA / Total revenues	%	-98.4%	-161.1%	-107.6%	-91.5%	
Net Income	Rs Mn	(1,062)	(1,057)	(1,131)	(992)	

D. Indus Towers

Our subsidiary, Bharti Infratel Ltd (Infratel) holds 42% equity interest in Indus towers, a joint venture with Vodafone group, Vodafone-idea and providence who hold 42%, 11.15% and 4.85% respectively.

Key operational and financial performance:

Indus Towers	Unit		Quarter Ended		
		Sep-20	Jun-20	Mar-20	Dec-19
Operational Performance*					
Total Towers	Nos	128,984	127,291	126,949	125,649
Total Co-locations	Nos	237,541	235,192	235,396	232,924
Average Sharing Factor	Times	1.8	1.9	1.9	1.9
Financial Highlights (proportionate share)					
Total revenues	Rs Mn	19,298	18,702	19,431	20,068
EBITDA	Rs Mn	9,284	9,493	8,568	10,169
EBITDA / Total revenues	%	48.1%	50.8%	44.1%	50.7%
Net Income	Rs Mn	2,882	3,020	2,445	3,852

*Operational performance is of Indus Towers

5.4 Results of Operations

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

Key Highlights – For the quarter ended September 30, 2020

- Overall customer base at ~440 Mn across 16 countries (up 6.9% YoY)
- Consolidated mobile data traffic at 7,949 Bn MBs (up 58.8% YoY)
- Total revenues of Rs 257.8 Bn; up 22.0% YoY, highest ever
- EBITDA at Rs 118.5 Bn; up 32.6% YoY; EBITDA margin up 3.7% YoY
- EBIT at Rs 44.1 Bn; up 121.4% YoY; EBIT margin up 7.7% YoY
- Consolidated net loss (before EI) of Rs 7.4 Bn vis-à-vis loss of Rs 11.2 Bn in the corresponding quarter last year
- Consolidated net loss (after EI) of Rs 7.6 Bn (Net loss of Rs 159.3 Bn in Q1'21) vis-à-vis a loss of Rs 230.4 Bn in the corresponding quarter last year

Results for the quarter ended September 30, 2020

5.4.1 Bharti Airtel Consolidated

The outbreak of COVID-19 towards the end of FY 2019-20 caused widespread economic hardship for consumers, businesses and communities across the globe. As a connectivity provider, the company has been playing a vital role in keeping the nations and the customers connected as the need for communication increases with continued travel restrictions.

As on September 30, 2020, the Company had ~440 Mn customers, an increase of 6.9% as compared to 411 Mn in the corresponding quarter last year. Total minutes of usage on the network during the quarter were 952 Bn, representing a growth of 20.5% as compared to 790 Bn in the corresponding quarter last year. Mobile Data traffic grew 58.8% to 7,949 Bn MBs during the quarter as compared to 5,005 Bn MBs in the corresponding quarter last year.

Consolidated revenues for the quarter stood at Rs 257,850 Mn, up 22.0% (up 22.3% on a comparable basis) compared to Rs 211,313 Mn in the corresponding quarter last year.

India revenues for the quarter stood at Rs 187,470 Mn, up 22.0% (up 22.4% on a comparable basis) compared to Rs 153,610 Mn in the corresponding quarter last year.

Consolidated net revenues, after netting off access costs, license fees and cost of goods sold, stood at Rs 202,490 Mn, up 22.9% (up 23.3% on comparable basis) as compared to Rs 164,741 Mn in the corresponding quarter last year.

Consolidated opex (excluding access costs, costs of goods sold and license fees) increased by 12.0% YoY (up 4.0% QoQ) to Rs 85,150 Mn for the quarter ending September 30, 2020 primarily due to continued investment in network.

Consolidated EBITDA was at Rs 118,483 Mn during the quarter, compared to Rs 89,363 Mn in the corresponding quarter last year (up 32.6% YoY) and Rs 106,392 Mn in the previous quarter (up 11.4% QoQ). EBITDA margin for the quarter was at 46.0% as compared to 42.3% in the corresponding quarter last year and 44.4% in the previous quarter. India EBITDA margin for the quarter was at 45.8% as compared to 41.2% in the corresponding quarter last year and 44.3% in the previous quarter.

Depreciation and amortization expenses were at Rs 74,210 Mn vis-à-vis Rs 69,350 Mn in the corresponding quarter last year (up 7.0% YoY) and Rs 72,269 Mn in the previous quarter (up 2.7% QoQ).

EBIT for the quarter was at Rs 44,117 Mn as compared to Rs 19,930 Mn in the corresponding quarter last year and the resultant EBIT margin was at 17.1% as compared to 9.4% in the corresponding quarter last year.

Cash profits from operations (before derivative and exchange fluctuations) for the quarter were at Rs 80,480 Mn as compared to Rs 60,980 Mn in the corresponding quarter last year and Rs 75,622 Mn in the previous quarter.

Net finance costs for the quarter were at Rs 37,259 Mn as compared to Rs 29,083 Mn (up 28.1% YoY) in the corresponding quarter last year and Rs 30,498 Mn in the previous quarter (up 22.2% QoQ) largely led by increase in finance charges (mainly on account of recognition of additional regulatory liabilities) and decrease in investment income.

The resultant profit before tax and exceptional items for the quarter ended September 30, 2020 was Rs 5,671 Mn as compared to loss of Rs 6,231 Mn in the corresponding quarter last year and a profit of Rs 3,720 Mn in the previous quarter.

The consolidated income tax expense for the period of six months ended September 30, 2020 was Rs 7,473 Mn as compared to (negative) Rs 7,704 Mn in the corresponding period of last year.

Net loss before exceptional items for the quarter ended September 30, 2020 was Rs 7,444 Mn as compared to loss of Rs 11,228 Mn in the corresponding quarter last year and loss of Rs 4,363 in the previous quarter. After accounting for charge of Rs 188 Mn towards exceptional items (net of tax and non-controlling interests) (details provided below in 5.4.2), the resultant net loss for the quarter ended September 30, 2020 came in at Rs 7,632 Mn, compared to a loss of Rs 230,449 Mn in the corresponding quarter last year and net loss of Rs 159,331 Mn in the previous quarter.

The capital expenditure for the quarter was Rs 67,907 Mn as compared to Rs 37,901 Mn in the corresponding quarter last year and Rs 39,753 Mn in the previous quarter.

Consolidated net debt excluding lease obligations for the company stands at Rs 1,074,034 Mn as on September 30, 2020 compared to Rs 881,258 Mn as on September 30, 2019. This included an AGR related liability recognized on the balance sheet of Rs 234,427 Mn. Consolidated net debt for the company including the impact of leases stands at Rs 1,378,417 Mn as on September 30, 2020. The Net Debt-EBITDA ratio (annualized) and including the impact of leases for the quarter September 30, 2020 was at 2.91 times as compared to 3.30 times in the corresponding quarter last year and 2.74 times in the previous quarter. Excluding pending AGR dues, the Net Debt-EBITDA ratio (annualized) is at 2.41 times as on September 30, 2020.

5.4.2 Exceptional Items

The exceptional charge of Rs 493 Mn during the quarter ended September 30, 2020 comprises of cost relating to employee restructuring in one of the group's subsidiaries. Tax benefit due to

the deferred tax asset pertaining to one of the subsidiary recognized in this quarter of Rs 212 Mn is included under tax expense/ (credit). As a result, the overall net exceptional charge (after tax) is Rs 281 Mn. The net share allocated to non-controlling interests on the above exceptional items is Rs 93 Mn.

5.4.3 B2C Services – India

5.4.3.1 Mobile Services

The company had 293.7 Mn customers as on September 30 2020, compared to 279.4 Mn in the corresponding quarter last year, an increase of 5.1% YoY. The company added 13.9 Mn customers during the quarter. With a decreased customer churn of 1.7% compared to 2.1% in corresponding quarter last year, the Company had Voice traffic on the network grew 20.1% YoY to 861 Bn Minutes during the quarter as compared to 717 Bn Minutes in the corresponding quarter last year.

4G data customer base stood at 152.7 Mn, increasing by 50 Mn YoY. The quarter continue to witness data traffic growth of 58.2% YoY. Total data traffic on the network stood at 7,640 Bn MBs as compared to 4,829 Bn MBs in the corresponding quarter last year. Average mobile data usage per customer increased by 25.1% YoY to 16.0 GBs as compared to 12.8 GBs in the corresponding quarter last year.

By the end of the quarter, the company had 201,192 network towers as compared to 185,582 network towers in the corresponding quarter last year. Out of the total number of towers, 199,464 are mobile broadband towers. The Company had total 537,206 mobile broadband base stations as compared to 461,891 mobile broadband base stations at the end of the corresponding quarter last year and 506,957 at the end of the previous quarter.

Revenue from mobile services increased by 26.0% to Rs 138,319 Mn as compared to Rs 109,814 Mn in the corresponding quarter last year. Overall ARPU for the quarter was Rs 162 as compared to Rs 128 in the corresponding quarter last year. EBITDA for the quarter was Rs 58,919 Mn as compared to Rs 39,913 Mn in the corresponding quarter last year and Rs 52,227 Mn in the previous quarter. EBITDA margin was 42.6% during the quarter as compared to 36.3% in the corresponding quarter last year and 40.6% in the previous quarter.

EBIT during the quarter was at Rs 6,799 Mn as compared to (negative) Rs 11,449 Mn in the corresponding quarter last year and Rs 1,650 Mn in the previous quarter. The resultant EBIT margin was at 4.9% as compared to negative 10.4% in corresponding quarter last year and 1.3% in the previous quarter.

During the quarter, the Company has incurred a capex of Rs 41,736 Mn. After slowdown in site deployment due to COVID in Q1, we accelerated roll-outs in Q2 and added 5K+ sites to cross the 200,000 site count mark. We continue to remain focused on optimally augmenting our coverage and capacities to offer a differentiated network experience.

5.4.3.2 Homes Services

As on September 30, 2020, the Company had Homes operations in 145 cities (including LCOs). The segment witnessed a revenue growth of 7.3% YoY, highest in the last 15 quarters. We added a strong customer base of ~129K during the quarter from 2.45 Mn in Q1'21 to 2.58 Mn in Q2'21, highest in the last 22 quarters. On a YoY basis, the customer base increased by 9.7%.

For the quarter ended September 30, 2020, revenues from Homes

operations were Rs 5,873 Mn as compared to Rs 5,475 Mn in the corresponding quarter last year and Rs 5,786 in the previous quarter. The company accelerated LCO partnerships in non-wired cities, taking up the LCO partnership model live in 48 cities.

EBITDA for the quarter stood at Rs 3,424 Mn as compared to Rs 2,471 Mn in the corresponding quarter last year and Rs 3,514 Mn in the previous quarter. EBITDA margin stood at 58.3% during the quarter as against 45.1% in the corresponding quarter last year and 60.7% in the previous quarter. EBIT for the quarter ended September 30, 2020 was Rs 1,418 Mn as compared to Rs 1,233 Mn in the corresponding quarter last year and Rs 1,584 Mn in the previous quarter. The resultant EBIT margin was at 24.1% as compared to 22.5% in corresponding quarter last year and 27.4% in the previous quarter.

