



**CUSTOMER OBSESSED  
TECHNOLOGY DRIVEN**

# Highlights of FY 2022-23

## Financial



### Consolidated

₹1,391,448 Mn	₹717,330 Mn
Revenue	EBITDA
19% ↑	23% ↑

₹83,459 Mn

Net profit

96% ↑

### Standalone

₹847,201 Mn	₹441,477 Mn
Revenue	EBITDA
20% ↑	25% ↑

## Customer



375.34 Mn

India

140.05 Mn

Africa

55.57 Mn

Bangladesh

3.05 Mn

Sri Lanka

## ESG



### Low Risk

Improved Sustainalytics Ratings

### 'BBB' to 'A'

Upgrade in MSCI Ratings

### 'C' to 'B'

Upgrade in CDP Ratings

# CUSTOMER OBSESSED TECHNOLOGY DRIVEN



At Airtel, our vision for a connected, shared future lies at the convergence of our unbridled customer obsession and our relentless pursuit of technological innovation. It creates a symphony of unparalleled connectivity, convenience and experience while enhancing our competitive edge in a dynamic world.

Be it through our cutting-edge digital services and solutions, premiumisation strategy or extensive network infrastructure, we are winning together with our customers. This reflected in our all-time-high market shares across businesses, strong balance sheet and healthy operating cash generation.

We are committed to building a robust and extensive network infrastructure that supports seamless connectivity. We have deployed the globally recognised non-standalone network architecture to rapidly rollout our 5G services, ensuring exceptional coverage, lowest total cost of ownership and reduced environmental impact.

Our 'One Airtel' transport strategy has catalysed the fiber rollout planning and is bringing immense efficiencies. In FY 2022-23, we recorded the highest-ever network site additions, exponential fiber rollout and continued broadband BTS additions. We are harnessing the power of our robust platform-based architecture and state-of-the-art capabilities to construct a seamlessly interconnected digital ecosystem, which plays an instrumental role in propelling our digital flywheel forward.

We welcome you to experience the difference, as we build a sustainable future of connectivity together with our customers, powered by technology.

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# CUSTOMER OBSESSED TECHNOLOGY DRIVEN

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# About the Report

This Report adheres to the Integrated Reporting framework and presents our financial and non-financial performance. It contains key quantitative and qualitative disclosures on our relationships with the stakeholders, and how our strategies are aligned to deliver long-term value, while managing risks and changes to the external environment, for all our stakeholders.

## Reporting period

This Report is for the period between April 1, 2022 and March 31, 2023, and is released annually. The last Integrated Report was released for FY 2021-22.

## Reporting boundary

This Report covers information on business operations of Bharti Airtel Limited, aptly disclosed through six capitals as defined by the International Integrated Reporting Council (IIRC, now consolidated into IFRS Foundation). All the six capitals (except financial capital) cover information on India operations excluding Airtel Payments Bank Limited, unless specified otherwise. The parameters for financial capital covered in this report are in relation to Bharti Airtel Limited on a standalone basis. This report considers the primary reporting period as April 1, 2022 to March 31, 2023. However, some sections of this Report represent facts and figures of previous years to provide a comprehensive view to the stakeholders.

## Reporting framework

This Report follows the International Framework as developed by the IIRC ([www.integratedreporting.org](http://www.integratedreporting.org)) and should be read in conjunction with the financial statements included herein and the notes thereto. The financial and statutory data presented is in accordance with the requirements of the Companies Act, 2013 (including the rules made thereunder), Indian Accounting Standards, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the other applicable laws.

## Data integrity

We collected and analysed relevant data captured through our integrated data management system applying stringent internal controls to support our disclosures for this Report. Our aim is to provide information that is accurate and reliable, and at the same time unbiased, comparable, and comprehensible. Wherever applicable, we have taken care to cite any significant limitations in the information provided.

## Assurance

To ensure the integrity of facts and information, the Board of Directors and management have reviewed the Integrated Report and BDO India LLP has carried out independent assurance on sustainability disclosures presented in this report. The 'Independent Assurance Statement' issued by BDO India LLP forms a part of this Report. The statutory auditors, Deloitte Haskins & Sells LLP, Chartered Accountants have provided assurance on the financial statements and the 'Independent Auditor's Report' has been duly incorporated as a part of this Report.

## Key company information

### Bharti Airtel Limited

**ISIN:** INE397D01024 (Fully Paid up shares)  
IN9397D01014 (Partly Paid up shares)

**BSE Code:** 532454 & 890157

**NSE Code:** BHARTIARTL & AIRTELPP

**CIN:** L74899HR1995PLC095967

## Fair usage of third-party trademarks

All third-party trademarks referenced by Bharti Airtel Limited herein remain the property of their respective owners. Any references by Airtel to any third-party trademarks in this report, is merely being used to identify the corresponding engagement that Airtel has entered into with the brand/ trademark owners and shall be considered fair use under trademark law.

## Our Stakeholders



Customers



Investors



Suppliers



Employees



Channel Partners



Network Partners



Regulatory Bodies



Community/NGOs

## Our Capitals



Financial



Manufactured



Intellectual



Human

Social  
and Relationship

Natural

## Cautionary statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

# Connecting people like never before

We were founded with the goal of unleashing the world of possibilities and opportunities that existed in communications globally.

Over the years of our existence, we have been able to establish ourselves as one of the largest homegrown consumer brands and integrated communications provider in India.

In addition to the national landscape, we are one of the top three mobile operators globally, covering more than two billion people. We are also the second-largest mobile operator in Africa and have been in the constant process of fortifying our position.

We are in the continued process of evolution and working towards meeting the emerging needs of people and businesses. Through three layers of our business—Digital Infrastructure, Digital Experience and Digital Services, we are pushing the boundaries in digital Services delivery, enhanced end-user experience, round-the-clock infrastructure availability and superior service quality.



## Our business segments



**17**  
Countries of presence

**500 Mn+**  
Customers

**Among  
Top 3\***

Global rank in terms of  
consolidated mobile  
connections

**21,575**  
Total employees globally

**95.9%**  
Indian population covered



\* As per GSMA intelligence data

## Geographic Presence

# Connecting people and businesses across the globe

We have been able to establish a global presence, extending our services across multiple countries around the world. With our expansive reach, we cater to a diverse customer base, offering reliable and innovative telecommunications solutions on a global scale.

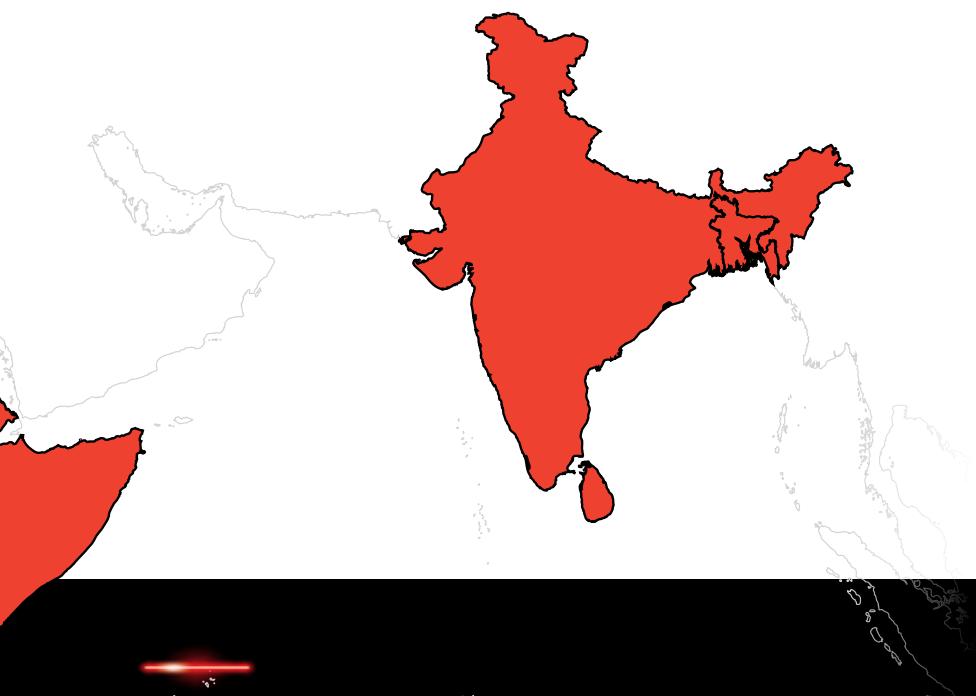


The map featured on this spread is a creative representation

RMS – Revenue Market Share

^ As per TRAI AGR data for Q4 FY 2022-23

^^ as per Frost & Sullivan FY 2022-23 data



## India

375.34 Mn  
(including 335.41 Mn  
Mobile Services customers)

200 Mn+  
MAUs on digital assets

#2  
Mobile RMS in India^

#1  
B2B RMS in India

#1  
In core connectivity^^

## Sri Lanka

3.05 Mn  
Customers

1,200+  
Global enterprises  
served

2,000+  
Large enterprise and  
government clients

1 Mn+  
Small and Medium  
enterprises

#1  
In IoT^^

## Bangladesh

(Robi Axiata Limited)

55.57 Mn  
Customers

# Winning with Quality Customers

Our strategy is to premiumise our customer base by acquiring and locking in high-value homes.

Airtel Black and Family plans play a critical role in bringing this strategy to life. These plans deliver the strength of our convergence, a differentiated service experience and best-in-class value to our customers. The success of these differentiated offerings have allowed us to strengthen our position in a highly competitive market.

Coupled with our strategy, our consistent efforts to expand and upgrade the 4G network and now the relentless rollout of 5G services are further attracting high-value customers, reflected in our strong net adds and market share wins.

We are committed to cover the entire country with our 5G network, alongside delivering the Platinum Airtel experience.

More than one-third of our high-value customers are locked in on the Airtel Black or Family plans and the base is growing rapidly.



## Key Highlights for FY 2022-23

**36.5%+ RMS\***

All-time high mobile revenue market share

**#1**

In post-paid

**23 Mn+**

4G customer additions

**3,500+ cities/towns**

5G rollout in less than eight months of launch

**Airtel World Pass**

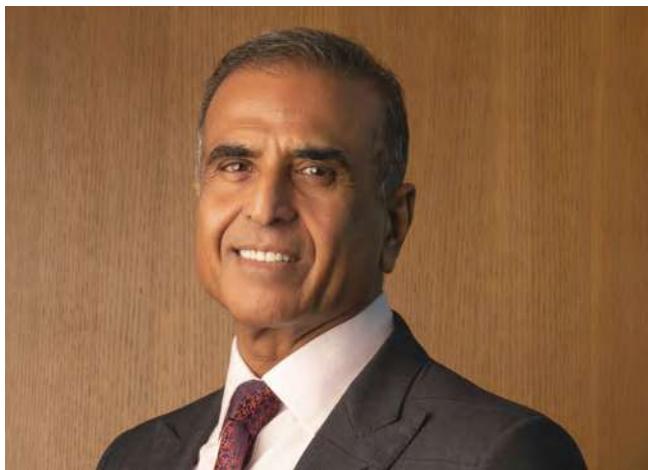
Redefined international roaming experience  
with One Pack for travel across 184 countries

\* As per TRAI AGR data for Q4 FY 2022-23



## Chairman's Message

# Excited for what the future holds



Dear Shareholders,

### Scaling New Heights

The Indian economy once again showcased resilience and stability, amid various global challenges such as synchronous monetary policy tightening, commodity inflation, supply chain headwinds and slowing economic growth in other major economies. As the global supply chain situation improves, a number of structural changes are being closely monitored. The Government of India's commitment to improve the productive capacity through continued investments on infrastructure, logistics, domestic manufacturing and making the country more self-reliant will structurally spur economic growth and encourage private sector investments. In a nutshell, the Indian economy is in good shape, with strong tailwinds.

FY 2022-23 was a milestone year in the Indian telecom industry with the launch of 5G services. We were able to leapfrog into the 5G era, supported by visible ease of doing business in the spectrum auction and allocation processes. Airtel became a frontrunner in this next generation of communication services, and created history by being the first telecom operator to have launched its 5G services in 8 cities on the occasion of the India Mobile Congress' 5G launch by the Hon'ble Prime Minister Shri Narendra Modi.

Our 5G solution is based on the most widely used global technology architecture that offers the best coverage and experience at the lowest Total Cost of Ownership (TCO). India's digital economy continues to grow at a strong pace and Airtel has been investing heavily towards accelerating the same. Along with giving Indian users a fiber-like speed on their mobile phones, 5G promises to usher an era of innovation and efficiency. Airtel is collaborating with top enterprises engaged in manufacturing, mobility, healthcare, logistics, and IoT, where 5G tech is becoming a catalyst for digital disruption, creating new revenue streams in the industry.

I am delighted to share that Airtel achieved the highest-ever market share in India, across its segments, be it in B2C or B2B businesses. Strong operating leverage through continued focus on operational excellence has resulted in robust operating cash flow generation. This keeps us steady, and on the path towards making our balance sheet stronger.

### Mobile Services

Airtel ended yet another year on a strong note with industry-leading revenue and EBITDA growth. The continued focus on attracting high-value customers with bundled offerings and superior experience yielded strong results, with more than 23 million 4G and 1.8 million postpaid customer additions during the year. In line with our strategy, we acquired mid-band 5G spectrum at scale and added some mid-band spectrum to fill the gaps in the existing pool.

There are already more than 31 million 5G-enabled smartphones on Airtel's network, and this figure is constantly growing. Equally significant is the fact that Airtel's 5G network is environment friendly, with a sharp focus on our commitments to the ESG framework.

### Non-mobility Services

In the Home Broadband and Airtel Business segments, the Company achieved yet another new milestone with the highest-ever revenue and EBITDA. This is a testimony of the Company's execution strength. With the renewed strategy, the Digital TV business saw an increase in market share despite headwinds. In Airtel Business, the strategy to go wide and deep has delivered exceptional results in select accounts, giving us the confidence to emulate this success elsewhere. Investments in Data Centers, undersea fiber cables and emerging digital offerings augur well for the business in years to come. 5G will be the primary pivot to drive growth by catalysing the 4<sup>th</sup> Industrial Revolution through enterprise use cases. Home broadband is now available in ~1,200 cities, with rollout being further strengthened via local cable operator partnerships. The Company added its highest-ever 1.6 million net customers to surpass the 6 million customer base, resulting in over 33% revenue growth.

### Digital

Over the years, Airtel has built a suite of digital assets for its customers. By leveraging cutting-edge digital technology to develop next-generation digital platforms, products, and services, the Company delivers an immersive experience to customers. In FY 2022-23, it launched digital financial services and a telco-first co-branded Axis Bank credit card. 60% of all monthly customer payments across Mobility, Broadband, and DTH, happen digitally/online. The portfolio

of digital offerings including Airtel Wynk, Airtel Thanks and Xstream has seen monthly active users growing 4x over the last 4 years, crossing the 200 million mark.

## Partnerships

Airtel continues to have strong strategic collaborations with industry leaders like Amazon, CISCO, Ericsson, Google, IBM, Intel, Meta, Microsoft, Netflix, Nokia, Oracle, Qualcomm and many more to deliver best-in-class products and services to our customers and lead the innovation revolution in the country.

## Digital Enablement of Network Operations

With 5G and 4G running in Radio, networks are becoming more complex, and Core networks are moving from cloud-native to automated and orchestrated (MANO) clouds. The transport network has multi-layer MPLS and optical networks. Airtel has been building the right tools and platforms to manage these complex network elements, and they are used from network planning to deployment and further for operations and end-to-end experience management. Airtel networks have been ranked No. 1 in many crowd-sourced independent benchmarking ratings, and the tools have also been recognised at the global level.