During the quarter ended September 30, 2020, the company incurred capital expenditure of Rs 3,087 Mn. The company focused on fast-track the network expansion by rolling out Fiber Home Passes and upgrading existing copper network.

5.4.3.3 Digital TV Services

As on September 30, 2020, the Company had its Digital TV operations in 639 districts. The company added a strong customer base of 549K during the quarter from 16.8 Mn in Q1'21 to 17.4 Mn in Q2'21, a growth of 7.3% YoY from 16.2 Mn in the corresponding quarter last year. ARPU for the quarter was at Rs 148 as compared to Rs 152 (comparable) in the corresponding quarter last year.

Revenue from Digital TV services on a comparable basis was at Rs 7,548 Mn vis-à-vis Rs 7,407 Mn (comparable) in the corresponding quarter last year. Reported EBITDA for this segment was at Rs 5,351 Mn as compared to Rs 5,607 Mn in the corresponding quarter last year and Rs 5,041 Mn in the previous quarter. The reported EBITDA margin was at 70.9% in the current quarter as compared to 71.0% in the corresponding quarter last year and 67.7% in the previous quarter. Reported EBIT for the quarter was Rs 2,945 Mn as compared to Rs 3,243 Mn in the corresponding quarter last year and Rs 2,512 Mn in the previous quarter. The resultant EBIT margin was at 39.0% as compared to 41.1% in the corresponding quarter last year and 33.7% in the previous quarter.

During the current quarter, the company incurred a capital expenditure of Rs 3,469 Mn.

5.4.4 B2B Services – India: Airtel Business

Airtel Business segment revenues for the quarter was at Rs 35,821 Mn as compared to Rs 33,312 Mn in the corresponding quarter last year, an increase of 7.5% YoY.

EBITDA stood at Rs 13,377 Mn during the quarter as compared to Rs 9,396 Mn in the corresponding quarter last year, growth of 42.4% YoY. The EBITDA margin stood at 37.3% in the current quarter, as compared to 28.2% in the corresponding quarter last year and 36.3% in the previous quarter. EBIT for the current quarter has increased by 25.0% to Rs 9,633 Mn as compared to Rs 7,706 Mn during the corresponding quarter last year and the resultant EBIT margin was at 26.9% during the quarter as compared to 23.1% in the corresponding quarter last year.

The Company incurred a capital expenditure of Rs 5,538 Mn in Airtel Business during the quarter.

5.4.5 Tower Infrastructure Services

The financials of this segment reflect standalone operations of Bharti Infratel Limited (Infratel), a subsidiary of the company, with

the interest in Indus Tower Ltd (Indus) disclosed under share of profits from Joint Ventures/ Associates.

Revenues of Infratel for the quarter ended September 30, 2020 has increased by 5.9% to Rs 17,663 Mn as compared to Rs 16,674 Mn in the corresponding quarter last year. EBITDA during the quarter was at Rs 9,293 Mn compared to Rs 9,268 Mn in the corresponding quarter last year, up 0.3% YoY, and Rs 8,742 Mn in the previous quarter, up 6.3% QoQ. EBIT for the quarter was at Rs 6,247 Mn as compared to Rs 6,125 Mn in the corresponding quarter last year, up 2.0% YoY, and Rs 5,507 Mn in the previous quarter, up 13.4% QoQ.

As at the end of the quarter, Infratel had 43,110 towers with average sharing factor of 1.78 times compared to 1.86 times in the corresponding quarter last year. Including proportionate share of Indus in which Infratel holds 42% of stake, on a consolidated basis, Infratel had 97,283 towers with an average sharing factor of 1.82 times as compared to 1.86 times in the corresponding quarter last year.

Bharti Infratel incurred a capital expenditure of Rs 2,073 Mn during the quarter on a standalone basis. The share of profits of Indus during the quarter came in at Rs 2,882 Mn as compared to Rs 4,866 Mn in the corresponding quarter last year and Rs 3,020 Mn in the previous quarter.

5.4.6 Africa

As on September 30, 2020, the Company had an aggregate customer base of 116.4 Mn as compared to 103.9 Mn in the corresponding quarter last year, an increase of 12.0% YoY. Customer churn for the quarter has decreased to 5.3% as compared to 5.7% in the previous quarter. Total minutes on network during the quarter registered a growth of 32.2% to 80.4 Bn as compared to 60.8 Bn in the corresponding quarter last year.

Data customers during the quarter increased by 8 Mn to 39.6 Mn as compared to 32 Mn in the corresponding quarter last year. Data customers now represent 34.0% of the total customer base, as compared to 30.7% in the corresponding quarter last year. The total MBs on the network grew at a healthy growth rate of 81.0% to 293.9 Bn MBs compared to 162.4 Bn MBs in the corresponding

quarter last year. Data usage per customer during the quarter was at 2,576 MBs as compared to 1,748 MBs in the corresponding quarter last year, an increase of 47.3% YoY.

The total customer base using the Airtel Money platform increased by 29.6% to 20.1 Mn as compared to 15.5 Mn in the corresponding quarter last year. Total value of transactions on the Airtel money platform has witnessed a growth of 56.4% to \$11,637 Mn in the current quarter as compared to \$7,442 Mn in the corresponding quarter last year. Airtel Money revenue is at \$99.5 Mn as compared to \$74.3 Mn in the corresponding quarter last year reflecting a growth of 33.9%.

The company had 24,246 network towers at end of the quarter as compared to 21,936 network towers in the corresponding quarter last year. Out of the total number of towers, 22,250 are mobile broadband towers. The Company has total 63,705 mobile broadband base stations as compared to 40,187 mobile broadband base stations at the end of the corresponding quarter last year.

Africa revenues at \$963 Mn in constant currency grew by 19.6% as compared to \$805 Mn in the corresponding quarter last year as a result of continued strong performance in Nigeria and East Africa and Francophone.

Opex for the quarter is at \$343 Mn in constant currency as compared to \$290 Mn in the corresponding quarter last year and \$312 Mn in the previous quarter. EBITDA in constant currency was at \$436 Mn as compared to \$353 Mn in the corresponding quarter last year and \$377 Mn in the previous quarter. EBITDA margin was at 45.3% for the quarter (up 2% YoY, up 1% QoQ). Depreciation and amortization charges in constant currency were at \$166 Mn as compared to \$146 Mn in the corresponding quarter last year and \$162 Mn in the previous quarter. EBIT in constant currency for the quarter was at \$269 Mn as compared to \$205 Mn in the corresponding quarter last year and \$211 Mn in the previous quarter.

The resultant profit before tax and exceptional items for the quarter was at \$191 Mn as compared to \$128 Mn in the corresponding quarter last year and \$134 Mn in the previous quarter. Capital expenditure during the quarter was \$149 Mn for Africa operations.

5.5 Bharti's Three Line Graph

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

The parameters considered for the three-line graph are:

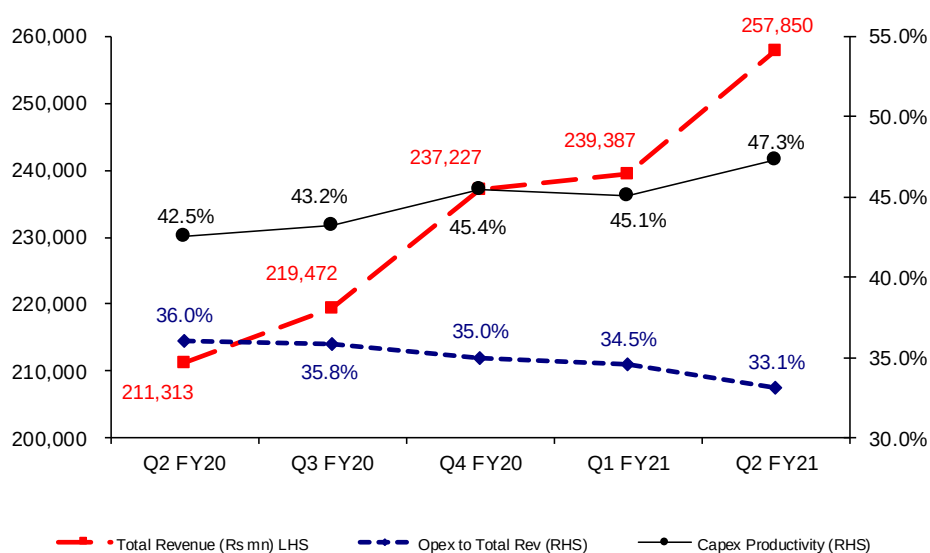
1. Total Revenues i.e. absolute turnover/sales
2. Opex Productivity – this is computed by dividing operating expenses by the total revenues for the respective period. Operating expenses is the sum of (i) employee costs (ii) network operations costs and (iii) selling, general and

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

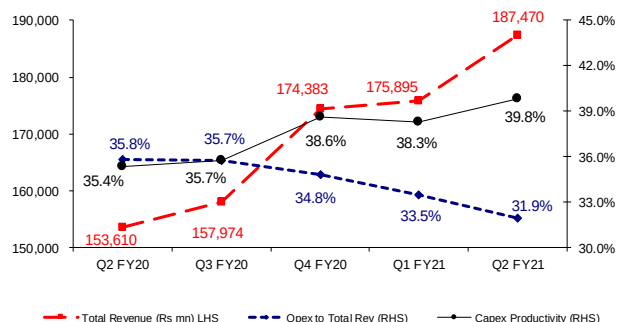
3. Capex Productivity – this is computed by dividing revenue for the quarter (annualized) by gross cumulative capex (gross fixed assets and capital work in progress) till date i.e. the physical investments made in the assets creation of the Company. This ratio depicts the asset productivity of the Company.