In collaboration with its trusted long-term partners, the Company successfully managed the global challenges and procured the network supplies to support the ongoing accelerated rollouts. In addition, it has developed an ecosystem of suppliers, in which many of its partners are now manufacturing indigenously.

**“**

Over the years, Airtel has built a suite of digital assets for its customers. By leveraging cutting-edge digital technology to develop next-generation digital platforms, products, and services.

## Africa

With consistent focus on serving customer needs, Airtel Africa delivered a strong financial performance despite global economic challenges, shining a spotlight on our resilient business model. In FY 2022-23, we successfully reduced hard currency debt, helping to mitigate the risk of foreign exchange volatility. Leverage remained extremely comfortable at 1.4x, broadly flat from the previous year. This was achieved alongside substantial investments in 4G and 5G spectrum in key markets to be ready to meet the growing opportunity in data. Almost 90% of capex investment was directed to growth initiatives that help

ensure a sustainably strong and reliable network. We have also established subsidiary company structures for data center and fiber businesses.

## Balance Sheet

Strong operating free cashflows amid accelerated investments on 5G and rural rollout supported the Company's debt reduction in FY 2022-23. It took a prudent decision to make an upfront payment for the 5G spectrum acquired in August 2022 and availed four years of moratorium. Airtel is well capitalised to fund future investment needs through internal accruals.

## Corporate Social Responsibility

Digital is at the heart of everything that Airtel does. This is also amply evident in the measurable strides taken by the Bharti Foundation in enabling the use of technology in its schools and through various initiatives. Children from Satya Bharti Schools participated in the World Robotics Championship, Technoxian 6.0, where they competed with students from schools in India and abroad. Furthermore, it has been heartening to see how a number of alumni have also been gainfully employed at Airtel.

## Sustainability and Governance

To drive its long-term sustainability vision, Airtel has been following a robust ESG framework. There is a unique window of opportunity for businesses to incorporate sustainability at the core. Such efforts will only accelerate macro level progress towards achieving net-zero targets and contribute to the wider climate action efforts. India has been at the forefront of mobilising activity on the green transition agenda, and mitigating climate change. A holistic green growth model can catalyse new industries, create new jobs and drive trillions of dollars of economic value. Achieving this transformative agenda requires strong collaborations between the government and private sector. The Company upholds the highest standards of governance backed by full transparency and disclosures.

## Vote of Thanks

I extend my sincere gratitude to our Board of Directors, management, resilient employees and esteemed customers, partners, suppliers, the entire distribution network and our valued shareholders for their continued support and confidence.

**Sunil Bharti Mittal**  
Chairman

From the MD and CEO's Desk

# Taking strides aligned with our strategies



Dear Shareholders,

If you look back, the reputation of our industry has been built on the back of the billions of dollars invested to create a digital backbone, that has enabled the country to stay connected. Airtel alone has invested USD 50 Bn+. 99 percent of India is now covered with high speed 4G networks. Whole industries have been built on the back of 4G—be it ride sharing, food delivery, e-commerce, video streaming, payments, all of them.

5G will change all of this yet again. 5G is indeed a supercomputer connected to the cloud, and will drive a plethora of use cases and business models. This will involve massive IoT deployments, synced with computing power at the edge, with applications riding on top to create tangible business benefits. All of this will be enabled by the high speed, low latency connectivity which 5G provides. Studies indicate 5G can boost the GDP by up to 2%. India is already seeing among the fastest deployments of 5G the world has seen. We already have 97 million mobile phones which are 5G enabled—this will grow manifold, to 500 million within next four years.

At Airtel, we have made the bold choice of going with Non-Standalone technology for 5G (vs Standalone). This helped us avoid the expensive 700 MHz spectrum, and is working well in terms of customer experience. We are already present in 3,500+ cities and towns, and we are targeting to cover all urban areas and some key villages with 5G by March 2024. We are also working with our ecosystem partners to bring new 5G use cases to enterprise customers.

As we look ahead, our strategy remains simple and consistent. Focus on winning quality customers and be obsessed about improving customer experience. Underpinning this are our core enablers. Bring the power of Airtel through a unified view of the customer, backed by an integrated channel approach. Accelerate our digital capabilities to drive velocity and agility in our operations and build new digital services revenue streams. Do this with extreme financial prudence, while waging a war on waste.

**This strategy has continued to deliver results for us. I have captured some highlights below.**

## Quality Customers

We continued to maintain our focus on acquiring and retaining quality customers. We added 23.3 million 4G customers to our network. We enjoy a premium position in the industry and increased our ARPU to ₹193 in Q4 FY 2022-23, which was the highest in the industry. A key priority for us is to expand our footprint in rural areas where we are not present.

On Broadband, we continued to gain momentum and delivered our highest ever net adds of 1.6 million. On DTH, we gained market share despite broader industry softness.

I have always said that B2B is the jewel in our portfolio. In FY 2022-23, we drove market share growth and continued to be the trusted partner of choice for both Large Enterprises as well as emerging businesses. Importantly, the new digital products we have bet on—Cloud, IoT, CPaaS, Security—saw significant growth.

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We expanded our network coverage and capacity by adding 37,492 sites and 7.9 million fiber home passes to elevate the customer experience.

## Brilliant Customer Experience

Delivering exceptional experience continues to be the cornerstone of our strategy. We initiated a radical reset on our delivered experience by undertaking actions to fix problems structurally across the Search-Discover-Purchase-Onboard-Experience-Refer flywheel.

First, we launched major initiatives to elevate our network experience. For example, we identified 3,000 high priority geographic catchments to dramatically improve our mobile network experience. Similarly, in Broadband, we defined fundamental network design changes, including reducing the length of the wire from the pole to the customer's house, since longer wires are more prone to faults. Second, we started revamping customer journeys across our channels to be more intuitive. Further, we expanded our network coverage and capacity by adding 37,492 sites and 7.9 million Fiber home passes to elevate the customer experience.

## Accelerate Digital

Airtel has built a strong digital foundation over the years. We have a three layered business model. The first layer is our Digital infrastructure. This is the highway that drives much of India's economic and digital activity. The second layer is our Digital experience, which sits above Digital infrastructure. The third layer, sitting atop our Digital experience, is our Digital services. These include our Digital Business such as Airtel Finance, Wynk (music streaming), Nxtra (Data Centers), Airtel IQ (CPaaS business), Airtel Payments Bank and Airtel Ads.

A major thrust for us this year is to move from a product-based approach to a platform-based approach across our digital experience layer. As part of this, we are developing four key platforms: Buy – ability to buy any product on any channel with consistent experience; Bill – simple, converged bill across Airtel services; Pay – for any service on any channel in an intuitive manner; and Serve – raise a complaint and get resolution for any product on any channel. These platforms will help improve customer experience across the entire customer flywheel of Search-to-Refer, as well as velocity across our business.

## War on Waste

This year saw continued pressures on cost. We continued our War on Waste and relooked at every cost to manage these headwinds. For example, a major area where we realised savings was on network cost where we reviewed each and every site to identify pockets of savings, be it from usage of alternate power sources like solar, asset optimisation or commercial renegotiation with our partners. Such initiatives enabled us to continue delivering improved margins and gave us more operating leverage.

## ESG

We are deeply conscious of our responsibility to the environment and our obligation to the society at large. Our Board appointed ESG Committee as well as a management council that drives our ESG initiatives have been driving the agenda with vigour. The reduction of carbon foot print is now deeply embedded across both Nxtra as well as our wireless networks with a number of initiatives underway. For example, we are ramping up solarisation of our mobile network sites. We continue working towards our plans of making Nxtra fully green. We have a strong safety and diversity agenda for the Company as well. Our Integrated Report spells out our initiatives for environment sustainability and community development. Our efforts are being recognised as well, for example, we won the 'ICSI National Award for Excellence in Corporate Governance, 2022', presented by the Institute of Company Secretaries of India. Our ESG ratings from CDP and MSCI agencies have improved as well.

In closing, I would like to thank our customers, our people, our partners and our shareholders for their support and faith in us. We seek your continued support in our journey.

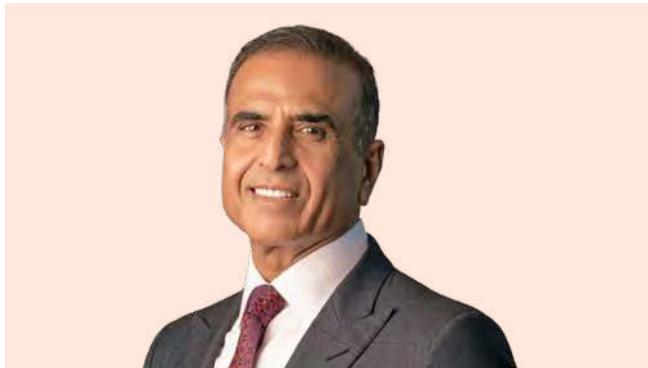


**Gopal Vittal**

Managing Director and CEO

## Board of Directors

# Leading from the front



**Mr. Sunil Bharti Mittal**

Chairman

<b>Nationality</b>	Indian
<b>Age</b>	65 years
<b>DIN</b>	00042491
<b>Date of appointment</b>	July 07, 1995
<b>Tenure on Board</b>	~28 years
<b>Term ending on</b>	September 30, 2026
<b>Shareholding</b>	Nil
<b>No. of directorships in other Indian public companies</b>	2
<b>Directorships in other Indian listed companies</b>	Nil
<b>Committee memberships and chairpersonships in other Indian public companies</b>	
Member: Nil	Chairperson: Nil
<b>Areas of expertise</b>	
Strategic Leadership and management	Financial and Risk Management
Technology	Governance
Industry and Sector Experience	Public Policy
Global Business/ International Business	Sustainability and ESG

► Profile available [here](#)



**Mr. Gopal Vittal**

Managing Director and CEO

<b>Nationality</b>	Indian
<b>Age</b>	56 years
<b>DIN</b>	02291778
<b>Date of appointment</b>	February 01, 2013
<b>Tenure on Board</b>	~10 years
<b>Term ending on</b>	January 31, 2028
<b>Shareholding</b>	1,002,381 shares (0.02%)
<b>No. of directorships in other Indian public companies</b>	2
<b>Directorships in other Indian listed companies</b>	Indus Towers Limited, Non-Executive, Non-Independent
<b>Committee memberships and chairpersonships in other Indian public companies</b>	
Member: Nil	Chairperson: Nil
<b>Areas of expertise</b>	
Strategic Leadership and Management	Financial and Risk Management
Technology	Governance
Industry and Sector Experience	Sustainability and ESG
Global Business/ International Business	

► Profile available [here](#)

Audit Committee	HR & Nomination Committee	Corporate Social Responsibility Committee	Stakeholder Relationship Committee	Risk Management Committee	Environmental, Social and Governance (ESG) Committee
● Chairman	● Chairman	● Chairman	● Chairman	● Chairman	● Chairman
◆ Member	◆ Member	◆ Member	◆ Member	◆ Member	◆ Member

Notes:

- (1) Above details have been provided as on March 31, 2023 in accordance with the Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Membership and chairpersonship of only the Audit Committee and the Stakeholders' Relationship Committee across all public companies are considered.
- (2) Chairpersonship of the Committee is not included in the count of membership of the Committee.


● ◆ ◆ ◆ ◆
**Mr. D.K. Mittal**

Independent Director

<b>Nationality</b>	Indian
<b>Age</b>	70 years
<b>DIN</b>	00040000
<b>Date of appointment</b>	March 13, 2014
<b>Tenure on Board</b>	~9 years
<b>Term ending on</b>	March 12, 2024
<b>Shareholding</b>	Nil
<b>No. of directorships in other Indian public companies</b>	8
<b>Directorships in other Indian listed companies</b>	<ul style="list-style-type: none"> <li>• Balrampur Chini Mills Limited, Non-Executive, Independent</li> <li>• Max Financial Services Limited, Non-Executive, Independent</li> <li>• Max Ventures and Industries Limited, Non-Executive, Independent</li> <li>• Trident Limited, Non-Executive, Independent</li> </ul>
<b>Committee memberships and chairpersonships in other Indian public companies</b>	<p>Member: 2      Chairperson: 5</p>
<b>Areas of expertise</b>	<p>Strategic Leadership and Management      Financial and Risk Management</p> <p>Technology      Governance</p> <p>Industry and Sector Experience      Sustainability and ESG</p> <p>Public policy</p>

▷ Profile available [here](#)
◆ ◆
**Ms. Kimsuka Narasimhan**

Independent Director

<b>Nationality</b>	Indian
<b>Age</b>	58 years
<b>DIN</b>	02102783
<b>Date of appointment</b>	March 30, 2019
<b>Tenure on Board</b>	4 years
<b>Term ending on</b>	March 29, 2024
<b>Shareholding</b>	238 shares (0.00%)
<b>No. of directorships in other Indian public companies</b>	Nil
<b>Directorships in other Indian listed companies</b>	Nil
<b>Committee memberships and chairpersonships in other Indian public companies</b>	<p>Member: Nil      Chairperson: Nil</p>
<b>Areas of expertise</b>	<p>Strategic Leadership and Management      Financial and Risk Management</p> <p>Industry and Sector Experience      Governance</p> <p>Global Business/ International Business      Sustainability and ESG</p>

▷ Profile available [here](#)

Audit Committee	HR & Nomination Committee	Corporate Social Responsibility Committee	Stakeholder Relationship Committee	Risk Management Committee	Environmental, Social and Governance (ESG) Committee
● Chairman	● Chairman	● Chairman	● Chairman	● Chairman	● Chairman
◆ Member	◆ Member	◆ Member	◆ Member	◆ Member	◆ Member

**Notes:**

- (1) Above details have been provided as on March 31, 2023 in accordance with the Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Membership and chairpersonship of only the Audit Committee and the Stakeholders' Relationship Committee across all public companies are considered.
- (2) Chairpersonship of the Committee is not included in the count of membership of the Committee.

## Board of Directors



**◆◆  
Ms. Nisaba Godrej**  
Independent Director

<b>Nationality</b>	Indian
<b>Age</b>	45 years
<b>DIN</b>	00591503
<b>Date of appointment</b>	August 04, 2021
<b>Tenure on Board</b>	~2 years
<b>Term ending on</b>	August 03, 2026
<b>Shareholding</b>	Nil
<b>No. of directorships in other Indian public companies</b>	5
<b>Directorships in other Indian listed companies</b>	<ul style="list-style-type: none"> <li>• Godrej Agrovet Limited, Non-Executive, Non-Independent</li> <li>• Godrej Consumer Products Limited, Executive Chairperson</li> <li>• VIP Industries Limited, Non-Executive, Independent</li> <li>• Mahindra &amp; Mahindra Limited, Non-Executive, Independent</li> </ul>
<b>Committee memberships and chairpersonships in other Indian public companies</b>	
Member: Nil	Chairperson: Nil
<b>Areas of expertise</b>	
Strategic Leadership and Management	Financial and Risk Management
Industry and Sector Experience	Governance
Global Business/ International Business	Sustainability and ESG
Public policy	

▷ Profile available [here](#)



**◆◆  
Mr. Pradeep Kumar Sinha**  
Independent Director

<b>Nationality</b>	Indian
<b>Age</b>	67 years
<b>DIN</b>	00145126
<b>Date of appointment</b>	May 18, 2022
<b>Tenure on Board</b>	~1 year
<b>Term ending on</b>	May 17, 2027
<b>Shareholding</b>	Nil
<b>No. of directorships in other Indian public companies</b>	Nil
<b>Directorships in other Indian listed companies</b>	Nil
<b>Committee memberships and chairpersonships in other Indian public companies</b>	
Member: Nil	Chairperson: Nil
<b>Areas of expertise</b>	
Strategic Leadership and management	Financial and Risk Management
Global Business/ International Business	Governance
Industry and sector experience	Sustainability and ESG
Public policy	

▷ Profile available [here](#)

Audit Committee	HR & Nomination Committee	Corporate Social Responsibility Committee	Stakeholder Relationship Committee	Risk Management Committee	Environmental, Social and Governance (ESG) Committee
● Chairman	● Chairman	● Chairman	● Chairman	● Chairman	● Chairman
◆ Member	◆ Member	◆ Member	◆ Member	◆ Member	◆ Member

### Notes:

- (1) Above details have been provided as on March 31, 2023 in accordance with the Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Membership and chairpersonship of only the Audit Committee and the Stakeholders' Relationship Committee across all public companies are considered.
- (2) Chairpersonship of the Committee is not included in the count of membership of the Committee.



**Mr. Shyamal Mukherjee**  
Independent Director

<b>Nationality</b>	Indian
<b>Age</b>	63 years
<b>DIN</b>	03024803
<b>Date of appointment</b>	May 18, 2022
<b>Tenure on Board</b>	~ 1 year
<b>Term ending on</b>	May 17, 2027
<b>Shareholding</b>	215 shares (0.00%)
<b>No. of directorships in other Indian public companies</b>	1
<b>Directorships in other Indian listed companies</b>	ITC Limited, Non-Executive, Independent
<b>Committee memberships and chairpersonships in other Indian public companies</b>	Member: 1 Chairperson: Nil
<b>Areas of expertise</b>	Strategic Leadership and Management Financial and Risk Management
Industry and Sector Experience	Governance
Global Business/ International Business	Sustainability and ESG

▷ Profile available [here](#)



**Mr. V. K. Viswanathan**  
Independent Director

<b>Nationality</b>	Indian
<b>Age</b>	72 years
<b>DIN</b>	01782934
<b>Date of appointment</b>	January 14, 2014
<b>Tenure on Board</b>	~9 years
<b>Term ending on</b>	January 13, 2024
<b>Shareholding</b>	Nil
<b>No. of directorships in other Indian public companies</b>	6
<b>Directorships in other Indian listed companies</b>	<ul style="list-style-type: none"> <li>• United Spirits Limited, Non-Executive, Independent</li> <li>• KSB Limited, Non-Executive, Independent</li> <li>• ABB India Limited, Non-Executive, Independent</li> <li>• HDFC Life Insurance Company Limited, Non-Executive, Independent</li> </ul>

**Committee memberships and chairpersonships in other Indian public companies**

Member: 2	Chairperson: 4
<b>Areas of expertise</b>	
Strategic Leadership and Management	Financial and Risk Management
Industry and Sector Experience	Governance
Global Business/ International Business	Sustainability and ESG
Public Policy	

▷ Profile available [here](#)

Audit Committee	HR & Nomination Committee	Corporate Social Responsibility Committee	Stakeholder Relationship Committee	Risk Management Committee	Environmental, Social and Governance (ESG) Committee
● Chairman	● Chairman	● Chairman	● Chairman	● Chairman	● Chairman
◆ Member	◆ Member	◆ Member	◆ Member	◆ Member	◆ Member

**Notes:**

- (1) Above details have been provided as on March 31, 2023 in accordance with the Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Membership and chairpersonship of only the Audit Committee and the Stakeholders' Relationship Committee across all public companies are considered.
- (2) Chairpersonship of the Committee is not included in the count of membership of the Committee.

## Board of Directors

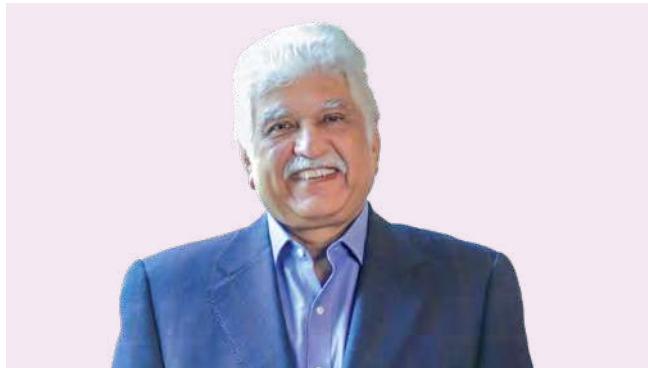


**Ms. Chua Sock Koong**

Non-Executive Director

<b>Nationality</b>	Singaporean
<b>Age</b>	65 years
<b>DIN</b>	00047851
<b>Date of appointment</b>	May 07, 2001
<b>Tenure on Board</b>	~22 years
<b>Term ending on</b>	Not Applicable
<b>Shareholding</b>	Nil
<b>No. of directorships in other Indian public companies</b>	1
<b>Directorships in other Indian listed companies</b>	Nil
<b>Committee memberships and chairpersonships in other Indian public companies</b>	
Member: Nil	Chairperson: Nil
<b>Areas of expertise</b>	
Strategic Leadership and Management	Financial and Risk Management
Technology	Governance
Industry and Sector Experience	Sustainability and ESG
Global Business/ International Business	

▷ Profile available [here](#)



**Mr. Rakesh Bharti Mittal**

Non-Executive Director

<b>Nationality</b>	Indian
<b>Age</b>	67 years
<b>DIN</b>	00042494
<b>Date of appointment</b>	January 07, 2016
<b>Tenure on Board</b>	~7 years
<b>Term ending on</b>	Not applicable
<b>Shareholding</b>	Nil
<b>No. of directorships in other Indian public companies</b>	2
<b>Directorships in other Indian listed companies</b>	Nil
<b>Committee memberships and chairpersonships in other Indian public companies</b>	
Member: Nil	Chairperson: Nil
<b>Areas of expertise</b>	
Strategic Leadership and Management	Financial and Risk Management
Technology	Governance
Industry and Sector Experience	Sustainability and ESG
Public Policy	

▷ Profile available [here](#)

Audit Committee	HR & Nomination Committee	Corporate Social Responsibility Committee	Stakeholder Relationship Committee	Risk Management Committee	Environmental, Social and Governance (ESG) Committee
● Chairman	● Chairman	● Chairman	● Chairman	● Chairman	● Chairman
◆ Member	◆ Member	◆ Member	◆ Member	◆ Member	◆ Member

Notes:

- (1) Above details have been provided as on March 31, 2023 in accordance with the Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Membership and chairpersonship of only the Audit Committee and the Stakeholders' Relationship Committee across all public companies are considered.
- (2) Chairpersonship of the Committee is not included in the count of membership of the Committee.



### Mr. Tao Yih Arthur Lang

Non-Executive Director

<b>Nationality</b>	Singaporean
<b>Age</b>	51 years
<b>DIN</b>	07798156
<b>Date of appointment</b>	October 27, 2020
<b>Tenure on Board</b>	~2.5 years
<b>Term ending on</b>	Not Applicable
<b>Shareholding</b>	Nil
<b>No. of directorships in other Indian public companies</b>	1
<b>Directorships in other Indian listed companies</b>	Nil
<b>Committee memberships and chairpersonships in other Indian public companies</b>	
Member: Nil	Chairperson: Nil
<b>Areas of expertise</b>	
Strategic Leadership and management	Financial and Risk Management
Technology	Governance
Industry and Sector Experience	Sustainability and ESG
Global Business/ International Business	

► Profile available [here](#)

Audit Committee	HR & Nomination Committee	Corporate Social Responsibility Committee	Stakeholder Relationship Committee	Risk Management Committee	Environmental, Social and Governance (ESG) Committee
● Chairman	● Chairman	● Chairman	● Chairman	● Chairman	● Chairman
◆ Member	◆ Member	◆ Member	◆ Member	◆ Member	◆ Member

**Notes:**

- (1) Above details have been provided as on March 31, 2023 in accordance with the Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Membership and chairpersonship of only the Audit Committee and the Stakeholders' Relationship Committee across all public companies are considered.
- (2) Chairpersonship of the Committee is not included in the count of membership of the Committee.

# Redefining Entertainment for Homes

We are redefining entertainment for our customers by bringing together the power of home broadband, Direct-to-Home (DTH) and digital services; to address the evolving content viewing habits of our customers. This is brought to life through the Airtel Xstream box, which allows customers to enjoy both digital content and linear TV channels in a seamless viewing experience. The experience is enhanced with single sign-on and universal search across all forms of content at home. Airtel Xstream offers over 700 linear TV channels and 20 OTT apps.





## Key Highlights for FY 2022-23

**18.3%\***

All-time high CMS in home broadband

**~1,200 cities**

Expanded broadband reach in  
350+ cities during last year

**1.6 Mn**

All-time high net customer additions in a year

**OTT partnerships**

SonyLIV, Lionsgate Play, Eros Now, Shemaroo,  
Hoichoi, Manorama Max

**2 Mn+**

Paid Xstream customers achieved in the  
first 100 days of launch, making it the  
fastest-growing OTT aggregation app

**Digital TV**

Airtel is the only DTH operator to offer just  
eight tariff plans across the country

\*As per TRAI subscriber data as on March 2023

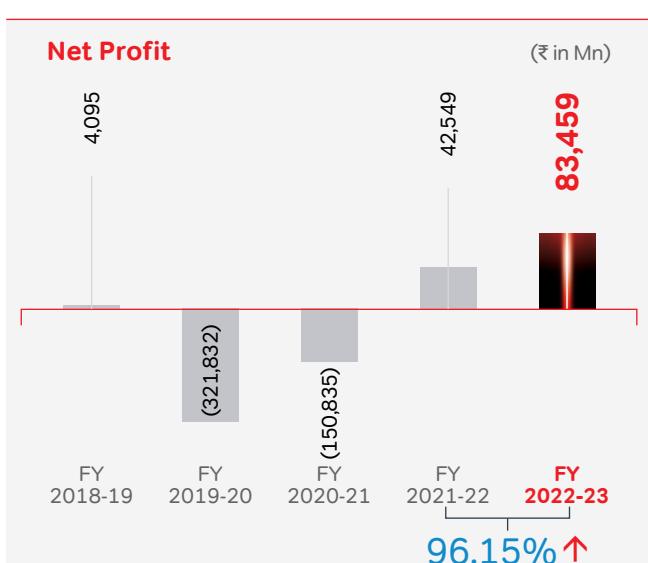
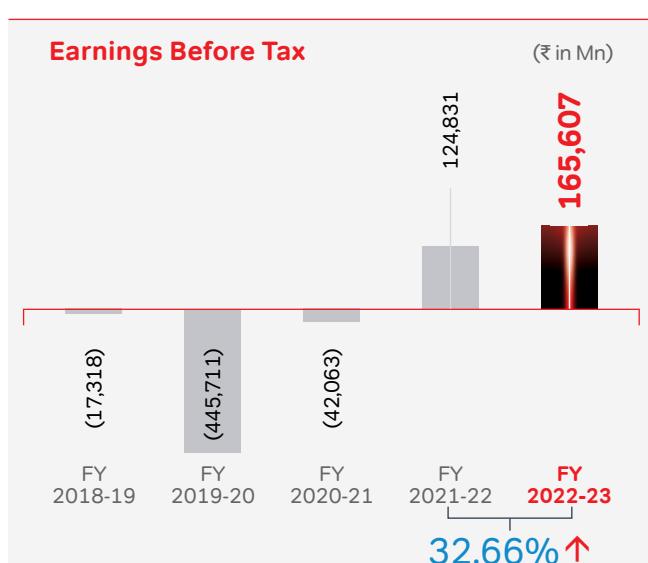
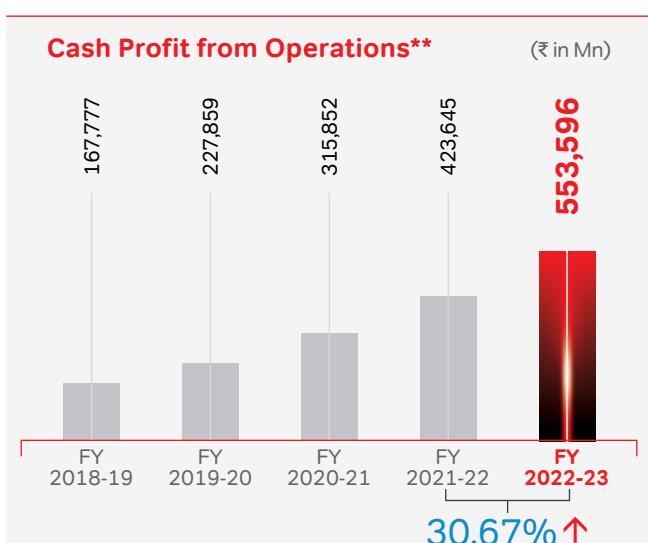
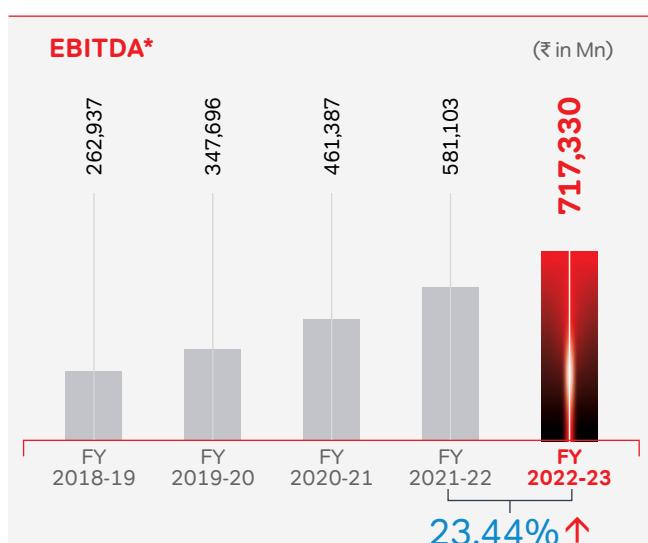
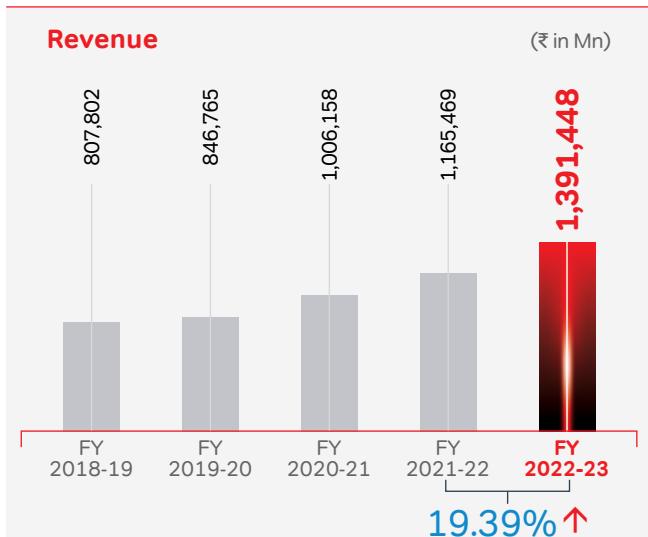
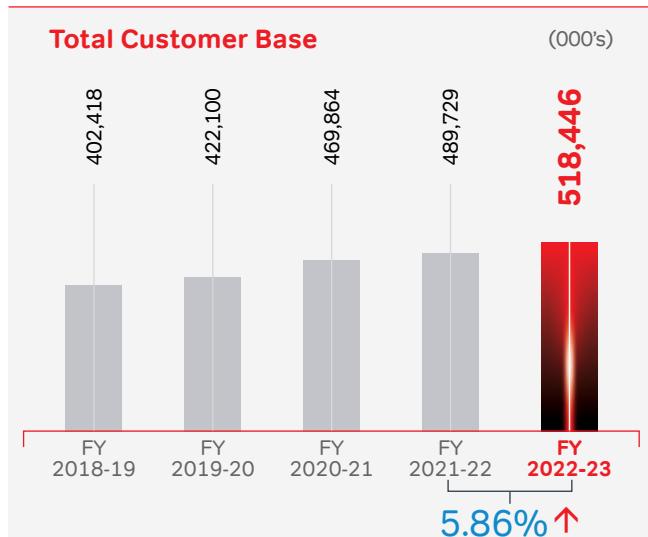
Airtel Xstream Fiber powers the digital content streaming for our customers. We are accelerating the rollout of home passes, penetrating deeper into existing cities and exploring new markets. Our distinctive partnership with Local Cable Operators (LCOs) is playing a pivotal role in expanding coverage while leveraging our expertise and existing feet-on-ground to reach the end customer. This is reflected in our highest-ever 1.6 million net customer additions and all-time high Customer Market Share (CMS) of 18.3% in FY 2022-23.