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

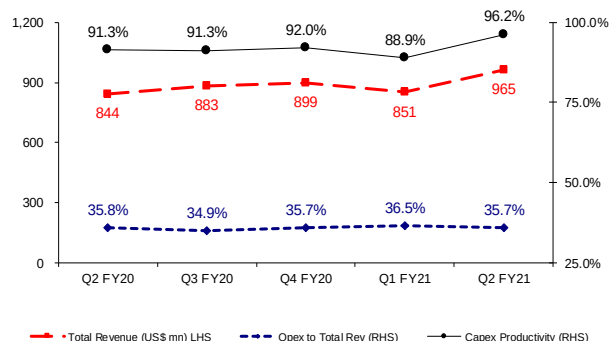
5.5.1 Bharti Airtel – Consolidated



5.5.2 Bharti Airtel – India



5.5.3 Bharti Airtel – Africa



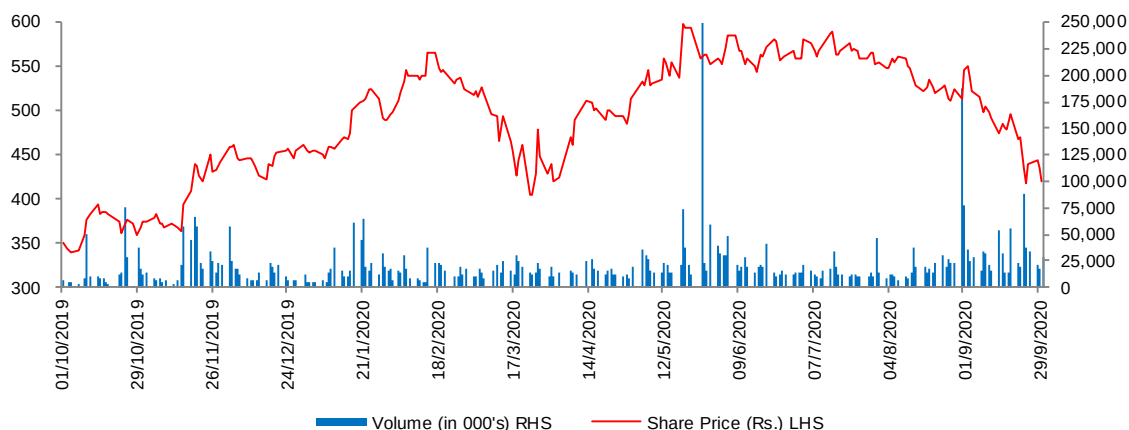
SECTION 6**STOCK MARKET HIGHLIGHTS****6.1 General Information**

Shareholding and Financial Data	Unit	
Code/Exchange		532454/BSE
Bloomberg/Reuters		BHARTI IN/BRTI.BO
No. of Shares Outstanding (30/09/20)	Mn Nos	5,456
Closing Market Price - BSE (30/09/20)	Rs /Share	421
Combined Volume (NSE & BSE) (01/10/19 - 30/09/20)	Nos in Mn/day	21.49
Combined Value (NSE & BSE) (01/10/19 - 30/09/20)	Rs Mn /day	10,739
Market Capitalization	Rs Bn	2,296
Market Capitalization	US\$ Bn	31.09
Book Value Per Equity Share	Rs /share	108.77
Market Price/Book Value	Times	3.87
Enterprise Value	Rs Bn	3,675
Enterprise Value	US\$ Bn	49.75
Enterprise Value/ EBITDA	Times	7.75
P/E Ratio	Times	(9.94)

6.2 Summarized Shareholding pattern as of Sep 30, 2020

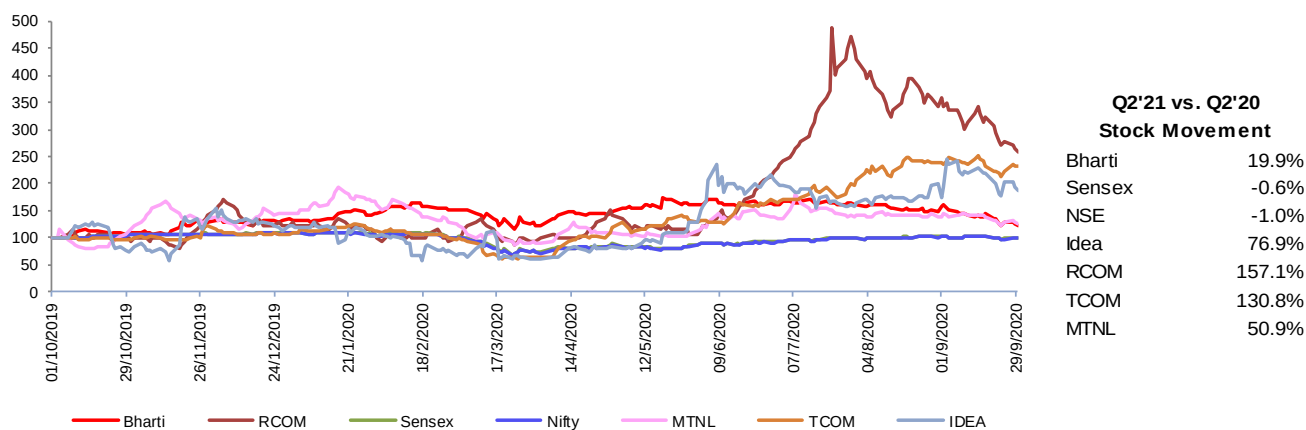
Category	Number of Shares	%
Promoter & Promoter Group		
Indian	1,966,236,438	36.04%
Foreign	1,101,344,767	20.19%
Sub total	3,067,581,205	56.23%
Public Shareholding		
Institutions	2,143,738,529	39.29%
Non-institutions	242,708,158	4.45%
Sub total	2,386,446,687	43.74%
Others	1,529,463	0.03%
Total	5,455,557,355	100.00%

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



Source: Bloomberg

6.4 Comparison of Domestic Telecom Stock movement with Sensex and Nifty



Source: Bloomberg

SECTION 7

DETAILED FINANCIAL AND RELATED INFORMATION

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

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

Particulars	Quarter Ended			Six Months Ended		
	Sep-20	Sep-19	Y-o-Y Growth	Sep-20	Sep-19	Y-o-Y Growth
Income						
Revenue	257,850	211,313	22%	497,237	418,692	19%
Other income	1,489	3,466	-57%	6,294	6,411	-2%
Total	259,339	214,779	21%	503,531	425,103	18%
Expenses						
Network operating expenses	54,564	49,689	10%	105,600	96,325	10%
Access Charges	29,229	26,389	11%	57,240	52,016	10%
License fee / spectrum charges (revenue share)	22,355	16,995	32%	43,123	35,386	22%
Employee benefits	11,008	9,464	16%	22,574	18,105	25%
Sales and marketing expenses	8,744	7,581	15%	16,045	15,967	0%
Other expenses	15,530	12,823	21%	32,156	30,180	7%
Total	141,430	122,941	15%	276,738	247,979	12%
Profit from operating activities before depreciation, amortization and exceptional items	117,909	91,838	28%	226,793	177,124	28%
Depreciation and amortisation	74,211	69,351	7%	146,479	136,938	7%
Finance costs	37,604	31,872	18%	72,166	65,800	10%
Share of results of joint ventures and associates	423	(3,155)	-113%	(1,243)	(4,086)	-70%
Profit before exceptional items and tax	5,671	(6,230)	191%	9,391	(21,528)	144%
Exceptional items	493	307,110	-100%	117,950	321,804	-63%
Profit before tax	5,178	(313,340)	102%	(108,559)	(343,332)	68%
Tax expense						
Current tax	6,494	4,281	52%	11,580	12,044	-4%
Deferred tax	(977)	(89,320)	99%	32,112	(103,153)	131%
Profit for the period	(339)	(228,301)	100%	(152,251)	(252,223)	40%

7.1.2 Consolidated Statement of Comprehensive Income

Particulars	Quarter Ended			Six Months Ended		
	Sep-20	Sep-19	Y-o-Y Growth	Sep-20	Sep-19	Y-o-Y Growth
Profit for the period	(339)	(228,301)	100%	(152,251)	(252,223)	40%
Other comprehensive income ('OCI'):						
Items to be reclassified subsequently to profit or loss :						
Net gains / (losses) due to foreign currency translation differences	(2,487)	4,503	-155%	(3,350)	2,033	-265%
Gains / (losses) on net investments hedge	1,418	(1,156)	223%	1,206	(1,309)	192%
Gains / (Losses) on cash flow hedge	0	(114)	100%	0	(193)	100%
Gains / (losses) on fair value through OCI investments	99	(126)	179%	(90)	(107)	16%
Tax credit / (charge)	(413)	296	-240%	(425)	364	-217%
	(1,383)	3,403	-141%	(2,659)	788	-437%
Items not to be reclassified to profit or loss :						
Re-measurement gains / (losses) on defined benefit plans	24	41	-42%	7	(250)	103%
Share of joint ventures and associates	(7)	3	-332%	(80)	(3)	-2189%
Tax credit / (charge)	(9)	(13)	29%	(15)	67	-122%
	8	31	-76%	(88)	(186)	52%
Other comprehensive income / (loss) for the period	(1,375)	3,434	-140%	(2,747)	602	-556%
Total comprehensive income / (loss) for the period	(1,714)	(224,867)	99%	(154,998)	(251,621)	38%
Profit for the period Attributable to:	(339)	(228,301)	100%	(152,251)	(252,223)	40%
Owners of the Parent	(7,632)	(230,449)	97%	(166,963)	(259,109)	36%
Non-controlling interests	7,293	2,148	240%	14,712	6,886	114%
Other comprehensive income / (loss) for the period attributable to :	(1,375)	3,434	-140%	(2,747)	602	-556%
Owners of the Parent	1,798	1,119	61%	1,094	(831)	232%
Non-controlling interests	(3,173)	2,315	-237%	(3,841)	1,433	-368%
Total comprehensive income / (loss) for the period attributable to :	(1,714)	(224,867)	99%	(154,998)	(251,621)	38%
Owners of the Parent	(5,834)	(229,330)	97%	(165,869)	(259,940)	36%
Non-controlling interests	4,120	4,463	-8%	10,871	8,319	31%
Earnings per share (Face value : Rs. 5/- each)						
(In Rupees)						
Basic	(1.40)	(44.92)	97%	(30.62)	(53.04)	42%
Diluted	(1.40)	(44.92)	97%	(30.62)	(53.04)	42%

7.1.3 Consolidated Summarized Balance Sheet

Particulars	Amount in Rs Mn		
	As at Sep 30, 2020	As at Sep 30, 2019	As at Mar 31, 2020
Assets			
Non-current assets			
Property, plant and equipment (inc CWIP and ROU)	1,184,512	1,143,109	1,176,594
Intangible assets	1,125,882	1,169,282	1,158,784
Investment in joint ventures and associates	97,869	91,005	96,808
Financial Assets			
- Investments	17,710	20,215	20,278
- Others	27,344	12,853	23,465
Income & Deferred tax assets (net)	259,528	238,960	291,248
Other non-current assets	70,530	83,653	74,181
	2,783,375	2,759,077	2,841,358
Current assets			
Financial Assets			
- Investments	92,355	60,383	137,679
- Trade receivables	49,617	53,290	46,058
- Cash and bank balances	105,241	106,957	135,507
- Other bank balances	29,496	20,490	23,420
- Others	188,509	200,533	213,315
Other current assets	154,600	154,658	210,453
	619,818	596,311	766,432
Total Assets	3,403,193	3,355,388	3,607,790
Equity and liabilities			
Equity			
Equity attributable to owners of the Parent	593,393	699,285	771,448
Non-controlling interests ('NCI')	249,577	170,316	249,847
	842,970	869,601	1,021,295
Non-current liabilities			
Financial Liabilities			
- Borrowings	1,283,470	1,112,440	1,154,470
- Others	112,523	60,033	67,691
Deferred tax liabilities (net)	16,852	6,816	16,877
Other non-current liabilities	38,987	35,756	32,581
	1,451,832	1,215,045	1,271,619
Current liabilities			
Financial Liabilities			
- Borrowings	313,203	256,730	327,811
- Trade Payables	274,995	266,922	250,232
- Others	162,129	190,819	168,889
Current tax liabilities (net)	10,867	10,189	13,519
Other current liabilities	347,197	546,082	554,425
	1,108,391	1,270,742	1,314,876
Total liabilities	2,560,223	2,485,787	2,586,495
Total equity and liabilities	3,403,193	3,355,388	3,607,790

7.1.4 Consolidated Statement of Cash Flows

Particulars	Amount in Rs Mn			
	Quarter Ended		Six Months Ended	
	Sep-20	Sep-19	Sep-20	Sep-19
Cash flows from operating activities				
Profit before tax	5,178	(313,340)	(108,559)	(343,332)
Adjustments for -				
Depreciation and amortisation	74,211	69,351	146,479	136,938
Finance costs	37,110	31,465	70,867	65,393
Dividend income	0	(11)	0	(57)
Net gain on FVTPL investments	(1,187)	(1,271)	(4,027)	(2,277)
Interest income	(486)	(785)	(2,244)	(2,039)
Net loss/ (gain) on derivative financial instruments	1,439	(722)	2,154	(529)
Net fair value gain on financial instruments	(112)	0	(292)	0
Other non-cash items	2,307	303,597	120,872	321,460
Operating cash flow before changes in working capital	118,459	88,284	225,249	175,557
Changes in working capital -				
Trade receivables	7,872	(3,801)	(6,865)	(15,906)
Trade payables	3,539	(16,497)	14,624	(10,173)
Other assets and liabilities	(26,095)	4,592	(2,915)	15,273
Net cash generated from operations before tax and dividend	103,775	72,577	230,094	164,751
Income tax (paid) / refund	(3,397)	(6,189)	(13,476)	(13,377)
Net cash generated from operating activities (a)	100,378	66,388	216,618	151,374
Cash flows from investing activities				
Net (Purchase) / proceeds from sale of PPE	(54,347)	(39,691)	(107,685)	(88,893)
Purchase of intangible assets, spectrum- DPL	(1,398)	(3,428)	(3,163)	(13,629)
Net movement in current investments	49,218	(4,244)	48,386	(12,839)
Net (Purchase) / Sale of non-current investments	76	1,830	3,637	2,352
Consideration / advance for acquisitions, net of cash acquired	0	1,189	0	0
Investment in joint venture / associate	6	2	(3,311)	(2,603)
Dividend received	0	0	4,200	0
Interest received	299	882	2,540	2,502
Net cash (used in) / generated from investing activities (b)	(6,146)	(43,460)	(55,396)	(113,110)
Cash flows from financing activities				
Net Proceeds / (repayments) from borrowings	(76,170)	52,163	(80,463)	(53,277)
Net (repayment of) / proceeds from short-term borrowings	(6,490)	(55,053)	(28,951)	(138,852)
Repayment of lease liabilities	(11,389)	(6,372)	(25,257)	(18,231)
Purchase of treasury shares and proceeds from exercise of share	7	2	(13)	(81)
Interest and other finance charges paid	98	(14,643)	(21,237)	(57,914)
Dividend paid (including tax)	(17,113)	(3,784)	(22,791)	(11,558)
Proceeds from issuance of equity shares / perpetual bonds to Non-controlling interest	0	54,799	0	55,030
Share issue expenses of subsidiary	0	251	(15)	0
Net proceeds from issue of shares	0	7	0	249,136
Payment towards derivatives	0	0	0	(15,784)
Net cash (used in) / generated from financing activities (c)	(111,057)	27,370	(178,728)	8,469
Net increase / (decrease) in cash and cash equivalents during the period (a+b+c)	(16,825)	50,298	(17,506)	46,733
Effect of exchange rate on cash and cash equivalents	(2,295)	2,560	(2,659)	2,459
Cash and cash equivalents as at beginning of the period	129,494	50,127	130,539	53,793
Cash and cash equivalents as at end of the period	110,374	102,985	110,374	102,985

7.2 Consolidated Schedule of Net Debt & Finance Cost

7.2.1 Schedule of Net Debt in INR

Particulars	Amount in Rs Mn		
	As at Sep 30, 2020	As at Sep 30, 2019	As at Mar 31, 2020
Long term debt, net of current portion	373,559	475,227	474,200
Short-term borrowings and current portion of long-term debt	247,870	148,593	265,428
Deferred payment liability	667,920	442,164	433,493
Less:			
Cash and Cash Equivalents	105,242	106,958	135,508
Investments & Receivables	110,073	77,769	155,102
Net Debt	1,074,034	881,258	882,512
Lease Obligation	304,383	299,807	306,078
Net Debt including Lease Obligations	1,378,417	1,181,065	1,188,590

7.2.2 Schedule of Net Debt in US\$

Particulars	Amount in US\$ Mn		
	As at Sep 30, 2020	As at Sep 30, 2019	As at Mar 31, 2020
Long term debt, net of current portion	5,058	6,735	6,266
Short-term borrowings and current portion of long-term debt	3,356	2,106	3,507
Deferred payment liability	9,043	6,266	5,728
Less:			
Cash and Cash Equivalents	1,425	1,516	1,791
Investments & Receivables	1,490	1,102	2,050
Net Debt	14,542	12,489	11,662
Lease Obligation	4,121	4,249	4,045
Net Debt including Lease Obligations	18,663	16,738	15,707

7.2.3 Schedule of Finance Cost

Particulars	Amount in Rs Mn, except ratios			
	Quarter Ended		Six Months Ended	
	Sep-20	Sep-19	Sep-20	Sep-19
Interest on borrowings & Finance charges	32,134	23,596	58,977	48,746
Interest on Lease Obligations	6,622	6,538	13,349	12,775
Derivatives and exchange (gain)/ loss	176	1,015	1,475	3,544
Investment (income)/ loss	(1,673)	(2,066)	(6,044)	(4,168)
Finance cost (net)	37,259	29,083	67,757	60,898

7.3 Use of Non-GAAP Financial Information

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

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

Non – GAAP measure	Equivalent GAAP measure	Location in this results announcement of reconciliation and further information
Earnings before Interest, Taxation, Depreciation and Amortization (EBITDA)	Profit from operating activities	Page 33
Cash Profit from Operations before Derivative & Exchange (Gain)/Loss	Profit from operating activities	Page 33
Capex	NA	NA
Operating Free Cash flow	NA	NA
Cumulative investments	NA	NA

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

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		Six Months Ended	
	Sep-20	Sep-19	Sep-20	Sep-19
Profit / (loss) from operating activities before depreciation, amortization and exceptional items To EBITDA				
Profit / (Loss) from Operating Activities	117,909	91,838	226,793	177,124
Add: CSR Costs (Inc charity donation)	156	83	1,000	1,377
Less: Finance Income (part of other Income)	346	2,789	4,409	4,902
Add: Non operating Expenses	765	232	1,491	692
EBITDA	118,483	89,363	224,875	174,289
Reconciliation of Finance Cost				
Finance Cost	37,604	31,872	72,166	65,800
Less: Finance Income (Part of other income)	346	2,789	4,409	4,902
Finance Cost (net)	37,259	29,083	67,757	60,898
Profit / (loss) from operating activities before depreciation, amortization and exceptional items to Cash Profit from Operations before Derivative & Exchange Fluctuation				
Profit / (Loss) from Operating Activities	117,909	91,838	226,793	177,124
Less: Finance cost	37,604	31,872	72,166	65,800
Add: Derivatives and exchange (gain)/loss	176	1,015	1,475	3,544
Cash Profit from Operations before Derivative & Exchange Fluctuation	80,480	60,980	156,103	114,867

SECTION 8

REGION WISE COST SCHEDULES

8.1 India

8.1.1 Schedule of Operating Expenses

Amount in Rs Mn

Particulars	Quarter Ended		Six Months Ended	
	Sep-20	Sep-19	Sep-20	Sep-19
Access charges	23,996	21,904	47,153	43,412
Licence fees, revenue share & spectrum charges	17,887	13,251	34,153	27,846
Network operations costs	41,870	38,627	81,051	75,324
Cost of goods sold	988	1,047	1,991	1,315
Employee costs	5,857	5,594	12,584	10,663
Selling, general and administration expense	12,163	10,785	25,187	27,349
Operating Expenses	102,761	91,208	202,120	185,910

8.1.2 Schedule of Depreciation & Amortization

Amount in Rs Mn

Particulars	Quarter Ended		Six Months Ended	
	Sep-20	Sep-19	Sep-20	Sep-19
Depreciation	46,191	42,784	90,725	85,267
Amortization	15,253	15,533	30,386	29,977
Depreciation & Amortization	61,444	58,317	121,111	115,244

8.1.3 Schedule of Income Tax

Amount in Rs Mn

Particulars	Quarter Ended		Six Months Ended	
	Sep-20	Sep-19	Sep-20	Sep-19
Current tax expense	2,408	1,632	5,240	7,183
Deferred tax expense / (income)	(2,598)	(8,545)	(8,317)	(23,325)
Income tax expense	(190)	(6,914)	(3,076)	(16,143)

8.2 South Asia

8.2.1 Schedule of Operating Expenses

Particulars	Quarter Ended		Six Months Ended	
	Amount in Rs Mn			
	Sep-20	Sep-19	Sep-20	Sep-19
Access charges	127	139	261	281
Licence fees, revenue share & spectrum charges	170	156	340	308
Network operations costs	356	357	738	716
Cost of goods sold	0	1	(0)	1
Employee costs	100	99	192	197
Selling, general and administration expense	246	270	460	514
Operating Expenses	1,001	1,021	1,990	2,018

8.2.2 Schedule of Depreciation & Amortization

Particulars	Quarter Ended		Six Months Ended	
	Amount in Rs Mn			
	Sep-20	Sep-19	Sep-20	Sep-19
Depreciation	330	342	683	673
Amortization	26	21	51	41
Depreciation & Amortization	356	362	734	714

8.3 Africa

8.3.1 Schedule of Operating Expenses (In Constant Currency)

Particulars	Quarter Ended		Six Months Ended	
	Sep-20	Sep-19	Sep-20	Sep-19
Access charges	93	90	178	175
Licence fees, revenue share & spectrum charges	47	46	95	91
Network operations costs	174	145	332	274
Cost of goods sold	48	32	85	61
Employee costs	72	64	138	115
Selling, general and administration expense	99	82	190	178
Operating Expenses	533	460	1,019	895

8.3.2 Schedule of Depreciation & Amortization (In Constant Currency)

Particulars	Quarter Ended		Six Months Ended	
	Sep-20	Sep-19	Sep-20	Sep-19
Depreciation	137	126	276	248
Amortization	29	20	52	40
Depreciation & Amortization	166	146	328	288

8.3.3 Schedule of Income Tax (In USD Reported Currency)

Particulars	Quarter Ended		Six Months Ended	
	Sep-20	Sep-19	Sep-20	Sep-19
Current tax expense	55	39	102	71
Deferred tax expense / (income)	30	28	44	45
Income tax expense	85	68	146	116