Converged entertainment is also the core of our re-defined DTH strategy which is focused on attracting and retaining quality customers. Simplified plans with greater transparency and improved experience is the focus for winning customers in rural markets.

## Key Performance Indicators

# Year in review

Financial year ended March 31, 2023



↑ Y-o-Y growth

\* Before exceptional items

\*\* Before derivative and exchange fluctuation (before exceptional items)

## Consolidated Financials

Particulars	Units	Ind AS				
		FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Shareholder's Equity	₹ Mn	714,222	771,448	589,527	665,543	775,629
Net Debt	₹ Mn	1,129,899	1,245,209	1,485,076	1,603,073	2,131,264
Capital Employed	₹ Mn	1,844,121	2,016,657	2,074,603	2,268,616	2,906,893

## Key Ratios

Particulars	Units	Ind AS				
		FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Capex Productivity	%	40.65	43.77	47.25	50.26	53.77
Opex Productivity	%	46.36	36.48	33.64	33.00	32.39
EBITDA Margin	%	32.55	41.06	45.86	49.86	51.55
EBIT Margin	%	5.90	8.93	16.52	21.32	25.31
Return on Shareholder's Equity	%	0.58	-35.47	-22.17	6.78	11.58
Return on Capital employed	%	2.53	4.00	7.38	10.31	12.32
Net Debt to EBITDA	Times	4.30	3.58	3.22	2.76	2.97
Interest Coverage ratio	Times	2.84	3.16	3.62	4.36	5.01
Book Value Per Equity Share	₹	178.7	141.4	107.3	119.1	136.7
Net Debt to Shareholders' Equity	Times	1.58	1.61	2.52	2.41	2.75
Earnings Per Share (Basic)	₹	0.96	(63.41)	(27.52)	7.67	14.80

FY 2018-19 figures are on the reported basis including Bharti Infratel, while FY 2019-20 to FY 2020-21 figures are excluding Bharti Infratel due to merger of Indus Towers with Bharti Infratel.

With the adoption of Ind AS16 Leases, effective April 1, 2019, the results and ratios of period commencing April 1, 2019 are not comparable with the past period results.

All figures are based on Consolidated Financial Statements. Previous year(s) figures are restated/reclassified, wherever necessary.



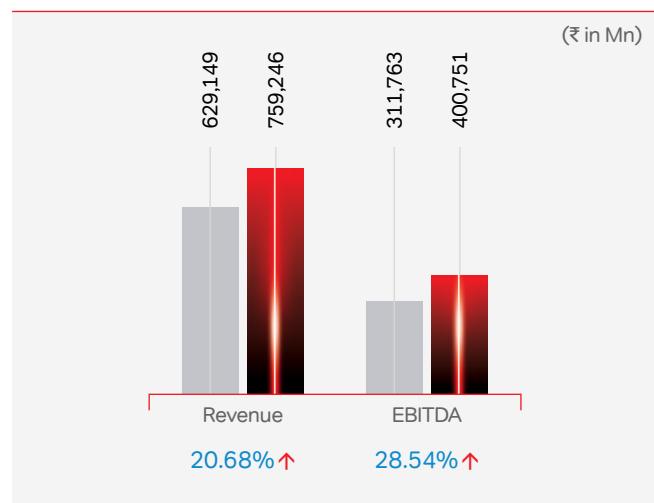
## Segment-wise Performance

# Significant progress across all our businesses



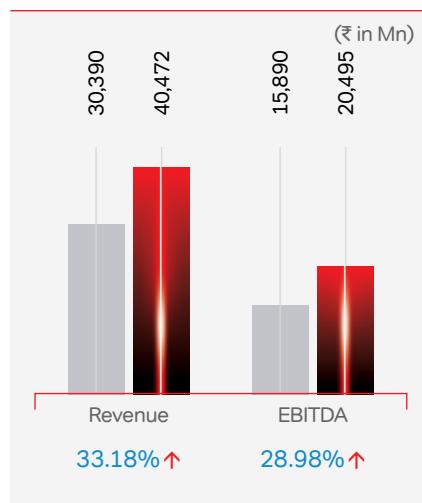
## Mobile Services (India)

We offer host of services including post-paid, prepaid, roaming, internet and various value-added offerings. Leveraging our extensive distribution network of 1.2 million outlets, our presence spans 7,915 census and 802,577 non-census towns and villages in India, covering ~96% of the country's population. Our diverse offerings encompass high-speed internet access, Mobile TV, video calls, live-streaming videos, gaming and buffer-less HD and 4K video streaming, among others, through our nationwide long-distance infrastructure comprising 388,726 Rkms of optical fiber.



## Homes Services

We deliver fixed-line telephone and broadband services to households across 1,199 cities throughout India, including our partnership with Local Cable Operators (LCOs). Our product portfolio comprises high-speed broadband with speeds of up to 1 Gbps, ensuring both fast internet connectivity and reliable voice services.



FY 2021-22

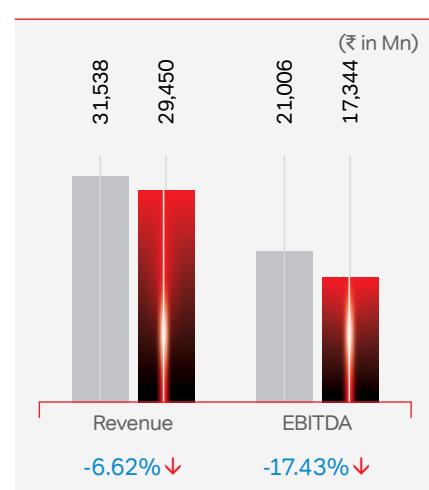
FY 2022-23

↑ Y-o-Y Growth



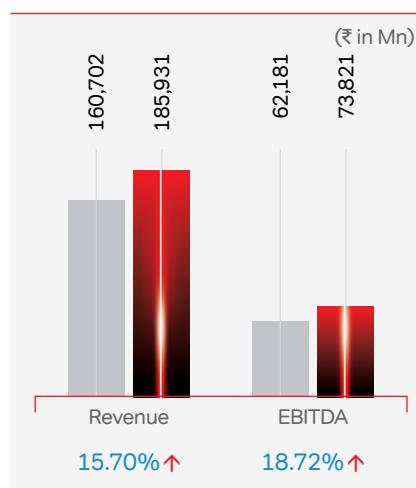
## Digital TV Services

Our Direct-To-Home (DTH) platform provides a wide range of digital TV services, including standard and high definition (HD) options with 3D capabilities and immersive Dolby surround sound. Our Airtel Xstream offering is an alternative to Smart TV as it enables users to access over 700 TV channels and multiple OTT apps both on their regular TV with an in-built Chromecast Play. Through a comprehensive selection of channels, including 85 HD channels (including 1 HD SVOD service), 57 SVOD services, 5 international channels and 5 interactive services and OTT apps, we redefine the television viewing experience.



## Airtel Business

As India's leading and trusted provider of ICT services, we offer a diverse portfolio of services to enterprises, governments, carriers and small to medium-sized businesses. Within connectivity, we provide fixed-line voice solutions (PRI), data connectivity and various connectivity options like MPLS, VoIP and SIP trunking. Besides this, we also provide comprehensive conferencing solutions encompassing voice, video and web conferencing. Cloud portfolio is added to our office solutions suite featuring storage, compute services, Microsoft Office 365, Shopify-based e-commerce packages and CRM packages, which are available on a flexible 'pay-as-you-go'. These services extend to network integration, data centers, managed services, enterprise mobility applications and digital media. Our Airtel Business division ensures a streamlined customer experience through a unified approach—billing system, support and a personalised interface.



Through our global services, we facilitate voice and data connectivity worldwide, including International Toll-Free Services and SMS hubbing. Leveraging strategically located submarine cables and a satellite network, we provide seamless global connectivity, even in the most challenging areas. Our expansive global network spans over 400,000 Rkms+ (including IRU), covering 50 countries and 5 continents.



# Empowering Digital Transformation for Businesses

In FY 2022-23, Airtel became the No. 1 operator in India's B2B segment. Airtel Business now contribute 19% to our India revenues and is among the fastest-growing units within the global telcos. All of this has been delivered through our Investments, our Product Portfolio enhancement and our GTM re-tooling efforts. We are investing in submarine cables, fiber connectivity across the country, private cloud, and Data Centers for our enterprise customers. Investments are targeted towards the next leg of accelerated growth and digital transformation.

Our product portfolio has diversified way beyond traditional connectivity solutions with SD-WAN, Airtel IQ (CPaaS), Cloud & Security, IoT, and private networks. This is helping us future-proof our growth across large enterprises, Government and SMEs accounts. We are constantly developing new products and solutions to meet customer needs. For example, we partnered with Vultr to offer its extensive suite of cloud solutions to Airtel's enterprise customers hosted in Airtel's data centers. IBM and Airtel are working together to deploy Airtel's edge computing platform in India, to enable large enterprises across multiple industries to accelerate innovative solutions.

5G use cases for enterprises are coming to life across many sectors. Our customised 5G solutions for Mahindra's Chakan manufacturing facility and Bosch Automotive Electronics India Pvt. Ltd. demonstrate our commitment to exploring use cases and unlocking the potential of 5G technology across industries.

We are constantly improving our GTM strategy with focus on brilliant account management and mapping the key decision-makers to understand their needs by providing a full suite of solutions to them. These efforts are showing traction in our business acceleration. An example of this was a landmark deal, on the cloud with DIKSHA—a national platform for school education by the Ministry of Education.



## Key Highlights for FY 2022-23

**#1**

B2B player in India

**15.6%**

Decade-high revenue growth

**33.7%\***

Core connectivity market share

**50.8%\***

Market share in IoT

**400,000+**

Fiber route kms across 50 countries

**1,500+**

Voice and CPaaS partnerships

\* As per Frost & Sullivan FY 2022-23 data

Airtel built and operates one of India's largest private cloud with a trillion transactions a day. It runs on Nxtra, our Data Center platform that serves hundreds of customers and all hyperscalers.



# Mapping our performance

**Q1**

## Digital Innovations and Customer Delight

- Acquired 19,867.8 MHz spectrum by securing a pan-India footprint of 3.5 GHz, 26 GHz bands and selectively bolstering low and mid-band spectrum
- Announced successful trial of India's first 5G Private Network at Bosch Automotive Electronics India Pvt. Ltd. facility in Bengaluru
- Airtel Xstream achieved 2 million paid subscriber milestone to become India's fastest-growing OTT aggregator platform
- To serve the needs of premium households, we raised the bar in the home broadband segment with the launch of three all-in-one plans (under Airtel Black) built for the evolving entertainment needs of today's connected homes
- Announced the launch of our Fiber-To-The-Home (FTTH) broadband service Airtel Xstream Fiber in Ladakh and Andaman and Nicobar Islands

## Strategic Alliances and Partnerships

- Acquired a strategic minority stake in cloud-based networking solutions provider Cnergee Technologies under the Airtel Startup Accelerator Program
- Acquired an additional 1.46% stake in Indus Towers. Our overall stake in Indus Towers stood at 47.95% at the end of the first quarter



# Q2

## Digital Innovations and Customer Delight

- Became the first telecom operator in India to roll out 5G services
- Unveiled India's first immersive Virtual Reality (VR) advertisement powered by 5G
- Announced the launch of XSafe, an easy-to-operate, end to end home surveillance solution that includes a range of Wi-Fi-based advanced cameras designed to ensure customers are connected to their homes
- Announced the launch of the "Always on" IoT connectivity solution in India. Our "Always on" solution comprises dual profile M2M eSIM, which allows an IOT device to always stay connected to a mobile network from different mobile network operators in the eSIM
- Wynk Music introduced Wynk Studio, India's largest music distribution ecosystem for independent artists based in India and overseas
- Announced multiple new products in cloud portfolio ahead of the 5G service launch. The new cloud offerings will fall under Edge Cloud Portfolio and will include Edge CDN

## Strategic Alliances and Partnerships

- Nxtra Data Limited partnered with Bloom Energy to deploy low environmental impact fuel cell installation at its data center in Karnataka, reducing carbon emissions through a cleaner, hydrogen-ready fuel supply. Nxtra would be the first data center company in India to deploy fuel cell technology to reduce carbon emissions at its Data Centers, while unlocking cost and sustainability benefits
- IBM and Airtel announced intent to work together to deploy Airtel's edge computing platform in India, which will include 120 network Data Centers across 20 cities. Once deployed, the platform is designed to enable large enterprises across multiple industries including manufacturing and automotive to accelerate innovative solutions that deliver new value to their clients and operations securely at the edge

## Financial and Strategic Efficiency

- Paid ₹ 8,312.40 crores to the Department of Telecommunication towards dues for spectrum acquired in 5G auction. We paid 4 years of spectrum dues upfront

# Q3

## Digital Innovations and Customer Delight

- Airtel and Nokia at IMC 2022, used Holographic images to bring the cultural splendour of Kashi Vishwanath temple and the Statue of Unity to life, demonstrating the benefits of an ultra-fast and low latency 5G network
- Launched 'Airtel World Pass' to make staying connected easy, intuitive and compelling. The World Pass revolutionises the experience for all international travel because one pack works seamlessly across 184 countries
- Nxtra Data Limited begun construction of its new hyper-scale data center in Kolkata. Airtel will invest ₹ 600 crores in the development of east India's largest data center
- Wynk Music introduced Wynk Rewind, a personalised user experience which features top artists, albums, songs and playlists, heard by the listeners during the year

## Strategic Alliances and Partnerships

- Airtel and Meta collaborated to invest in global connectivity infrastructure and new-age digital solutions based on CPaaS to meet the evolving needs of customers and enterprises in India
- Airtel to collaborate with Meta and STC to bring 2Africa Pearls to India as part of its ongoing effort to improve the nation's infrastructure. 2Africa is the world's longest subsea cable system and it is expected to provide faster internet access to nearly 3 billion people worldwide
- Acquired a strategic stake in Lemnisk (Immensitas Private Limited) under Startup Accelerator Program
- Airtel and Apollo Hospitals conducted India's first 5G-enabled, AI-guided colonoscopy trial. The trial was carried out using AI on Airtel's 5G technology, which has ultra-low latency and high-processing capabilities, allowing colon cancer to be detected much faster and more accurately



# Q4

## 5G Rollout

- Created 5G experience zones across all our retail stores in the country to demonstrate the power of 5G to consumers by bringing to life our blazing data speeds and emerging use cases like immersive virtual reality entertainment, cloud gaming and more
- Airtel 5G Plus service was made available to customers in over 3,000 cities and towns in the country. Airtel 5G Plus service availability will continue to rapidly expand as the company is working towards offering nationwide coverage
- Announced the launch of unlimited 5G data for its customers with the view to encouraging them to experience the power of the Airtel 5G Plus network. The offer is open to all postpaid customers and prepaid customers with a data plan of ₹ 239 and above

## Digital Innovations and Customer Delight

- Airtel has built an AI-based solution, in collaboration with NVIDIA, which will improve the overall customer experience for all in-bound calls to its contact Center
- Launched family plans for postpaid subscribers starting at a rental of ₹ 599 a month with 2 postpaid SIM connections, 105 GB data, Amazon Prime for 6 months, Disney Hotstar for 1 year and Xstream Mobile Pack. The postpaid plans go up to ₹ 1,499 a month, giving five connections and 320 GB data a month, while also including a Netflix plan to the other OTT offerings
- Partnered with India Post Payments Bank (IPPB) to launch WhatsApp Banking Services for IPPB customers, empowering customers pan-India to access banking services on their mobile phones in just a few clicks
- Announced our partnership with Secure Meters for deploying Narrow Band (NB-IoT) services that will power 1.3 million homes in Bihar through a smart meter solution

## Strategic Alliances and Partnerships

- Airtel partnered with Vultr, the world's largest privately held cloud computing company, to offer Vultr's unrivalled Cloud Compute, Cloud GPU and Cloud Infrastructure services to India's digital ecosystem

## Awards and Accolades

# Being rewarded for demonstrating excellence

Mr. Sunil Bharti Mittal, Chairman, was awarded the **Business Leader of the Year Award** at The Economic Times Awards for Corporate Excellence



## Brand

### WOW Awards

#### Gold

For Audience Engagement technology and Event App of the Year

#### Silver

For AR/VR Technologies and Content of the Year

### Effies India 2022

#### Silver

For Carpe Diem



#### Bronze

In Experiential Marketing / Brand Experience

## Social Media

### ICMA

#### Gold

For Best Use of Influencers (175 Replied)

### Afaqs

#### Gold

For Best Use of Influencers (175 Replied)

### MMA Smarties

#### Bronze

For the Best Influencer Marketing Campaign

## Broadband

### Meta All Stars

#### Winner

Airtel Xstream Fiber AR

## Network

### GTI Awards 2023

'Innovative Mobile Service and Application Company' for VISION, a unified customer analytics and self-healing platform

## Airtel IQ

### Aegis Graham Bell Award

For Innovative Telecom Solutions for Airtel IQ

## Data Center

### CIO Choice Award 2022, 2023

For Colocation Services

### W. Media Data Center (South Asia) Awards

For Carbon Reduction Initiatives

### ET Sustainable Organisations 2022

Award for Championing Sustainable Initiatives

### Techplus Media Award

For CXO Trusted Brand

### UBS Forums' data center Summit Awards 2022

For Green Data Center Initiatives

### World CSR Congress, Global CSR Excellence & Leadership Awards 2022

Developing Sustainable Strategies

## Corporate Governance

- ICSI National Award 2022
- Golden Peacock Global Award 2022

## Supply Chain Management

### UBS Forums

Most Resilient Supply Chain Team of the Year at the Future of Logistics & Supply Chain Summit & Awards 2023

### Icertis

Most Valued Customer 2022

## Corporate Communications

### E4M

### Winner – Top 25 Brands

Best In-house Communication Professionals 2022

## ESG Recognitions

### Sustainalytics

Recognised Airtel's initiatives by moving ESG risk rating from 'Medium' to 'Low'

### CDP

(Climate change): Rating improved two notches – from C to B

### MSCI

Improvement in rating from 'BBB' to 'A'

### Dun & Bradstreet Award

For ESG excellence

# Building a Future Ready Network

Airtel demonstrated its future ready network, being the first telco to launch 5G in India. We leveraged upon our future ready investments and adopted globally accepted non-standalone 5G architecture that offers the best coverage, experience at the lowest Total Cost of Ownership (TCO), and a lower carbon footprint.

Our ‘One Airtel’ integrated transport strategy is improving fiber rollout planning in a cost-effective way, enabling us to tap the growth potential across Mobility, B2B, and Homes. It is also improving operational efficiency across all business segments, ensuring a more robust and reliable network infrastructure.

Airtel is consistently spurring digital innovations. Digital tooling and innovative technology approach are playing a critical role in enhancing customer experience and improving our productivity. During FY 2022-23, key projects implemented include –

Airtel partnered with Meta and STC to extend 2Africa Pearls to India. Airtel joined the SEA-ME-WE-6 undersea cable consortium to scale up its high speed global network capacity to serve India’s fast growing digital economy.

Enhancement of network experience by upgrading in-house built A-SON to identify 4G/5G degradation and auto resolution in real time. We developed broadband coverage and experience heat map, and launched a VISION platform for automated handling of complaints for faster resolution and improved accuracy.

Last fiscal was a historic year as we recorded the highest ever network site additions, exponential fiber rollout, and continued broadband BTS additions. Further, we are leveraging our digital tools to optimise network performance and operations. We have stepped up our War-on-Waste programme and network re-engineering efforts to further optimise costs and make networks more efficient and environment-friendly.



## Key Highlights for FY 2022-23

**37,492**

Highest-ever network sites deployed in a year

**33,647 kms**

Fiber kms added

**7**

Submarine cables

**80,233**

Broadband BTS deployed

**₹431 Bn**

Spectrum investments – Acquired 19,800 MHz spectrum and secured a pan-India footprint of 3.5 GHz and 26 GHz bands

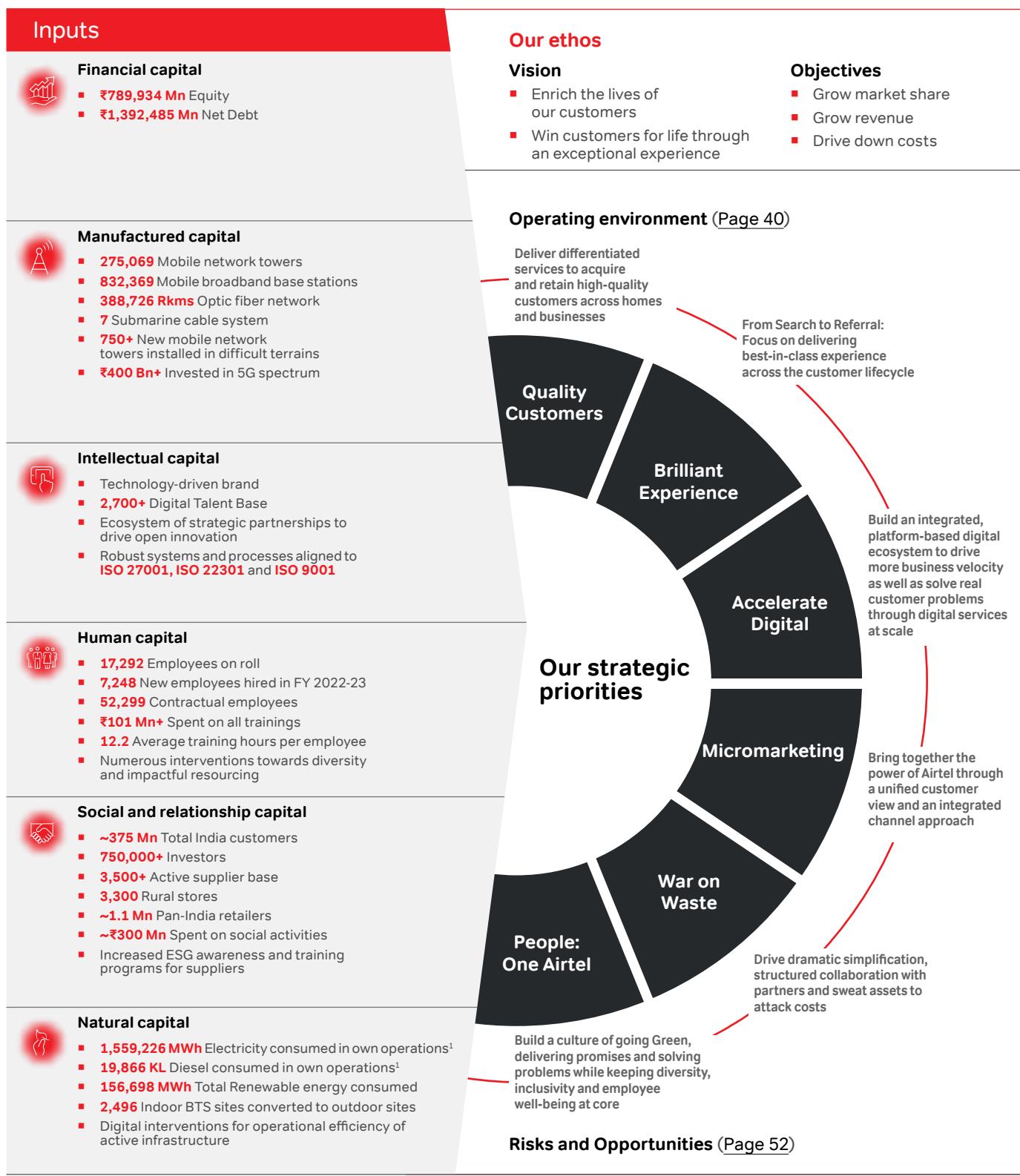
**12 large and  
120+ edge**

Strong presence in fast-growing Indian Data Center market. Expanding further with six upcoming large data centers



## Value Creation Model

# How we create value



## Our stakeholders



Customers



Investors



Channel Partners



Network Partners

<sup>1</sup>Now including warehouses.

		Outputs	Outcomes
Values			
■ Alive ■ Inclusive ■ Respectful		<p><b>Financial capital</b></p> <ul style="list-style-type: none"> <li>■ ₹847,201 Mn Revenue</li> <li>■ 52.1% EBITDA Margin</li> <li>■ ₹(896) Mn Profit after tax</li> <li>■ ₹435,826 Mn Cash generated from operations</li> <li>■ ₹338,795 Mn Paid to the exchequer</li> <li>■ 3.2x Net debt to EBITDA ratio</li> <li>■ ₹4/- fully-paid share and ₹1/- partly-paid share dividend<sup>2</sup></li> <li>■ ₹4,320 Bn Market capitalisation</li> </ul>	<ul style="list-style-type: none"> <li>■ All-time high market share across businesses</li> <li>■ Improvement in operating margins</li> <li>■ Strong operating free cash flows</li> <li>■ Shareholder value creation</li> </ul>
<b>Our business segments</b>		<p><b>Manufactured capital</b></p> <p><b>Data traffic</b> Mobile Services: 54,148 Bn MBs   ~20% Y-o-Y  Homes Services: 15,949 Bn MBs   ~101% Y-o-Y </p> <p><b>Minutes on Network (Gross)</b> 5,027 Bn   ~6% Y-o-Y </p> <p><b>Coverage:</b></p> <ul style="list-style-type: none"> <li>■ 95.9% Population (Mobile)   1,199 Cities (Homes)   639 Districts (Digital TV)</li> <li>■ 0.3 Mn+ Additional customers benefitted in difficult terrains</li> <li>■ 12 Large and 120+ Edge data centers</li> <li>■ Airtel 5G Plus rolled out in multiple towns/ cities</li> </ul>	<ul style="list-style-type: none"> <li>■ Frontrunner in India's 5G revolution</li> <li>■ Sustainably strong and reliable network</li> </ul>
Mobile Services		<b>Intellectual capital</b>	<ul style="list-style-type: none"> <li>■ Strong digital foundation of infrastructure, experience and services</li> <li>■ Solving customer problems through impactful innovation</li> </ul>
Digital TV Services		<p><b>Human capital</b></p> <ul style="list-style-type: none"> <li>■ ₹4.7 Mn+ Gross revenue per employee per month</li> <li>■ 4.4 Employee engagement score (out of 5); 76% Employees responded</li> <li>■ 93% Succession rate for middle and top level management   (2% Y-o-Y) </li> <li>■ 17% Women in STEM-related positions   (4% Y-o-Y) </li> <li>■ 10% Women in management positions in revenue-generating functions   (12.3% Y-o-Y) </li> <li>■ 11.1% Women out of total employees   (10% Y-o-Y) </li> </ul>	<ul style="list-style-type: none"> <li>■ Superior people experience with diversity, inclusivity and overall employee well-being at core</li> <li>■ Strengthened governance and experience for contractual employees</li> <li>■ Enhanced productivity and efficiency</li> </ul>
Airtel Business		<b>Social and relationship capital</b>	<ul style="list-style-type: none"> <li>■ #1 B2B player in India</li> <li>■ Improved customer experience</li> <li>■ Indigenous partner ecosystem</li> <li>■ Positively impacted the lives of millions of stakeholders</li> </ul>
Homes Services		<p><b>Impact (cumulative) through programs of Bharti Foundation since inception:</b></p> <ul style="list-style-type: none"> <li>■ 2.8 Mn+ Community members</li> <li>■ 27,000+ Schools</li> <li>■ ~3 Mn Students</li> </ul>	
► Read more ( <a href="#">Page 26</a> )		<b>Natural capital</b>	
<b>Our capitals (<a href="#">Page 72</a>)</b>		<ul style="list-style-type: none"> <li>■ 71% Increase in renewable energy in own operations</li> <li>■ 14,676 MWh Electricity savings through conservation initiatives<sup>4</sup></li> <li>■ 3,330 Tonnes E-waste recycled</li> <li>■ ~4,412 Tonnes Paper saved due to E-bill initiatives</li> <li>■ ₹150 Mn Total annual cost savings from energy conservation initiatives<sup>4</sup></li> <li>■ 0.1 tCO<sub>2</sub>e/TB Emission intensity (Network)</li> <li>■ 122,321 tCO<sub>2</sub>e Emissions avoided<sup>5</sup></li> </ul>	<ul style="list-style-type: none"> <li>■ Committed to net-zero carbon emissions by 2050</li> <li>■ Increased usage of renewable energy</li> </ul>



Suppliers



Employees



Regulatory Bodies



Community/NGOs

<sup>2</sup>Subject to the approval of shareholders at ensuing Annual General Meeting.<sup>3</sup>Excluding transactions w.r.t. inter-company and other telecom providers.<sup>4</sup>Energy and cost savings from networks, data centers, facilities and main switching centres and AORs.<sup>5</sup>Emissions avoided from use of renewable energy and implementation of energy conservation initiatives.<sup>\*</sup>As per Frost & Sullivan.

# Trends shaping our industry

In the dynamic landscape of the telecom industry, several key trends are shaping the future and presenting new opportunities and challenges for companies. From the rapid advancements in technology to evolving consumer demands and regulatory changes, telecom companies must navigate these trends to stay competitive and meet the ever-changing needs of their customers. At Airtel, we are always cognizant of these developments to ensure we stay ahead of the curve.

## **Emergence of high-value customers**

There has been an emergence of high-value customers in recent years, which has been revolutionising the industry. These customers contribute significantly to a company's revenue through substantial monthly spending and frequent usage of value-added services.

### **Our response**

Our premiumisation strategy is centred around acquiring high-value customers by offering them bundled solutions and superior experience. Airtel Black and Family plans have played a crucial role in our success. Leveraging the convergence capabilities and the power of bundling to provide convenience and cost-effectiveness to our customers. By delivering a differentiated experience to our high-value customers, we have strengthened our premiumisation agenda and maintained a competitive edge in the market. Our continuous efforts to expand and upgrade the 4G network, along with the ongoing rollout of 5G services, have further attracted high-value customers, resulting in strong net additions and market share gains.



## **Emergence of climate risks**

With each passing year, temperature and pollution levels continue to rise, amplifying the risk of natural disasters. These changes also lead to anticipated shortages of water, food, and commodities, while posing a significant threat to biodiversity. To mitigate the impact of global warming and address these challenges, proactive measures are essential for all telecom companies.

### **Our response**

We have embarked on a transformative sustainability journey, leveraging innovation and strategic initiatives to drive positive change. At the heart of our efforts is a commitment to reduce our carbon footprint and achieving Net Zero. We are spearheading the establishment of green Data Centers, incorporating energy-efficient initiatives in our wireless network and sustainable practices. By embracing solar deployment, we are harnessing the power of renewable energy, significantly reducing our reliance on traditional power sources. We are prioritising the climate-proofing of our networks, ensuring resilience in the face of environmental challenges.