SECTION 9

TRENDS AND RATIO ANALYSIS

9.1 Based on Statement of Operations Consolidated

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19
Total revenues	257,850	239,387	237,227	219,472	211,313
Access charges	29,229	28,011	28,270	27,109	26,389
Cost of goods sold	4,541	3,828	3,738	3,418	3,420
Licence Fee	21,590	20,041	20,201	17,667	16,763
Net revenues	202,490	187,506	185,018	171,279	164,741
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	85,150	81,857	82,750	78,522	76,055
EBITDA	118,483	106,392	103,263	93,501	89,363
Cash profit from operations before Derivative and Exchange Fluctuations	80,480	75,622	75,123	64,961	60,980
EBIT	44,117	33,279	32,464	24,008	19,930
Share of results of Joint Ventures/Associates	(423)	1,666	915	1,523	3,154
Profit before Tax	5,671	3,720	(65)	(4,526)	(6,231)
Profit after Tax (before exceptional items)	(57)	1,976	726	(5,419)	(4,357)
Non Controlling Interest	7,387	6,339	5,434	5,386	6,872
Net income (before exceptional items)	(7,444)	(4,363)	(4,708)	(10,805)	(11,228)
Exceptional Items (net of tax)	493	87,271	46,443	369	212,445
Tax related Exceptional items	(211)	66,617	4,053	(1,139)	11,499
Profit after tax (after exceptional items)	(339)	(151,912)	(49,770)	(4,649)	(228,301)
Non Controlling Interest	7,293	7,419	2,599	5,704	2,148
Net income	(7,632)	(159,331)	(52,370)	(10,353)	(230,449)
Capex	67,907	39,753	113,385	51,831	37,901
Operating Free Cash Flow (EBITDA - Capex)	50,577	66,638	(10,122)	41,670	51,461
Cumulative Investments	3,727,628	3,666,845	3,630,640	3,569,521	3,514,674

	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19
As a % of Total revenues					
Access charges	11.3%	11.7%	11.9%	12.4%	12.5%
Cost of goods sold	1.8%	1.6%	1.6%	1.6%	1.6%
Licence Fee	8.4%	8.4%	8.5%	8.0%	7.9%
Net revenues	78.5%	78.3%	78.0%	78.0%	78.0%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	33.0%	34.2%	34.9%	35.8%	36.0%
EBITDA	46.0%	44.4%	43.5%	42.6%	42.3%
Cash profit from operations before Derivative and Exchange Fluctuations	31.2%	31.6%	31.7%	29.6%	28.9%
EBIT	17.1%	13.9%	13.7%	10.9%	9.4%
Share of results of JV / Associates	-0.2%	0.7%	0.4%	0.7%	1.5%
Profit before Tax	2.2%	1.6%	0.0%	-2.1%	-2.9%
Profit after Tax (before exceptional items)	0.0%	0.8%	0.3%	-2.5%	-2.1%
Non Controlling Interest	2.9%	2.6%	2.3%	2.5%	3.3%
Net income (before exceptional items)	-2.9%	-1.8%	-2.0%	-4.9%	-5.3%
Profit after tax (after exceptional items)	-0.1%	-63.5%	-21.0%	-2.1%	-108.0%
Non Controlling Interest	2.8%	3.1%	1.1%	2.6%	1.0%
Net income	-3.0%	-66.6%	-22.1%	-4.7%	-109.1%

India & South Asia

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19
Total revenues	188,471	176,919	175,540	159,002	154,608
Access charges	24,096	23,260	23,303	22,124	21,952
Cost of goods sold	989	1,003	949	743	1,047
Licence Fee	18,058	16,435	16,518	14,533	13,407
Net revenues	145,329	136,221	134,770	121,602	118,202
Operating Expenses (Excl Access Charges, cost of goods sold, License Fee & CSR Costs)	60,437	59,014	61,154	57,158	55,697
EBITDA	86,032	77,968	74,622	65,119	63,298
EBIT	24,165	17,350	14,835	6,559	4,601
Profit before Tax	(3,768)	(143)	(15,814)	(12,097)	(17,071)
Profit after Tax (before exceptional items)	(3,578)	2,743	(10,762)	(6,072)	(10,163)
Non Controlling Interest	3,591	4,231	1,840	2,726	3,878
Net income (before exceptional items)	(7,168)	(1,487)	(12,602)	(8,799)	(14,041)
Capex	56,761	34,749	95,476	41,155	27,576
Operating Free Cash Flow (EBITDA - Capex)	29,271	43,219	(20,854)	23,964	35,723
Cumulative Investments	3,063,713	3,010,127	2,978,435	2,938,934	2,903,597

	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19
As a % of Total revenues					
Access charges	12.8%	13.1%	13.3%	13.9%	14.2%
Cost of goods sold	0.5%	0.6%	0.5%	0.5%	0.7%
Licence Fee	9.6%	9.3%	9.4%	9.1%	8.7%
Net revenues	77.1%	77.0%	76.8%	76.5%	76.5%
Operating Expenses (Excl Access Charges, cost of goods sold, License Fee & CSR Costs)	32.1%	33.4%	34.8%	35.9%	36.0%
EBITDA	45.6%	44.1%	42.5%	41.0%	40.9%
EBIT	12.8%	9.8%	8.5%	4.1%	3.0%
Profit before Tax	-2.0%	-0.1%	-9.0%	-7.6%	-11.0%
Profit after Tax (before exceptional items)	-1.9%	1.6%	-6.1%	-3.8%	-6.6%
Non Controlling Interest	1.9%	2.4%	1.0%	1.7%	2.5%
Net income (before exceptional items)	-3.8%	-0.8%	-7.2%	-5.5%	-9.1%

India

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19
Total revenues	187,470	175,895	174,383	157,974	153,610
Access charges	23,996	23,157	23,087	22,067	21,904
Cost of goods sold	988	1,003	948	770	1,047
Licence Fee	17,887	16,265	16,352	14,368	13,251
Net revenues	144,598	135,469	133,996	120,769	117,408
Operating Expenses (Excl Access Charges, cost of goods sold, License Fee & CSR Costs)	59,822	58,359	60,526	56,428	54,988
EBITDA	85,916	77,870	74,475	65,015	63,213
EBIT	24,404	17,630	15,052	6,861	4,878
Profit before Tax	(3,425)	226	(15,319)	(11,621)	(16,583)
Profit after Tax (before exceptional items)	(3,235)	3,113	(10,267)	(5,590)	(9,669)
Non Controlling Interest	3,591	4,231	1,840	2,726	3,878
Net income (before exceptional items)	(6,825)	(1,118)	(12,107)	(8,316)	(13,547)
Capex	55,903	34,415	95,207	40,823	27,469
Operating Free Cash Flow (EBITDA - Capex)	30,013	43,455	(20,732)	24,191	35,744
Cumulative Investments	3,046,309	2,993,277	2,962,082	2,923,204	2,888,882

	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19
As a % of Total revenues					
Access charges	12.8%	13.2%	13.2%	14.0%	14.3%
Cost of goods sold	0.5%	0.6%	0.5%	0.5%	0.7%
Licence Fee	9.5%	9.2%	9.4%	9.1%	8.6%
Net revenues	77.1%	77.0%	76.8%	76.4%	76.4%
Operating Expenses (Excl Access Charges, cost of goods sold, License Fee & CSR Costs)	31.9%	33.2%	34.7%	35.7%	35.8%
EBITDA	45.8%	44.3%	42.7%	41.2%	41.2%
EBIT	13.0%	10.0%	8.6%	4.3%	3.2%
Profit before Tax	-1.8%	0.1%	-8.8%	-7.4%	-10.8%
Profit after Tax (before exceptional items)	-1.7%	1.8%	-5.9%	-3.5%	-6.3%
Non Controlling Interest	1.9%	2.4%	1.1%	1.7%	2.5%
Net income (before exceptional items)	-3.6%	-0.6%	-6.9%	-5.3%	-8.8%

South Asia

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19
Total revenues	1,116	1,088	1,203	1,155	1,106
Access charges	127	134	143	140	139
Cost of goods sold	0	(0)	1	1	1
Licence Fee	170	170	166	165	156
Net revenues	818	784	894	849	810
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	703	686	747	744	726
EBITDA	116	98	147	106	84
EBIT	(240)	(280)	(217)	(301)	(277)
Profit before Tax	(343)	(369)	(495)	(475)	(489)
Profit after Tax (before exceptional items)	(343)	(369)	(495)	(481)	(494)
Non Controlling Interest	0	0	0	0	0
Net income (before exceptional items)	(343)	(369)	(495)	(481)	(494)
Capex	858	334	269	331	107
Operating Free Cash Flow (EBITDA - Capex)	(742)	(236)	(122)	(225)	(22)
Cumulative Investments	17,404	16,851	16,352	15,730	14,715

	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19
As a % of Total revenues					
Access charges	11.4%	12.3%	11.9%	12.1%	12.6%
Cost of goods sold	0.0%	0.0%	0.1%	0.1%	0.0%
Licence Fee	15.3%	15.6%	13.8%	14.3%	14.1%
Net revenues	73.3%	72.1%	74.3%	73.5%	73.3%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	63.0%	63.1%	62.1%	64.5%	65.6%
EBITDA	10.4%	9.0%	12.2%	9.2%	7.6%
EBIT	-21.5%	-25.8%	-18.0%	-26.1%	-25.1%
Profit before Tax	-30.7%	-34.0%	-41.1%	-41.1%	-44.2%
Profit after Tax (before exceptional items)	-30.7%	-34.0%	-41.1%	-41.6%	-44.7%
Non Controlling Interest	0.0%	0.0%	0.0%	0.0%	0.0%
Net income (before exceptional items)	-30.7%	-34.0%	-41.1%	-41.6%	-44.7%

Africa: In INR

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19
Total revenues	71,660	64,513	64,888	62,692	59,157
Access charges	6,897	6,386	6,803	6,951	6,623
Cost of goods sold	3,552	2,826	2,789	2,703	2,404
Licence Fee	3,532	3,606	3,683	3,134	3,356
Net revenues	57,679	51,695	51,613	49,904	46,773
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	25,599	23,523	23,179	21,878	21,159
EBITDA	32,453	28,425	28,640	28,331	26,082
EBIT	19,952	15,933	17,627	17,398	15,344
Profit before Tax	13,019	8,386	6,922	11,829	10,633
Profit after Tax (before exceptional items)	6,687	3,756	4,984	5,107	5,880
Non Controlling Interest	3,659	2,176	2,707	2,644	2,832
Net income (before exceptional items)	3,028	1,580	2,277	2,463	3,048
Capex	11,146	5,004	17,909	10,677	10,326
Operating Free Cash Flow (EBITDA - Capex)	21,307	23,421	10,731	17,654	15,756
Cumulative Investments	637,824	630,103	626,556	606,434	586,118