## Emergence of home entertainment

The emergence of home entertainment has revolutionised how we consume content. With high-speed internet and streaming services, people now have a wide range of options to enjoy movies and TV shows at home. Smart TVs and gaming consoles provide immersive experiences, while personalisation and shared viewing have become the norm. This trend is reshaping modern lifestyles and continues to evolve with ongoing innovation in the sector.

### Our response

We redefined entertainment with seamless connectivity and a wide range of options through our home broadband and DTH services. Our Xstream box provides access to over 20 top OTT apps and 700 TV channels, allowing customers to toggle effortlessly between linear and digital content. We expand our home broadband coverage through home passes and reach in newer cities with LCO partnerships. This has resulted to all time high customer market share of 18.3% as of March 2023. Fixed broadband converts non-smart TVs into smart, connecting them to our integrated Xstream box with an in-built Chromecast Play. Our redefined DTH strategy offers simplified plans for transparency and convenience, fostering customer loyalty. We also improve our GTM strategy to enhance customer acquisitions.



## Emergence of cyberattacks

As digital adoption in India has surged, so has the alarming rise of cybercrime. The scale and complexity of cyber threats continue to impact essential services, businesses and individuals. Cyber criminals exploit vulnerabilities to steal passwords, data and money. Hacking, phishing, and ransomware are common cyber threats. High-profile ransomware campaigns and massive data breaches have exposed individuals and businesses to fraud.

### Our response

We recognised the urgency to address cyber threats and protect our customers. To ensure their safety during remote work, online classes, e-commerce transactions and entertainment, we introduced the 'secure internet' service through Xstream Fiber. This service blocks malware, viruses, high-risk websites and apps in real-time. In collaboration with Kaspersky, we made it convenient for Airtel customers to purchase Kaspersky Total Security directly from the Airtel Thanks app. Our aim is to enhance cybersecurity awareness among Indian internet users and promote safe online practices. We have also pioneered various cybersecurity solutions, such as Airtel Secure, catering to the advanced needs of our business customers. Furthermore, Airtel Payments Bank offers 'Airtel Safe Pay,' India's safest mode of digital payments, to protect our customers from online payment frauds.

# Fulfilling expectations through constant engagement



At Airtel, aligning with stakeholders' expectations, needs, and aspirations is at the core of our purpose. We firmly believe that understanding our stakeholders is imperative to building trust while responding to the opportunities and challenges created by the market.

Our stakeholder Engagement framework outlines an approach to engage and work with our stakeholders and is applicable to all our operating entities and functions across the corporate and regional levels.

**The primary focus of our framework is to**

- Facilitate our ability to understand stakeholder concerns and interests, and incorporate them into our processes and activities.
- Improve the way we communicate and engage with our stakeholders, including enhancing the clarity, accessibility, relevance, and timeliness of our communication throughout our engagement processes.
- Continue enhancing stakeholders' trust and confidence in our processes, decisions, and activities.

## Airtel's Stakeholder Engagement Procedure

The stakeholder engagement process has been tailored to promote a culture of ongoing engagement with every stakeholder group and build a positive relationship with them. The formal engagement process begins with identifying, analysing, and prioritising different stakeholder groups.

### Stakeholder Engagement Process



Besides ongoing stakeholder engagement, we partner with competent external experts to effectively engage with certain stakeholders, such as local communities and vulnerable groups. They are responsible for collecting information from stakeholders, to understand their needs and expectations and also ensure that necessary capacity building of stakeholders is undertaken to effectively collaborate with them. A thorough review and analysis of formal stakeholder engagement feedback is done via external consultants to gauge the success of the exercise and continually improve engagement activities.



# Materiality Assessment and Stakeholder Engagement

## Stakeholder engagement and outcomes

Stakeholders	Value proposition	Why they are important to us
 Customers	<ul style="list-style-type: none"> <li>■ Service quality</li> <li>■ Data protection</li> <li>■ Innovation through strategy and technology</li> </ul>	<ul style="list-style-type: none"> <li>■ Revenue growth and generation</li> <li>■ Streamline goals and processes</li> <li>■ Demand-led innovation</li> </ul>
 Investors	<ul style="list-style-type: none"> <li>■ Return on investment</li> <li>■ Short term and long-term financial viability</li> <li>■ Risk management</li> </ul>	<ul style="list-style-type: none"> <li>■ Respond to queries of investors on operations of the company</li> <li>■ Bring transparency with the community of existing and potential investors</li> </ul>
 Suppliers	<ul style="list-style-type: none"> <li>■ Fair trade practices</li> <li>■ Protecting interests and providing opportunities to minority suppliers</li> <li>■ Sustainable supply chain</li> </ul>	<ul style="list-style-type: none"> <li>■ Operations without barriers</li> <li>■ New developments and innovation</li> <li>■ Competitive – stay ahead based on quality, technology, pricing</li> </ul>
 Employees	<ul style="list-style-type: none"> <li>■ Performance review and feedback</li> <li>■ Training and development</li> <li>■ Health, safety and well-being</li> </ul>	<ul style="list-style-type: none"> <li>■ Drivers to achieve the target set for them</li> <li>■ Satisfied and engaged employees perform good at work</li> <li>■ Right talent gives us competitive advantage</li> </ul>
 Channel Partners	<ul style="list-style-type: none"> <li>■ Skill development</li> <li>■ Capacity building</li> <li>■ Promoting innovation of products and services</li> </ul>	<ul style="list-style-type: none"> <li>■ Boosting productivity</li> <li>■ Increased loyalty and engagement</li> <li>■ Lead generation</li> </ul>
 Network Partners	<ul style="list-style-type: none"> <li>■ User satisfaction and productivity</li> <li>■ Enhancing and expanding network quality</li> <li>■ Optimising energy efficiency</li> </ul>	<ul style="list-style-type: none"> <li>■ Increase reach of service</li> <li>■ Revenue growth</li> <li>■ Addressing social and environmental issues</li> <li>■ Improving environmental footprint</li> </ul>
 Regulatory Bodies	<ul style="list-style-type: none"> <li>■ Formulation of policies and procedures to shape the present and future of business for its growth and development</li> </ul>	<ul style="list-style-type: none"> <li>■ To ensure smooth operation of the Company, we need to abide to various regulations</li> <li>■ Licencing and permissions</li> <li>■ Sector sustainability</li> </ul>
 Community/NGOs	<ul style="list-style-type: none"> <li>■ Transform the lives of children and youth through education</li> <li>■ Improving sanitation conditions and awareness about health and hygiene among community members and educational institutions</li> <li>■ Promoting employment of local youth as teachers, e-learning as well as community-awareness on girl child's education</li> </ul>	<ul style="list-style-type: none"> <li>■ To create long lasting value for societies</li> <li>■ To partner with the government, educational institutions and local communities to help address key challenges</li> </ul>



Financial capital



Social and  
Relationship capital



Manufactured capital

<b>How we engage with them</b>	<b>Key material issues</b>	<b>Capital linkage</b>
<ul style="list-style-type: none"> <li>■ Airtel Stores and contact centres across operational cities</li> <li>■ Email, SMS communication and Company website</li> <li>■ Social media engagement</li> <li>■ Airtel Thanks App</li> </ul>	<ul style="list-style-type: none"> <li>■ Network quality, expansion, and transformation</li> <li>■ Innovation in products and services</li> <li>■ Information security and customer data privacy</li> <li>■ Enhancing customer experience and satisfaction</li> <li>■ Resource efficiency and waste management</li> <li>■ Fair marketing and advertising</li> </ul>	
<ul style="list-style-type: none"> <li>■ Annual General Meeting</li> <li>■ Face-to-face and electronic correspondence</li> <li>■ Press briefings</li> <li>■ Analyst meets</li> <li>■ Earning calls</li> </ul>	<ul style="list-style-type: none"> <li>■ Regulatory compliance</li> <li>■ Corporate governance and business ethics</li> <li>■ Climate change, energy efficiency and emission reduction</li> </ul>	
<ul style="list-style-type: none"> <li>■ Electronic correspondence</li> <li>■ Partner Portal</li> <li>■ Company Website</li> <li>■ Annual Confluence</li> <li>■ Meetings/Governance/Review</li> <li>■ Sustainability Awareness session</li> </ul>	<ul style="list-style-type: none"> <li>■ Sustainable supply chain management</li> <li>■ Green ICT solutions</li> <li>■ Innovation in products and services</li> </ul>	
<ul style="list-style-type: none"> <li>■ Annual employee surveys</li> <li>■ Skip level meetings</li> <li>■ Regular employee communication forums</li> </ul>	<ul style="list-style-type: none"> <li>■ Employee health and well-being</li> <li>■ Talent attraction and human capital development</li> <li>■ Diversity and inclusion</li> <li>■ Innovation in products and services</li> <li>■ Promoting human rights</li> </ul>	
<ul style="list-style-type: none"> <li>■ Superior commission and reward scheme</li> <li>■ Sustained marketing support</li> <li>■ Extensive product portfolio</li> </ul>	<ul style="list-style-type: none"> <li>■ Sustainable supply chain management</li> <li>■ Enhancing customer experience &amp; satisfaction</li> <li>■ Network quality, expansion and transformation</li> </ul>	
<ul style="list-style-type: none"> <li>■ Online portal</li> <li>■ Training modules and partner documents</li> <li>■ Face to face interactions</li> </ul>	<ul style="list-style-type: none"> <li>■ Network quality, expansion, and transformation</li> <li>■ Climate change, energy efficiency and emission reduction</li> <li>■ Sustainable supply chain management</li> </ul>	
<ul style="list-style-type: none"> <li>■ Face-to-face and electronic correspondence</li> <li>■ Public policy - Advocacy</li> <li>■ Making representations whenever needed</li> </ul>	<ul style="list-style-type: none"> <li>■ Corporate governance and business ethics</li> <li>■ Regulatory compliances</li> <li>■ Information security and customer data privacy</li> </ul>	
<ul style="list-style-type: none"> <li>■ Field visits and community meetings undertaken by Bharti Foundation during the implementation and program operations</li> </ul>	<ul style="list-style-type: none"> <li>■ Corporate citizenship and community development</li> <li>■ Regulatory compliances</li> <li>■ Digital inclusion and enhanced access to ICT</li> </ul>	



Intellectual capital



Natural capital



Human capital

# Materiality Assessment and Stakeholder Engagement

## Materiality Assessment

Materiality assessment enables the Company to identify, prioritise, track, and report the most important sustainability issues that play a critical role in our sustainability strategy development process. Airtel as a responsible business organisation understands and addresses the material issues that are relevant to its business operations and the stakeholders to achieve long-term success. Embedding materiality aspects will enable the stakeholders to make more informed decisions about Airtel's impact (on environment and society), opportunities and risk profile, and enable the Company to effectively manage its sustainability risks and opportunities.

Airtel regularly engages with its stakeholders, gaining insights and reviewing new developments on various sustainability frameworks and market updates to understand the emerging risks and their potential impact on its business. In addition, Airtel considers telecom industry-specific material issues, along with various ESG rating assessments. This process helps in the identification of additional material issues, if any, build strategies and create value-creation approaches.

### How is materiality assessed at Airtel?

The Company engages with its internal and external stakeholders to have an improved understanding of the material issues that could directly impact its ability to create value. A materiality assessment is conducted every two years through an independent external agency, based on three aspects:



Airtel undertook a comprehensive materiality assessment exercise, which was conducted by professional consultants, who worked closely with the Company's internal and external stakeholders, following GRI Standards and guided by AccountAbility's AA1000 principles (2018).

## Desk review to identify material issues

A comprehensive desk review was carried out to identify a set of material topics relevant to Airtel. This included:

### Trends on the horizon

Review of current and emerging telecom industry trends, business risks, and priorities

### Benchmarking best practices

Review of peer practices in Indian and global markets, indices, and sustainability frameworks to identify sector-specific sustainability material issues

## Stakeholder consultation was undertaken to prioritise material Issues

### External stakeholder consultation

#### Objectives

To understand the key concerns and expectations of relevant stakeholders, along with their level of satisfaction in engaging with Airtel and incorporate their perception of important material issues into the materiality assessment

#### Category of stakeholders engaged

Customers, investors, suppliers and vendors, channel partners, network partners, non-profit organisations and regulatory bodies

### Internal stakeholder consultation

#### Objectives

- To understand top management's vision on business goals and priorities and understand the emerging risks and opportunities for Airtel
- To ascertain how sustainability issues feature in the risk radar of the organisation across different departments
- To incorporate their perception of important material issues into the materiality assessment

#### Category of stakeholders engaged

Senior management from internal functions – secretarial, customer experience, human resources, operations – networks, Data Centers, facilities, supply chain management, risk team, information security, product team, corporate communications, ombuds, Bharti Foundation

#### Process

##### Mapping the existing stakeholders

Map the stakeholders who can impact or influence the organisation

##### Questionnaire development

Questionnaire were designed, and online surveys undertaken to engage with internal stakeholders

##### Stakeholder consultation

Interviews were conducted with all identified stakeholders

## Outcomes of external and internal stakeholder consultation

### Prioritisation of material topics

The final list of material topics for Airtel was arrived at after an in-depth analysis of the results of internal and external stakeholder consultation. Management perspective was obtained to further categorise the material topics as per the level of priority (Critical-High-Moderate).

### Data analysis

Survey results were aggregated to draw inferences on the areas of concern for the stakeholders, and material topics that were a priority for them. The insights gathered through external and internal stakeholder engagement were analysed and synthesised with the findings from desk review to develop the materiality matrix.

# Materiality Assessment and Stakeholder Engagement

## Material issues

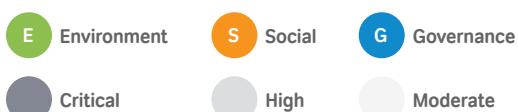
The materiality assessment helps identify risk parameters that are integrated across all management levels within Airtel. These material issues are dynamic, and they vary based on changes in our external operating environment and the evolving expectations of our stakeholders. A total of 18 material issues were identified (depicted here in the form of a materiality matrix). The matrix categorises these material issues in order of critical, high and moderate significance to the organisation and its stakeholders.

### Airtel materiality matrix



1. Information security and customer data privacy
2. Talent attraction and human capital development
3. Corporate Governance and business ethics
4. Climate change, energy efficiency and emission reduction
5. Enhancing customer experience and satisfaction
6. Network quality, expansion and transformation
7. Regulatory compliance
8. Innovation of product and services
9. Employee health and well-being
10. Diversity and inclusion

11. Sustainable supply chain management
12. Promoting human rights
13. Corporate citizenship and community development
14. Resource efficiency and waste management
15. Fair marketing and advertising
16. Digital inclusion and enhanced access to ICT
17. Water efficiency
18. Green ICT solutions



## Material issues

The identified material issues have further been aligned with the Sustainable Development Goals that relate most closely to Airtel's business and vision:

Material issues	SDGs impacted
1. Information security and customer data privacy	
2. Talent attraction and human capital development	
3. Corporate Governance and business ethics	
4. Climate change, energy efficiency and emission reduction	
5. Enhancing customer experience and satisfaction	
6. Network quality, expansion and transformation	
7. Regulatory compliance	
8. Innovation of product and services	
9. Employee health and well-being	
10. Diversity and inclusion	
11. Sustainable supply chain management	
12. Promoting human rights	
13. Corporate citizenship and community development	
14. Resource efficiency and waste management	
15. Fair marketing and advertising	
16. Digital inclusion and enhanced access to ICT	
17. Water efficiency	
18. Green ICT solutions	

Bharti Airtel Limited (Airtel), like any other company, operates in a dynamic external environment that constantly faces challenges and opportunities. We are aware of the need for businesses to review and report the potential impact of environmental and social issues on their overall business performance. For Airtel, key externalities, which we closely observe and follow to mitigate any adverse impacts, are listed in our Risk

Mitigation Framework (refer to [page 52](#) of this Integrated Report). A close review of the internal and external factors affecting Airtel's business operations facilitates a more comprehensive understanding of a company's impact and development of the risk profile. This helps the investors make more informed decisions and enables us to manage their sustainability risks and opportunities in an optimum manner.