	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19
As a % of Total revenues					
Access charges	9.6%	9.9%	10.5%	11.1%	11.2%
Cost of goods sold	5.0%	4.4%	4.3%	4.3%	4.1%
Licence Fee	4.9%	5.6%	5.7%	5.0%	5.7%
Net revenues	80.5%	80.1%	79.5%	79.6%	79.1%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	35.7%	36.5%	35.7%	34.9%	35.8%
EBITDA	45.3%	44.1%	44.1%	45.2%	44.1%
EBIT	27.8%	24.7%	27.2%	27.8%	25.9%
Profit before Tax (before exceptional items)	18.2%	13.0%	10.7%	18.9%	18.0%
Profit after Tax (before exceptional items)	9.3%	5.8%	7.7%	8.1%	9.9%
Non Controlling Interest	5.1%	3.4%	4.2%	4.2%	4.8%
Net income (before exceptional items)	4.2%	2.4%	3.5%	3.9%	5.2%

Africa: In USD Constant Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended				
	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19
Total revenues	963	856	870	845	805
Access charges	93	85	91	93	90
Cost of goods sold	48	37	37	36	32
Licence Fee	47	48	50	43	46
Net revenues	775	685	692	673	636
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	343	312	313	297	290
EBITDA	436	377	382	380	353
EBIT	269	211	233	231	205
Profit before tax (before exceptional items)	191	134	163	159	128
Capex	149	66	246	150	147
Operating Free Cash Flow (EBITDA - Capex)	287	311	136	229	205
Cumulative Investments	8,636	8,336	8,280	8,498	8,306

	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19
As a % of Total revenues					
Access charges	9.7%	9.9%	10.4%	11.1%	11.2%
Cost of goods sold	5.0%	4.4%	4.3%	4.3%	4.0%
Licence Fee	4.9%	5.6%	5.8%	5.1%	5.8%
Net revenues	80.5%	80.1%	79.5%	79.6%	79.0%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	35.7%	36.5%	36.0%	35.2%	36.1%
EBITDA	45.3%	44.0%	43.9%	44.9%	43.8%
EBIT	27.9%	24.7%	26.8%	27.3%	25.5%
Profit before tax (before exceptional items)	19.8%	15.7%	18.7%	18.8%	15.9%

Note 6: Closing currency rates as on March 31, 2020 considered for above financials up to PBT. Actual currency rates are taken for Capex & Cumulative Investments.

Note 7: PBT excludes any realized / unrealized derivatives and exchange (gain) / loss for the period.

Africa: In USD Reported Currency

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended				
	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19
Total revenues	965	851	899	883	844
Access charges	93	84	94	98	94
Cost of goods sold	48	37	39	38	34
Licence Fee	47	48	51	44	48
Net revenues	776	682	715	703	667
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	345	310	321	308	302
EBITDA	437	375	397	399	372
EBIT	269	210	244	245	219
Profit before Tax	175	111	97	167	151
Profit after Tax (before exceptional items)	90	50	69	73	84
Non Controlling Interest	49	29	38	37	40
Net income (before exceptional items)	41	21	32	36	43
Capex	149	66	246	150	147
Operating Free Cash Flow (EBITDA - Capex)	287	309	151	248	224
Cumulative Investments	8,636	8,336	8,280	8,498	8,306

	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19
As a % of Total revenues					
Access charges	9.6%	9.9%	10.5%	11.1%	11.2%
Cost of goods sold	5.0%	4.4%	4.3%	4.3%	4.1%
Licence Fee	4.9%	5.6%	5.7%	5.0%	5.7%
Net revenues	80.5%	80.1%	79.5%	79.6%	79.1%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	35.7%	36.5%	35.7%	34.9%	35.8%
EBITDA	45.3%	44.1%	44.1%	45.2%	44.1%
EBIT	27.8%	24.7%	27.2%	27.7%	25.9%
Profit before Tax	18.2%	13.0%	10.8%	19.0%	18.0%
Profit after Tax (before exceptional items)	9.4%	5.8%	7.7%	8.3%	9.9%
Non Controlling Interest	5.1%	3.4%	4.2%	4.2%	4.8%
Net income (before exceptional items)	4.2%	2.5%	3.5%	4.0%	5.1%

9.2 Financial Trends of Business Operations

Mobile Services India

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19
Total revenues	138,319	128,771	129,529	111,653	109,814
EBITDA	58,919	52,227	50,796	40,109	39,913
<i>EBITDA / Total revenues</i>	<i>42.6%</i>	<i>40.6%</i>	<i>39.2%</i>	<i>35.9%</i>	<i>36.3%</i>
EBIT	6,799	1,650	265	(8,249)	(11,449)
Capex	41,736	25,585	69,968	25,415	19,639
Operating Free Cash Flow (EBITDA - Capex)	17,183	26,643	(19,173)	14,694	20,274
Cumulative Investments	2,433,322	2,392,875	2,370,219	2,350,313	2,392,024

Homes Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19
Total revenues	5,873	5,786	5,725	5,546	5,475
EBITDA	3,424	3,514	3,012	3,302	2,471
<i>EBITDA / Total revenues</i>	<i>58.3%</i>	<i>60.7%</i>	<i>52.6%</i>	<i>59.5%</i>	<i>45.2%</i>
EBIT	1,418	1,584	1,768	1,094	1,233
Capex	3,087	1,182	973	2,661	1,023
Operating Free Cash Flow (EBITDA - Capex)	338	2,332	2,038	642	1,447
Cumulative Investments	90,913	87,891	85,959	94,119	78,756

Digital TV Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19
Total revenues	7,548	7,448	6,035	7,922	7,893
EBITDA	5,351	5,041	3,648	5,441	5,607
<i>EBITDA / Total revenues</i>	<i>70.9%</i>	<i>67.7%</i>	<i>60.5%</i>	<i>68.7%</i>	<i>71.0%</i>
EBIT	2,945	2,512	1,465	3,011	3,243
Capex	3,469	2,457	2,514	3,509	2,052
Operating Free Cash Flow (EBITDA - Capex)	1,882	2,584	1,134	1,931	3,556
Cumulative Investments	104,500	101,032	98,585	96,553	93,046

* On account of deferment of revenue in Q4'20 (Pursuant to accounting policy change), Q4'20 numbers are not comparable with other period numbers.

Airtel Business

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19
Total revenues	35,821	35,019	33,762	33,176	33,312
EBITDA	13,377	12,711	13,466	12,125	9,396
<i>EBITDA / Total revenues</i>	<i>37.3%</i>	<i>36.3%</i>	<i>39.9%</i>	<i>36.5%</i>	<i>28.2%</i>
EBIT	9,633	8,869	9,824	8,075	7,706
Capex	5,538	4,188	18,814	7,628	2,620
Operating Free Cash Flow (EBITDA - Capex)	7,840	8,523	(5,347)	4,498	6,776
Cumulative Investments	190,494	186,503	182,902	160,565	107,229

Tower Infrastructure Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19
Total revenues	17,663	16,421	16,826	16,662	16,674
EBITDA	9,293	8,742	9,032	8,782	9,268
<i>EBITDA / Total revenues</i>	<i>52.6%</i>	<i>53.2%</i>	<i>53.7%</i>	<i>52.7%</i>	<i>55.6%</i>
EBIT	6,247	5,507	5,557	5,686	6,125
Share of results of Joint ventures / Associates	2,882	3,020	2,445	3,852	4,866
Capex	2,073	1,004	2,937	1,611	2,136
Operating Free Cash Flow (EBITDA - Capex)	7,220	7,738	6,095	7,171	7,132
Cumulative Investments	216,914	213,575	214,277	210,237	206,935

9.3 Based on Statement of Financial Position

Consolidated

Amount in Rs Mn, except ratios

Particulars	As at				
	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sep 30, 2019
Equity attributable to equity holders of parent	593,393	609,902	771,448	688,287	699,285
Equity attributable to parent & non controlling interest	842,970	858,446	1,021,295	911,205	869,601
Net Debt	1,378,417	1,165,405	1,188,590	1,149,193	1,181,065
Net Debt (US\$ Mn)	18,663	15,418	15,707	16,104	16,738
Capital Employed = Equity attributable parent & Non controlling interest + Net Debt	2,221,387	2,023,850	2,209,885	2,060,398	2,050,666

	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Sep 30, 2019
Return on Equity (Post Tax)	-38.2%	-65.5%	-44.1%	-38.7%	-31.9%
Return on Equity (Pre Tax)	-22.8%	-54.5%	-44.3%	-39.4%	-35.0%
Return on Capital Employed	8.3%	6.3%	6.1%	4.7%	3.7%
Net Debt to EBITDA (Annualised)	2.91	2.74	2.88	3.07	3.30
Assets Turnover ratio	43.7%	41.6%	40.2%	40.7%	38.6%
Interest Coverage ratio (times)	3.55	3.63	3.70	3.44	3.43
Net debt to Equity attributable to equity holders of parent (Times)	2.32	1.91	1.54	1.67	1.69
Per share data (for the period)					
Net profit/(loss) per common share (in Rs)	(1.40)	(29.22)	(9.69)	(2.02)	(44.92)
Net profit/(loss) per diluted share (in Rs)	(1.40)	(29.22)	(9.69)	(2.02)	(44.92)
Book Value Per Equity Share (in Rs)	108.8	111.8	141.4	134.1	136.4
Market Capitalization (Rs Bn)	2,296	3,053	2,404	2,339	1,885
Enterprise Value (Rs Bn)	3,675	4,219	3,592	3,488	3,066

9.4 Operational Performance – India

Parameters	Unit	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19
Total Customers Base	000's	320,605	305,689	309,754	308,738	304,703
Mobile Services						
Customer Base	000's	293,742	279,869	283,667	283,036	279,430
Net Additions	000's	13,873	(3,798)	631	3,606	2,613
Pre-Paid (as a % of total Customer Base)	%	94.8%	94.8%	94.8%	94.9%	94.9%
Monthly Churn	%	1.7%	2.2%	2.6%	2.6%	2.1%
Average Revenue Per User (ARPU)	Rs	162	157	154	135	128
Average Revenue Per User (ARPU)	US\$	2.2	2.1	2.1	1.9	1.8
Revenue per towers per month	Rs	233,150	220,942	227,659	202,375	195,769
Voice						
Minutes on the network	Mn	860,854	820,246	821,900	758,897	716,642
Voice Usage per customer	min	1,005	994	965	898	848
Data						
Data Customer Base	000's	162,185	149,089	148,578	138,443	124,242
Of which 4G data customers	000's	152,685	138,294	136,309	123,793	103,111
As % of Customer Base	%	55.2%	53.3%	52.4%	48.9%	44.5%
Total MBs on the network	Mn MBs	7,639,997	7,239,836	6,452,825	5,547,223	4,828,577
Data Usage per customer	MBs	16,409	16,655	14,972	13,928	13,116
Homes Services						
Homes Customers	000's	2,578	2,449	2,414	2,352	2,350
Net Additions	000's	129	34	63	2	8
Average Revenue Per User (ARPU)	Rs	783	802	803	787	777
Average Revenue Per User (ARPU)	US\$	10.5	10.6	11.2	11.1	11.1
Digital TV Services						
Digital TV Customers	000's	17,387	16,838	16,613	16,308	16,207
Net additions	000's	549	226	304	101	181
Average Revenue Per User (ARPU)*	Rs	148	149	123	162	162
Average Revenue Per User (ARPU)	US\$	2.0	2.0	1.7	2.3	2.3
Monthly Churn	%	1.5%	1.3%	1.0%	1.8%	1.6%

*Comparable ARPU (adjusting for revenue deferment, pursuant to accounting policy change) Q4'20: Rs 154; Q3'20: Rs 153; Q2'20: Rs 152.

9.5 Network and Coverage Trends - India

Parameters	Unit	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19
Mobile Services						
Census Towns	Nos	7,907	7,907	7,907	7,906	7,906
Non-Census Towns & Villages	Nos	790,450	789,572	788,185	786,719	786,268
Population Coverage	%	95.4%	95.4%	95.4%	95.3%	95.3%
Optic Fibre Network	R Kms	310,289	306,788	304,907	299,592	294,867
Network towers	Nos	201,192	196,145	194,409	189,857	185,582
<i>Of which Mobile Broadband towers</i>	Nos	199,464	194,205	192,068	187,240	181,825
Total Mobile Broadband Base stations	Nos	537,206	506,957	503,883	473,859	461,891
Homes Services - Cities covered	Nos	145	117	111	103	100
Airtel Business - Submarine cable systems	Nos	7	7	7	7	7
Digital TV Services						
Districts Covered	Nos	639	639	639	639	639
Coverage	%	99.8%	99.8%	99.8%	99.8%	99.8%

* Districts covered is as per 2011 census.

9.6 Tower Infrastructure Services

9.6.1 Bharti Infratel Standalone

Parameters	Unit	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19
Total Towers	Nos	43,110	42,339	42,053	41,471	41,050
Total Co-locations	Nos	76,565	75,435	75,715	76,322	76,176
Key Indicators						
Sharing Revenue per sharing operator per month	Rs	47,400	45,173	45,715	45,018	46,095
Average Sharing Factor	Times	1.78	1.79	1.82	1.85	1.86

Additional Information

9.6.2 Indus Towers

Parameters	Unit	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19
Total Towers	Nos	128,984	127,291	126,949	125,649	124,692
Total Co-locations	Nos	237,541	235,192	235,396	232,924	231,500
Average Sharing Factor	Times	1.84	1.85	1.85	1.86	1.86

9.6.3 Bharti Infratel Consolidated

Parameters	Unit	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19
Total Towers	Nos	97,283	95,801	95,372	94,244	93,421
Total Co-locations	Nos	176,332	174,216	174,581	174,150	173,406
Average Sharing Factor	Times	1.82	1.82	1.84	1.85	1.86

9.7 Human Resource Analysis - India

Parameters	Unit	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19
Total Employees	Nos	15,518	16,047	15,872	15,777	15,854
Number of Customers per employee	Nos	20,660	19,050	19,516	19,569	19,219
Personnel Cost per employee per month	Rs	125,811	139,742	125,189	114,429	117,612
Gross Revenue per employee per month	Rs	4,026,930	3,653,738	3,662,279	3,337,637	3,229,674

9.8 Africa

9.8.1 Operational Performance (In Constant Currency)

Parameters	Unit	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19
Customer Base	000's	116,371	111,461	110,604	107,140	103,881
Net Additions	000's	4,910	857	3,464	3,258	4,211
Monthly Churn	%	5.3%	5.7%	5.3%	5.2%	4.5%
Average Revenue Per User (ARPU)	US\$	2.8	2.6	2.7	2.7	2.6
Voice						
Voice Revenue	\$ Mn	517	456	494	484	464
Minutes on the network	Mn	80,375	71,891	68,870	65,086	60,795
Voice Average Revenue Per User (ARPU)	US\$	1.5	1.4	1.5	1.5	1.5
Voice Usage per customer	min	235	218	211	206	199
Data						
Data Revenue	\$ Mn	283	267	245	232	215
Data Customer Base	000's	39,596	36,972	35,443	32,887	31,910
As % of Customer Base	%	34.0%	33.2%	32.0%	30.7%	30.7%
Total MBs on the network	Mn MBs	293,919	279,541	219,015	189,798	162,394
Data Average Revenue Per User (ARPU)	US\$	2.5	2.5	2.4	2.4	2.3
Data Usage per customer	MBs	2,576	2,607	2,145	1,967	1,748
Mobile Money						
Transaction Value	US\$ Mn	11,637	9,038	8,031	8,001	7,442
Transaction Value per Subs	US\$	199	164	155	166	166
Airtel Money Revenue	\$ Mn	100	81	81	79	74
Active Customers	000's	20,120	18,529	18,294	16,634	15,521
Airtel Money ARPU	US\$	1.7	1.5	1.6	1.6	1.7
Network & coverage						
Network towers	Nos	24,246	23,471	22,909	22,253	21,936
Owned towers	Nos	4,561	4,569	4,548	4,454	4,461
Leased towers	Nos	19,685	18,902	18,361	17,799	17,475
Of which Mobile Broadband towers	Nos	22,250	21,171	20,378	19,133	18,274
Total Mobile Broadband Base stations	Nos	63,705	51,963	47,082	43,174	40,187
Revenue Per site Per Month	US\$	13,408	12,257	12,809	12,718	12,361

9.8.2 Human Resources Analysis

Parameters	Unit	Sep-20	Jun-20	Mar-20	Dec-19	Sep-19
Total Employees	Nos	3,453	3,432	3,363	3,286	3,184
Number of Customers per employee	Nos	33,701	32,477	32,888	32,605	32,626
Personnel Cost per employee per month	US\$	6,933	6,470	6,327	6,416	6,652
Gross Revenue per employee per month	US\$	92,948	83,094	86,225	85,739	84,295

SECTION 10

KEY ACCOUNTING POLICIES AS PER Ind-AS

Property, plant and equipment

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

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

Assets	Years
Building	20
Building on leased land	20 or lease term whichever is lower
Network equipment	3-25
Customer premises equipment	3-7
Computer equipment	3
Furniture & Fixture and office equipment	1 – 5
Vehicles	3 – 5
Leasehold improvements	Period of the lease or upto 20 years, as applicable, whichever is less

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

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

- **Goodwill**

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

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

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

- **Other Intangible assets**

Identifiable intangible assets are recognized when the Group controls the asset, it is probable that future economic benefits

attributed to the asset will flow to the Group and the cost of the asset can be measured reliably.

The intangible assets that are acquired in a business combination are recognized at its fair value there at. Other intangible assets are recognized at cost. These assets having finite useful life are carried at cost less accumulated amortization and any impairment losses. Amortization is computed using the straight-line method over the expected useful life of intangible assets.

The Group has established the estimated useful lives of different categories of intangible assets as follows:

a. Licenses (including spectrum)

Acquired licenses and spectrum are amortized commencing from the date when the related network is available for intended use in the relevant jurisdiction. The useful lives range from two years to twenty five years.

The revenue-share based fee on licenses / spectrum is charged to the statement of profit and loss in the period such cost is incurred.

b. Software: Software are amortized over the period of license, generally not exceeding five years.

c. Other acquired intangible assets: Other acquired intangible assets include the following:

Rights acquired for unlimited license access: Over the period of the agreement which ranges up to five years.

Distribution network: One year to two years

Customer base: Over the estimated life of such relationships.

Non-compete fee: Over the period of the agreement which ranges up to five years.

The useful lives and amortization method are reviewed, and adjusted appropriately, at least at each financial year end so as to ensure that the method and period of amortization are consistent with the expected pattern of economic benefits from these assets. The effect of any change in the estimated useful lives and / or amortization method is accounted prospectively, and accordingly the amortization is calculated over the remaining revised useful life.

Further, the cost of intangible assets under development includes the borrowing costs that are directly attributable to the acquisition or construction of qualifying assets and are presented separately in the balance sheet.

- **Investment in Joint Ventures and Associates**

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

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

Accounting policies of the respective joint venture and associate are aligned wherever necessary, so as to ensure consistency with the accounting policies that are adopted by the Group under Ind-AS. The Group's investments in its joint ventures and associates are accounted for using the equity method. Accordingly, the investments are carried at cost less any impairment loss as adjusted for post-acquisition changes in the Group's share of the net assets of investees. Losses of a joint venture or an associate in excess of the Group's interest in that joint venture or associate are not recognized. However, additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture or associate.

At each reporting date, the Group determines whether there is objective evidence that the investment is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of investment and its carrying value.

• Leases

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

Group as a lessee

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

For new lease contracts, the Group recognizes a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee in the balance sheet. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using incremental borrowing rate. Lease liabilities include the net present value of fixed payments (including any in-

substance fixed payments), any variable lease payments that are based on consumer price index ('CPI'), the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

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

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

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

In the balance sheet, the right-of-use assets and lease liabilities are presented separately.

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

Short-term leases and leases of low-value assets

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

Group as a lessor

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

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

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

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

The Group enters into 'Indefeasible right to use' ('IRU') arrangements wherein the right to use the assets is given over the substantial part of the asset life. However, as the title to the assets and the significant risks associated with the operation and maintenance of these assets remains with the Group, such arrangements are recognized as operating lease. The contracted price is recognized as revenue during the tenure of the agreement. Unearned IRU revenue received in advance is presented as deferred revenue within liabilities in the balance sheet.

- **Derivative financial instruments**

Derivative financial instruments, including separated embedded derivatives, that are not designated as hedging instruments in a hedging relationship are classified as financial instruments at fair value through profit or loss - Held for trading. Such derivative financial instruments are initially recognized at fair value. They are subsequently re-measured at their fair value, with changes in fair value being recognized in the statement of profit and loss within finance income / finance costs.

- **Hedging activities**

i. Fair value hedge

Some of the group entities use certain type of derivative financial instruments (viz. interest rate / currency swaps) to manage / mitigate their exposure to the risk of change in fair value of the borrowings. The Group designates certain interest rate swaps to hedge the risk of changes in fair value of recognized borrowings attributable to the hedged interest rate risk. The effective portion of changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the statement of profit and loss within finance income / finance costs, together with any changes in the fair value of the hedged liability that are attributable to the hedged risk. If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of the hedged item is amortized to profit or loss over the period to remaining maturity of the hedged item.

ii. Cash flow hedge

The Group designates certain derivative financial instruments (or its components) as hedging instruments for hedging the exchange rate fluctuation risk attributable either to a recognized item or a highly probable forecast transaction. The effective portion of changes in the fair value of derivative financial instruments (or its components), that are designated and qualify as Cash flow hedges, are recognized in the other comprehensive income and held in Cash flow hedge reserve. Any gains / (losses) relating to the ineffective portion, are recognized immediately in the statement of profit and loss. The amounts accumulated in Equity

are re-classified to the statement of profit and loss in the periods when the hedged item affects profit / (loss).