# Sustainability – Our pathway to the future



As a responsible organisation, Airtel considers 'Sustainability' as an integral part of its business strategy and is committed to create long-term value for all stakeholders through sustainable business practices.

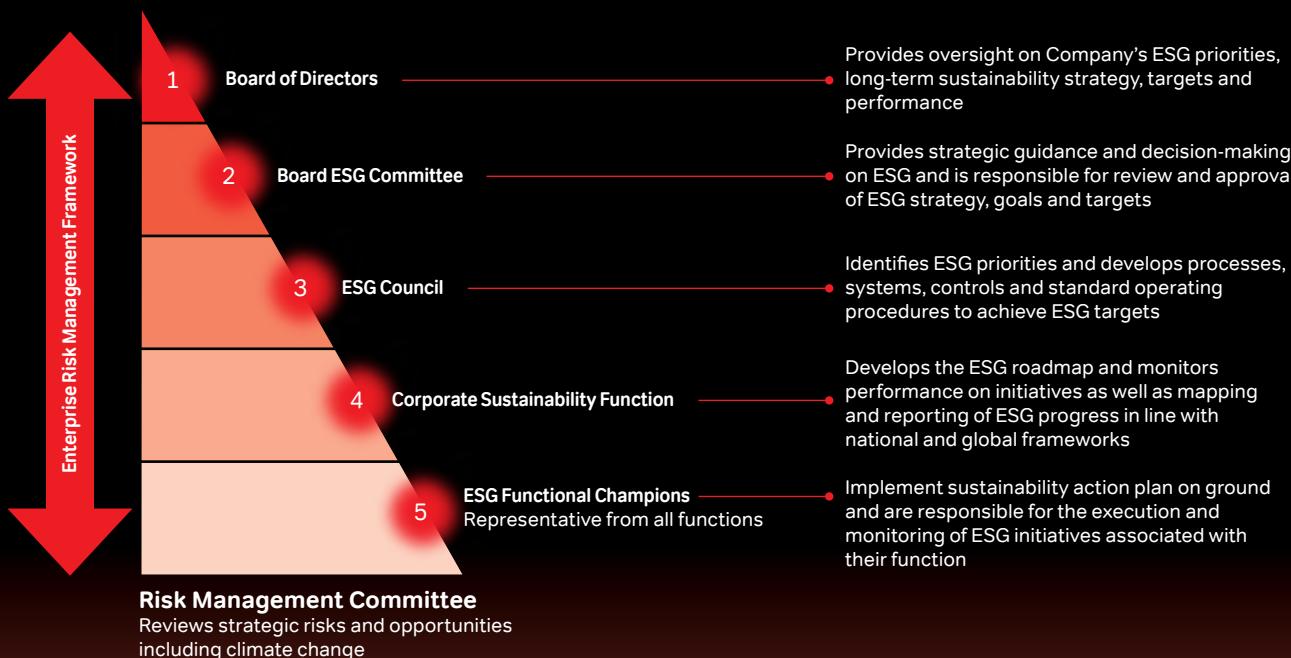
Airtel undertakes comprehensive initiatives on the Environment, Social and Governance (ESG) and has set ambitious ESG related targets for itself. The Company actively reports its performance on sustainability in its Integrated Reporting aligned with the IIRC Framework.

## Our vision

...is to be a globally renowned Environmentally conscious, Socially responsible and Governance-led Company by implementing leading ESG practices and transparent reporting.

## ESG Governance Structure

In order to drive its long-term sustainability vision, Airtel has been following an ESG Governance Mechanism.



## ESG Specific Commitments, Goals, and Targets

Airtel has a structured approach to meet its commitment towards sustainability and has identified some key focus areas with specific goals and targets.

### Key ESG Focus Areas

#### Environment

Greening the Network, Achieving Climate Resilience and Resource Efficiency and Waste Management.

#### Social

Occupational Health & Safety, Diversity & Inclusion and Talent Development & Retention.

#### Governance

Stakeholder Engagement, Sustainable Supply Chain Management and Corporate Governance.

### ESG Initiatives

Airtel has a structured approach to meet its commitment towards sustainability and has identified some key focus areas with specific goals and targets.

### Science Based Targets

Airtel is the first Indian telecommunications company to join the league of leading international corporations committed to the 1.5°C pathway outlined by the Science-Based Targets initiative (SBTi). This is a partnership between CDP, United Nations Global Compact, World Resources Institute (WRI) and World-Wide Fund for Nature (WWF).

### United Nations Global Impact

Airtel has become the first Indian telecommunications company to join the United Nations (UN) Global Compact, which is the largest corporate sustainability initiative in the world.

### United Nations Energy Compact

Airtel has adopted the Energy Compact that aims to mitigate the impacts of climate change. The Company was also recognised for this by the Ministry of New and Renewable Energy (MNRE), Government of India.

### ESG Recognitions

- **Sustainalytics** recognised Airtel's initiatives by moving ESG risk rating from 'Medium' to 'Low'
- **CDP** – (Climate change): Rating improved by two notches – from C to B
- **MSCI** – Improvement in rating from 'BBB' to 'A'
- **Won Dun & Bradstreet Award for ESG Excellence**

▷ For details on ESG focus areas and other details, read more on page 153 of the Business Responsibility and Sustainability Report.

# Safeguarding against uncertainties



Bharti Airtel has achieved global success through a culture of innovation and high performance. As we explore new markets, embrace emerging technologies, forge strategic partnerships, and introduce innovative products, we recognise the accompanying risks and uncertainties.

At Airtel, our Board and leadership team proactively address potential disruptions to ensure smooth business operations. Our robust risk management framework encompasses strategic, legal, financial, operational, and climatic risks. We employ a rigorous process to identify critical risks across the organisation and develop relevant action plans for mitigation, fostering a reliable and secure business environment.

## Responsibility and accountability

### Board of Directors

An annual evaluation of the Company's risk management framework is conducted by the Board of Directors along with periodic evaluation and assessment by the Risk Management Committee. The Risk Management Committee formulates a detailed risk management policy and monitors the implementation of the same. The Chief Risk Officer works closely with the Risk Management Committee on an independent basis and conducts a complete review of the risk assessments and associated management action plans. The Board of Directors is the apex body that reviews critical risks and deliberates and approves action plans which can effectively mitigate those risks.

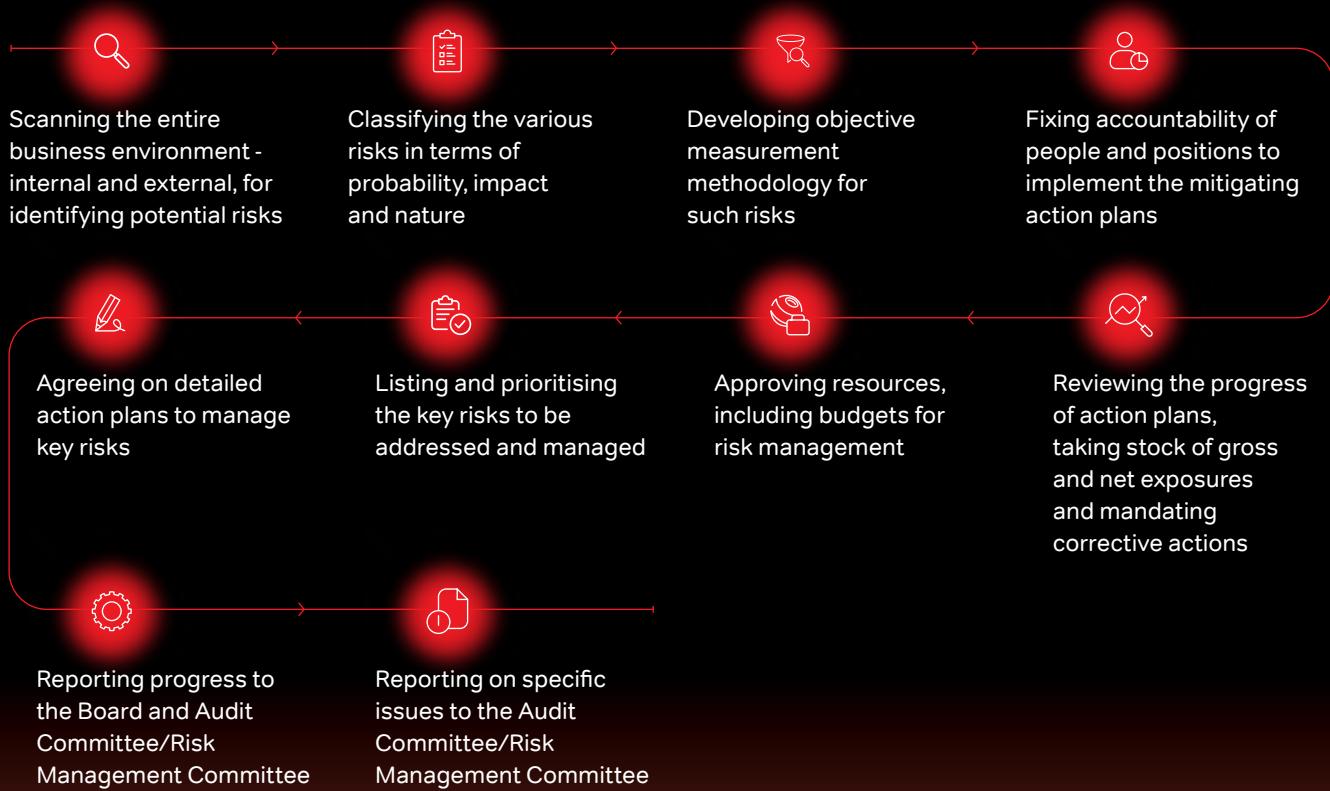
### Airtel's Management

The CEOs of Airtel businesses in India and South Asia are responsible for managing the strategic risks that may impact their operations. These risks are generally identified by their Circle teams, the national level leadership and teams from the international operating companies. The management team draws on internal audit reports for the identification of risks and scans internal and external environments to ascertain developments that could pose material risks for the Company. Internal assurance reports are also considered for the identification of key risks.

### Operational Teams

The Executive Committees (EC) of Circles in India and operating companies from international operations manage risks at the ground level. The EC has local representation from all functions, including central functions like Finance, SCM, Legal & Regulatory and customer-facing functions, such as Customer Service, Sales & Distribution and Networks. It is the responsibility of the Circle CEO or Country Managing Director to engage functions and partners to manage the risks. They are also responsible for the identification of risks and escalating them to the central teams for agreement on mitigation plans.

## Risk Identification Process



# Risk and Mitigation Framework

## Regulatory and Political Uncertainties (Legal and Compliance)

Outlook from last year > Emerging

### Definition

The Company operates in India, Sri Lanka and 14 African countries. Some of these countries (or regions within countries) are affected by political instability, civil unrest, pandemic and other social tensions. Besides, the political systems in a few countries are also fragile, resulting in regime uncertainties; and hence, the risk of arbitrary action. Such conditions tend to affect the overall business scenario. In addition, regulatory uncertainties and changes, like escalating spectrum prices, subscriber verification norms and penalties, and EMF norms among others are potential risks being faced by the business.

### Mitigating actions

As a responsible corporate citizen, the Company engages proactively with key stakeholders in the countries in which it operates; and continuously assesses the impact of the changing political and social scenario. The Company contributes to the socio-economic growth of the countries in its area of operation through high-quality services to its customers, improved connectivity, providing direct and indirect employment, and contributing to the exchequer.

These activities are covered in detail through its annual Sustainability Report. It also maintains cordial relationships with governments and other stakeholders. The Country MDs and Circle CEOs carry direct accountability for maintaining neutral Government relations. Through its CSR initiatives (Bharti Foundation etc.), it contributes to the social and economic development of the community, especially in the field of education.

The Company actively works with industry bodies like the Cellular Operators Association of India (COAI), Confederation of Indian Industry (CII), Associated Chambers of Commerce of India (ASSOCHAM), GSMA, Internet Service Providers Association of India (ISPAI) and Federation of Indian Chambers of Commerce & Industry (FICCI) on espousing industry issues e.g. penalties, right of way, tower sealing amongst others.

The regulatory team along with legal and network, keep a close watch on compliances with regulations and laws and ensures the operations of the Company are within the prescribed framework and has also implemented business continuity plans wherever required.

### Capitals impacted



### Material issues for Airtel

- Regulatory compliance
- Corporate governance & business ethics



## Economic Uncertainties (Operational)

Outlook from last year > Emerging

### Definition

The Company's strategy is to focus on growth opportunities in emerging and developing markets. These markets are characterised by low to medium mobile penetration, low internet penetration and relatively lower per capita incomes, thus offering more growth potential. However, these markets fall under countries which are more prone to economic uncertainties, such as capital controls, inflation, interest rates and currency fluctuations. Since the Company has borrowed in foreign currencies, and many loans are carrying floating interest terms, it is exposed to market risks, which might impact its earnings and cash flow. These countries are also affected by economic downturns, primarily due to commodity price fluctuations, reduced financial aid, capital inflows and remittances. Slowing down of economic growth tends to affect consumer spending and might cause a slowdown in the telecom sector.

In the greater part of the previous year, there have been also some challenges in the global supply chain market due to geopolitical tensions, inflationary price pressure, recessionary environment and uncertain disruptions. Ensuring supply security has always been the core of our supply chain strategy.

### Mitigating actions

As a global player with a presence across 16 countries, the Company has diversified its risks and opportunities across markets. Its wide service portfolio including voice, data, Airtel Money, Digital Services and value-added services helps widen its customer base.

To mitigate currency risks, the Company follows a prudent risk management policy, including hedging mechanisms to protect the cash flows. A prudent cash management policy ensures that surplus cash is up-streamed regularly to minimise the risks of blockages at times of capital controls. It has specifically renegotiated many foreign currency-denominated operating expenditure and capex contracts in Africa and converted them to local currency, thereby reducing foreign currency exposure.

To mitigate interest rate risks, the Company is further spreading its debt profile across local and overseas sources of funds and creating natural hedges. It also enters interest rate swaps to reduce the interest rate fluctuation risk.

To mitigate supply chain risks, the Company had implemented various digital systems and processes to ensure any disorder in the Global supply can be timely addressed and jointly mitigated with our partners. In addition, the Company also developed an ecosystem of suppliers, where the majority of our partners are now manufacturing indigenously. The Company's Supply Chain strategy aims at ensuring optimum and timely supplies through innovation and process simplification in order to develop a sustainable supply chain network.

The Company adopts a pricing strategy that is based on principles of mark-to-market, profitability and affordability, which ensures that the margins are protected at times of inflation, and market shares at times of market contraction.

### Capitals impacted



### Material issues for Airtel

- Regulatory compliance

# Risk and Mitigation Framework

## Poor quality of networks and information technology including redundancies and disaster recoveries (Operational)

Outlook from last year > Stable

### Definition

The Company's operations and assets are spread across wide geographies. Telecom networks are subject to risks of technical failures, partner failures, human errors, willful acts or natural disasters. Equipment delays and failures, spare shortages, energy or fuel shortages, software errors, fiber cuts, lack of redundancy paths, weak disaster recovery fallback, and partner staff absenteeism, among others, are a few examples of how network failures happen. This risk may have negative financial implications. The Company's IT systems are critical to run the customer-facing and market-facing operations, besides running internal systems. In many geographies or states, the quality of last-mile IT connectivity is sometimes erratic or unreliable, which affects the delivery of services e.g. recharges, customer queries, distributor servicing, customer activation and billing, among others. In several developing countries, the quality of IT staff is not adequate, leading to instances of failures of IT systems and/or delays in recoveries. The systems landscape is ever-changing due to newer versions, upgrades and 'patches' for innovations, and price changes, among others. Hence the dependence on IT staff for the turnaround of such projects is huge.