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gains / (losses) existing in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in the statement of profit and loss. However, at any point of time, when a forecast transaction is no longer expected to occur, the cumulative gains / (losses) that were reported in equity is immediately transferred to the statement of profit and loss.

iii. Net investment hedge

The Group hedges its certain net investment in foreign subsidiaries which are accounted for similar to cash flow hedges. Accordingly, any foreign exchange differences on the hedging instrument (viz. borrowings) relating to the effective portion of the hedge is recognized in other comprehensive income and held in foreign currency translation reserve, so as to offset the change in the value of the net investment being hedged. The ineffective portion of the gain or loss on these hedges is immediately recognized in the statement of profit and loss. The amounts accumulated in equity are included in the statement of profit and loss when the foreign operation is disposed or partially disposed.

- **Revenue recognition**

Revenue is recognized upon transfer of control of promised products or services to customer at the consideration which the Group has received or expects to receive in exchange of those products or services, net of any taxes / duties, discounts and process waivers. In order to determine if it is acting as a principal or as an agent, the Group assesses whether it is primarily responsible for fulfilling the performance obligation and whether it controls the promised service before transfer to customers.

(i) Service revenues

Service revenues mainly pertain to usage, subscription and activation charges for voice, data, messaging and value added services and Direct to Home (DTH). It also includes revenue from interconnection / roaming charges for usage of the Group's network by other operators for voice, data, messaging and signaling services.

Usage charges are recognized based on actual usage. Subscription charges are recognized over the estimated customer relationship period or subscription pack validity period, whichever is lower. Customer onboarding revenue and associated cost is recognized upon successful onboarding of customer i.e. upfront. Revenues in excess of invoicing are classified as unbilled revenue while invoicing / collection in excess of revenue are classified as deferred revenue / advance from customer.

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

Certain business services revenue include revenue from registration and installation, which are amortized over the period of agreement since the date of activation of service.

Revenues from long distance operations comprise of voice services and bandwidth services (including installation), which are

recognized on provision of services and over the period of respective arrangements.

As part of the mobile money services, the Group earns commission from merchants for facilitating recharges, bill payments and other merchant payments. It also earns commission on transfer of monies from one customer wallet to another. Such commissions are recognized as revenue at a point in time on fulfilment of those services by the Group.

(ii) Multiple element arrangements

The Group has entered into certain multiple-element revenue arrangements which involve the delivery or performance of multiple products, services or rights to use assets. At the inception of the arrangement, all the deliverables therein are evaluated to determine whether they represent distinct performance obligations.

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

(iii) Equipment sales

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

• Interest income

The interest income is recognized using the effective interest rate method.

• Cost to obtain or fulfill a contract with a customer

The Group incurs certain cost or fulfill contract with the customer viz. intermediary commission, etc. where based on Group's estimate of historic average customer life derived from customer churn rate is longer than 12 months, such costs are deferred and are recognized over the average expected customer life.

• Dividend income

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

• Exceptional items

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Group.

• Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date with the resulting foreign exchange differences, on subsequent re-statement / settlement, recognized in the statement of profit and loss. Non-monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rate prevalent, at the date of initial recognition (in case they are measured at historical cost) or at the date when the fair value is determined (in case they are measured at fair value).

The assets and liabilities of foreign operations (including the goodwill and fair value adjustments arising on the acquisition of foreign entities) are translated into Rupees (functional currency of parent) at the exchange rates prevailing at the reporting date whereas their statements of profit and loss are translated into Rupees at monthly average exchange rates and the equity is recorded at the historical rate. The resulting exchange differences arising on the translation are recognized in other comprehensive income and held in foreign currency translation reserve. On disposal of a foreign operation (that is, disposal involving loss of control), the component of other comprehensive income relating to that particular foreign operation is reclassified to profit or loss.

• Income-taxes

Income tax is calculated on the basis of the tax rates, laws and regulations, which have been enacted or substantively enacted as at the reporting date in the respective countries where the Group entities operate and generate taxable income.

Deferred tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. However, deferred tax are not recognized if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Further, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Moreover, deferred tax is recognized on temporary differences arising on investments in subsidiaries, joint ventures and associates - unless the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The unrecognized deferred tax assets / carrying amount of deferred tax assets are reviewed at each reporting date for recoverability and adjusted appropriately.

• Transactions with non-controlling interests

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

SECTION 11

GLOSSARY

Technical and Industry Terms

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

Earnings Per Diluted Share	The calculation of Net Profit/ (loss) per diluted share adjusts net profit or loss and the weighted average number of ordinary shares outstanding, to give effect to all dilutive potential ordinary shares that were outstanding during the year. Net profit or loss attributable to ordinary shareholders is adjusted for the after-tax effect of the following: (1) dividends on potential ordinary shares (for example, dilutive convertible preferred shares); (2) interest recognized on potential ordinary shares (for example, dilutive convertible debt); and (3) any other changes in income or expense resulting from the conversion of dilutive potential ordinary shares (e.g., an entity's contribution to its non-discretionary employee profit-sharing plan may be revised based on changes in net profit due to the effects of items discussed above).
EBITDA	Earnings/ (loss) before interest, taxation, depreciation and amortization. It is not an Ind-AS measure and is defined as profit from operating activities before depreciation, amortization and exceptional items adjusted for CSR costs, finance income (part of other income) and license fees on finance income.
EBITDA Margin	It is computed by dividing EBITDA for the relevant period by total revenues for the relevant period.
EBIT	EBITDA adjusted for depreciation and amortization.
Enterprise Valuation (EV)	Calculated as sum of Market Capitalization, Net Debt and finance lease obligations as at the end of the relevant period.
EV / EBITDA (times)	For full year ended March 31 2018, 2019 and 2020, It is computed by dividing Enterprise Valuation as at the end of the relevant period (EV) by EBITDA for the relevant period (LTM). For quarterly computation, Computed by dividing Enterprise Valuation as at the end of the relevant period (EV) by annualized EBITDA for the relevant period.
Finance Lease Obligation (FLO)	Finance Lease Obligation represents present value of future obligation for assets taken on finance lease.
Gross Revenue per Employee per month	It is computed by dividing the Gross Revenue (net of inter-segment eliminations) by the closing number of employees in a given business unit and number of months in the relevant period.
Interest Coverage Ratio	EBITDA for the relevant period divided by interest on borrowing for the relevant period.
Market Capitalization	Number of issued and outstanding shares as at end of the period multiplied by closing market price (BSE) as at end of the period.
Mobile Broadband Base stations	It includes all the 3G and 4G Base stations deployed across all technologies i.e. 900/1800/2100/2300 Mhz bands.
4G Data Customer	A customer who used at least 1 MB on 4G network in the last 30 days.
Mobile Broadband Towers	It means the total number of network towers (defined below) in which unique number of either 3G or 4G Base stations are deployed, irrespective of their technologies. Total numbers of Mobile Broadband Towers are subset of Total Network Towers.
Minutes on the network	Duration in minutes for which a customer uses the network. It is typically expressed over a period of one month. It includes incoming, outgoing and in-roaming minutes.
Network Towers	Comprises of Base Transmission System (BTS) which holds the radio trans receivers (TRXs) that define a cell and coordinates the radio links protocols with the mobile device. It includes all the Ground based, Roof top and In Building Solutions as at the end of the period.
Net Debt	It is not an Ind-AS measure and is defined as the long-term debt, net of current portion plus short-term borrowings, current portion of long-term debt and lease liabilities minus cash and cash equivalents. The debt origination cost and Bond fair value hedge are not included in the borrowings

Net Debt to EBITDA (Annualized)	For the full year ended March 31, 2018, 2019 and 2020, it is Computed by dividing net debt at the end of the relevant period by EBITDA for the relevant period (LTM). For Quarterly computation, It is computed by dividing net debt as at the end of the relevant period by EBITDA for the relevant period (annualized).
Net Debt to Funded Equity Ratio	It is computed by dividing net debt as at the end of the relevant period by Equity attributable to equity holders of parent as at the end of the relevant period.
Net Revenues	It is not an Ind-AS measure and is defined as total revenues adjusted for access charges, cost of goods sold and license fees for the relevant period.
Operating Free Cash flow	It is computed by subtracting capex from EBITDA.
Personnel Cost per Employee per month	It is computed by dividing the Personnel Cost by the closing number of employees in a given business unit and number of months in the relevant period.
Price-Earnings Ratio – P/E Ratio	It is computed by dividing the closing market price (BSE) as at end of the relevant period by the earnings per basic share for the relevant period (LTM).
Profit / (Loss) after current tax expense	It is not an Ind-AS measure and is defined as Profit / (Loss) before taxation adjusted for current tax expense.
Return On Capital Employed (ROCE)	For the full year ended March 31, 2018, 2019 and 2020, ROCE is computed by dividing the EBIT for the period by the average (of opening & Closing) Capital employed. For the quarterly computation, it is computed by dividing the EBIT (annualized for the relevant period) by average capital employed. Average capital employed is calculated by considering average of opening and closing capital employed for the relevant period).
Return On Equity (Post Tax)	For the full year ended March 31, 2018, 2019 and 2020, it is computed by dividing net profit for the period by the average (of opening and closing) Equity attributable to equity holders of parent. For the quarterly computations, it is computed by dividing net profit for the preceding (last) 12 months from the end of the relevant period by the average equity attributable to equity holders of parent (Average parent equity is calculated by considering average of opening and closing parent equity for the relevant period).
Return On Equity (Pre Tax)	For the full year ended March 31, 2018, 2019 and 2020, it is computed by dividing profit before tax & MI (after exceptional items) for the period by the average (of opening and closing) total Equity. For the quarterly computations, it is computed by dividing profit before tax & MI (after exceptional items) for the preceding (last) 12 months from the end of the relevant period by the average total equity (Average total equity is calculated by considering average of opening and closing total equity for the relevant period).
Revenue per Site per month	Revenue per Site per month is computed by: dividing the total mobile revenues, excluding sale of goods (if any) during the relevant period by the average sites; and dividing the result by the number of months in the relevant period.
Sharing revenue per Sharing Operator per month	It is calculated on the basis of the total revenues less energy and other pass through accrued during the relevant period divided by the average number of co-locations for the period, determined on the basis of the opening and closing number of co-locations for the relevant period.
Submarine Cable	Submarine cable system refers to owned cables and excludes cable capacity purchased on IRU.
Total Employees	Total on-roll employees as at the end of respective period and excludes 42% of Indus Towers employees in India.
Total Equity	Includes equity attributable to shareholders (both parent and non-controlling interest).
Total MBs on Network	Includes total MBs consumed on the network (uploaded & downloaded) on our network during the relevant period.
Towers	Infrastructure located at a site which is permitted by applicable law to be shared, including, but not limited to,

the tower, shelter, diesel generator sets and other alternate energy sources, battery banks, air conditioners and electrical works. Towers as referred to are revenue generating Towers.

Total Operating Expenses It is defined as sum of employee costs, network operations costs and selling, general and administrative cost for the relevant period.

Voice Minutes of Usage per Customer per month It is calculated by dividing the voice minutes of usage on our network during the relevant period by the average customers; and dividing the result by the number of months in the relevant period.

Regulatory & Others

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

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