### Mitigating actions

The Company has a state-of-the-art Network Operations Centre for both India as well as Africa to monitor real-time network activity and to take proactive and immediate action to ensure maximum uptime of the network.

Network Planning is increasingly being done in-house, to ensure that intellectual control on architecture is retained within the Company. It continuously seeks to address issues (congestion, indoor coverage, call drops, modernisation and upgrade of data speeds, among others) to ensure a better quality of the network. Recent efforts also include the transformation of microwave transmission, fiber networks, secondary rings/links and submarine cable networks. The Company consistently eliminates systemic congestion in the network and removes causes of technical failures through a quality improvement program, as well as embedding redundancies and carrying out internal checks to ensure all preventive and corrective actions as per process are in place to ensure Network availability and quality to end users.

Tighter SLAs are reinforced upon network partners for their delivery. The Company's Network Team performance is measured based on network stability, customer experience

and competitor benchmarking. The Company follows a conservative insurance cover policy that provides a value cover, equal to the replacement values of assets against risks, such as fire, floods and other natural disasters. Disaster management guidelines have been shared with all stakeholders to ensure all actions are in place covering identification of risk, preparedness for the disaster, resource allocation, emergency response & reporting, and disaster recovery. The Network Recovery Plan (NRP) is being followed by all circles as per the BCP guidelines.

The Company's philosophy is to share infrastructure with other operators and enter into SLA-based outsourcing arrangements. We have been proactively seeking sharing relationships on towers, fiber, VSAT, data centers and other infrastructure. The disposal of towers in Africa to independent and well-established tower companies and long-term lease arrangements with them will ensure the high quality of assets and maintenance on the passive infrastructure. The Company has put in place redundancy plans for power outages, fiber cuts, VSAT breakdowns, and so on, through appropriate backups such as generators, and secondary links, among others. Similar approaches are deployed for IT hardware and software capacities, and internal IT architecture teams continuously reassess the effectiveness of IT systems.

Operational processes such as alarm management, preventive maintenance and acceptance testing are being constantly automated with a vision to move towards zero-touch operations. The Company works with its partners to enhance network availability and reduce failures. Spare management and repair processes are streamlined to ensure no spare shortages.

Continuous removal of a Single Point of Failure (SPOF) on fiber routes and equipment level is being done. To improve transport resiliency, BSC, core nodes interconnectivity and signalling links are being shifted on the MPLS network.

In-house-developed workforce management tool now supports field and NOC teams across LOBs to enhance productivity and seamless flow of information to solve customer-impacting issues proactively and reactively.

Airtel continues to work towards climate-proofing the infrastructure by building geographical redundancies and resilience, multiple fiber paths for critical sites, and strengthening tower infrastructure in cyclone and flood-prone regions.

### Capitals impacted



### Material issues for Airtel

- Network quality, expansion and satisfaction

## Fiercely competitive battleground (Operational)

Outlook from last year > Stable

### Definition

The mobile market remains competitive and price sensitive. Delivering a strong network experience at affordable rates remains core to winning in the market. Rollout of 5G services started in the second half of the year. While the eco-system is in the early stages of development, our key competition has started to offer unlimited 5G Data as a welcome offer to the customers. The intense competition to acquire customers is leading to large amounts of money being spent on MNP acquisition programmes. This is expected to intensify with an increasing focus on winning a share of 5G phones.

### Mitigating actions

Our ongoing efforts toward product simplification have led to us finally becoming a Truly Unlimited Network. We successfully shut down all per-minute charging tariff products & our revised ladder now offers unlimited calling on all products for our customers.

Airtel has always been a staunch proponent of sustainable and healthy business growth, while at the same time ensuring its customers get best-in-class products and services. To aid this, we launched multiple new data products – helping drive higher customer engagement and ARPU.

We have also doubled down on bridging the rural coverage gap compared to our peers and have kickstarted a large-scale rural rollout programme. This allows us to offer every customer the option to enjoy our best-in-class network coverage.

On the 5G front, we were the first operators to launch last year. To ensure we gained a disproportionate share of 5G customers, we have launched an unlimited 5G offer on the Airtel Thanks app. With this, customers can now experience ultrafast, reliable and secure 5G Plus services without having to worry about data exhaustion.

### Capitals impacted



### Material issues for Airtel

- Corporate governance and business ethics

## Increase in cost structures ahead of revenues thereby impacting liquidity (Operational/Strategic)

Outlook from last year > Stable

### Definition

Across markets, cost structures have been increasing both from volumes (new sites rollouts, capacity) and/or rate increases (inflation, foreign exchange impacts, wage hikes, energy, etc.). This puts pressure margins and cash flows thereby leading to debt burden (leverage). Increased investment in the network to ensure the quality of service, continued spending on distribution and maintaining world-class customer service are expected to sustain.

### Mitigating actions

The Company has institutionalised the War on Waste (WOW) programme, an enterprise-wide cost-reduction program. This has been rolled out across all functions, business units and countries. All functions/business units/countries are targeting cost reductions and cost efficiencies. The Company continues to focus on capex

optimisation through various programmes like tower sharing and fiber sharing through IRU or co-build.

Digitisation and automation with significant programmes on self-care, paper less acquisition, e-bill penetration, online recharges, indoor to outdoor conversion and digital customer interactions are continuously monitored through our WoW initiatives.

The Company has progressively managed to keep debt levels at acceptable levels.

### Capitals impacted



### Material issues for Airtel

- Corporate governance and business ethics

# Risk and Mitigation Framework

## Data Loss Prevention (Operational)

Outlook from last year > Stable

### Definition

Personal data is any information relating to a customer, whether it relates to their private, professional, or public life. In the online environment, where vast amounts of personal data are shared and transferred around the globe instantaneously, it is increasingly difficult for people to maintain control of their personal information. This is where data protection comes in.

Data protection refers to the practices, safeguards, and binding rules put in place to protect your personal information and ensure that you remain in control of it. In short, you should be able to decide whether or not you want to share some information, who has access to it, for how long, for what reason, and be able to modify some of this information, and more. Data protection must strike a balance between individual privacy rights, while still allowing data to be used for business purposes, whilst adhering to data privacy norms and regulations.

Efforts to update regulations regarding privacy and personal data protection are underway in several countries and regions, most notably the European Union, which has introduced the General Data Protection Regulation (GDPR) package. Within India a data privacy bill has been proposed that regulates how customer data can be used and how it should be protected; Airtel has already initiated multiple activities towards achieving compliance with this bill; this is to ensure that, as and when the bill becomes a law, Airtel is fully complaint.

### Mitigating actions

The customer base of Bharti Airtel Limited has been expanding at a tremendous rate. We also collect and process a large amount of personal information belonging to employees, temporary staff and third-party personnel. This, coupled with the introduction of new innovative value-added services, has led to an increase in the personal information handled by Airtel. We are committed to ensuring that the privacy of personal information is maintained during its entire lifecycle, through the implementation of stringent processes and relevant technologies.

Bharti Airtel Information Privacy Policy (BIPP) is in alignment with the Information Technology (IT) Rules 2011 and best practices of the industry and GDPR. Airtel's privacy policy provides management direction and support to ensure the privacy of personal information collected by Airtel, in order to allow collection, processing, retention, dissemination and destruction of the personal information in accordance with the appropriate laws, regulations and contractual obligations.

BIPP is applicable to all employees of Airtel and all third parties (including strategic partners) of Airtel who have access to the personal information of customers, employees and vendors. It is also applicable across all business functions of Airtel and across all geographies of Airtel in India including Airtel Centre, all circles and other Airtel locations.

Data leakage protection (DLP) is a strategy for making sure that those in possession of sensitive information do not inadvertently or inadvertently share that information outside the virtual boundaries of the corporate network. The term is also used to describe software products that help organisations control what data end users can transfer. The data leakage strategy at Airtel has been designed to protect information at their most vulnerable points, i.e. at the endpoint, at the web layer, and at the email layer.

All Airtel endpoints are equipped with specialised software. This software helps monitor various channels for potential data leakage. Should a potential violation be detected, an alert is generated, and the incident is investigated. Similar solutions are deployed on the email gateway and web gateway, to monitor emails and internet-bound traffic respectively. A centralised monitoring team reviews the alerts and raises an incident for investigation and resulting action. All incidents are tracked to closure in a time-bound manner. Additionally, a monthly review of all incidents and their closure is conducted, to enable the organisation to regularly refine the existing policies. Airtel continuously evaluates the data protection landscape for new and innovative technologies to further enhance its data security posture. This risk may impose negative financial implications for Airtel.

### Capitals impacted



### Material issues for Airtel

- Information security
- Customer data privacy

## Inability to provide high quality network experience with exponential growth in data demand (Strategic)

Outlook from last year > Stable

### Definition

In order to keep pace with rising data demand of customers and to ensure competitive parity traffic, telecom companies will be required to invest heavily in building data capacities and broadband coverage expansion. Operators are adopting new strategies to provide unlimited voice and significant data benefits to customers. Additionally, today's customers are looking at seamless mobile internet experience and technology agnostic.

### Mitigating actions

Airtel has launched 5G in NSA mode in 3,500 MHz in 28,000 sites across 700+ towns across the country within 6 months of allocation of spectrum. This is one of the fastest 5G rollouts in the world. Airtel also has sub-Ghz spectrum pan-India to enable deeper indoor penetration and cover a larger population footprint than ever before. Spectrum addition in 1,800, 2,100 and 2,300 bands will help mitigate the capacity needs due to ever-increasing data consumption, resulting in a much better-improved experience. Airtel added an additional 35,500 new 4G sites to expand its footprint and strengthen coverage in rural and urban areas. This is a step towards providing better experience to our customers.

Airtel added capacity in the network for fulfilling customer needs due to increased data consumption expected with

the 5G launch and 4G Data Growth. Various tools like the addition of TDD, L2100, Twin Beams, m-MIMO, and Spectrum addition were used for enhancing the capacity. Airtel is continuing to step up backhaul readiness and capacities on sites with increased fiberisation and capacity expansion of transmission backbone and internet to cater to additional data load.

Airtel has been investing in digitisation of its operations using automation and machine learning practices. This would help us in improved customer experience through faster resolution of the complaints and queries along with bringing in efficiency in the network. Airtel has developed a state-of-art in-house tool 'Airtel Self Optimisation Network (A-SON)' to predict degradation and proactively makes changes in the network to enhance customer experience greatly. Airtel is the proud recipient of 'Innovative Mobile Service and Application Award' at the prestigious GTI Awards 2023 Global TD-LTE Initiative (GTI) for our in-house platform, Vision - a unified customer analytics and self-healing platform. This award reinforces Airtel's exceptional contribution towards creating innovative and impactful solutions and ensuring our teams are able to deliver seamless experiences towards our consumers. Airtel has been accelerating the broadband rollout (Fiber to Home) in multiple cities across India through the LCO model bolstered with our own rollouts.

### Capitals impacted



### Material issues for Airtel

- Innovation in product and services
- Enhancing customer experience and satisfaction

## Gaps in internal controls (financial and non-financial) (Operational)

Outlook from last year > Stable

### Definition

The Company serves its customers with extensive load due to voice networks and huge data carried on wireless networks. Gaps in internal controls and/or process compliances not only lead to wastages, fraud and losses, but can also adversely impact the Airtel brand. Also, any gaps in compliance with laws, regulations or contractual obligations may lead to penal consequences, work disruption or reputational damage.

### Mitigating actions

The Company's business philosophy is to ensure compliance with all accounting, legal and regulatory requirements proactively. Compliance is monitored meticulously at all stages of operation. Substantial investments in IT systems and automated workflow processes help minimise human errors.

Besides internal audits, the Company also has a process of self-validation of several checklists and compliances as well as a 'maker-checker' division of duties to identify and rectify deviations early enough. The Company has implemented a 'Compliance Tool' that tracks and provides a comprehensive list of all the external compliances that the Company needs to abide by, function-wise. The Compliance Tool's ownership lies with the head of the respective function with oversight by the Legal team to ensure compliance.

The Company has Internal Financial Controls and the Corporate Audit Group has tested such controls. The Audit Group has asserted that the Company has in place adequate tools, procedures and policies, ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information.

### Capitals impacted



### Material issues for Airtel

- Corporate governance and business ethics

# Risk and Mitigation Framework

## Lack of Digitisation and Innovations (Strategic)

Outlook from last year > Emerging

### Definition

Digitisation is reshaping the telecom sector and will be a key driver for innovation within the Company as companies compete in a digital ecosystem away from a pure connectivity-based environment. Further evolving technologies result in changes in customer value propositions. Digital content and apps have now become the favourites for mobile customers. Digital Mobile money technologies, innovative mobile apps, Cloud, M2M, SaaS and other technology-based SAS products are also evolving. Such rapid technological evolution may impact the functionality of existing assets and accelerate obsolescence. Keeping pace with changing customer expectations is a big agenda for the telecom sector. Lack of digitisation of internal business processes may render the Company unable in turn to respond to customer needs. Rapidly evolving technologies like robotics, blockchain, and app automation for internal processes in Customer, Finance, Supply Chain and HR can render the Company slow in decision-making and reacting to new and emerging customer, vendor, and partner expectations.

### Mitigating actions

Digitisation for our customers continues to be the prime area of focus, with several digital initiatives being undertaken. 'Digital strategy' for Airtel Business is embedded within 'business strategy' and powered by an agile operating model driving a culture of innovation and agility to respond to changes in the business environment. To achieve purposeful and impact-driven digital

transformation, we have developed the organisational capability to attract, retain and develop talent at par with digital natives to drive digital initiatives with velocity. The digital strategy of Airtel Business has three key pillars:

- Launch of new products with digital-first approach
- Simplify acquisition and experience of customers with Omni channel capabilities
- Make the core of business digital to improve the experience and bring efficiency

To make the customer lifecycle completely digital, Airtel Business is developing self-service and omnichannel capabilities across the value chain. The new product launch is powered by a digital-first approach to ensure consistent experience on all touchpoints. We are driving simplification of 'lead to order' and 'order to cash' cycles to boost conversions and improve service levels by empowering customers with the following initiatives:

- Digital discovery and buy
- Digital-first onboarding and visibility
- Digital payments
- Digital self-serve platform - 'Airtel Thanks for Business'

### Capitals impacted



### Material issues for Airtel

- Digital inclusion and enhanced access to ICT

## Climate Change (Strategic)

Outlook from last year > Emerging

### Definition

To counter the changing climatic conditions and re-occurrence of extreme weather events, Airtel's new infrastructure should be designed in such a way that can withstand changing climate conditions. For existing infrastructure, some retrofitting would be required basis field surveys by experts to make it climate resilient. Such infrastructure has the potential to improve the reliability of service provision, increase asset life and protect revenue loss and thus best customer experience.

In recent times, we have been experiencing a series of natural disasters across India, leading to severe impacts not only on livelihoods but also on engineering structures which include Telecommunication Infrastructure.

To mitigate the impact of such plights, especially floods, heavy rainwater logging and cyclones, it is recommended for the reengineering of infrastructure, particularly telecom infrastructure in these areas. Telecommunication plays a pivotal role at each stage of disaster management, from early warning and mitigation to response, and then to post-disaster recovery and rehabilitation.

### Impact

The above climate-related risks may have negative financial implications. It may translate to the following impacts for Airtel: Infrastructure degradation, affecting service availability and quality, Increase business costs, affecting maintenance and repair operations, contributing to the degradation of telecom infrastructure and posing health and safety risks to personnel.

## Mitigating actions

### Flood-prone areas design criteria

- New lean tower design with EPF at 3m/5m considering heavy flooding of areas near riverbank or dam discharge stream.
- Equipment to be preferably at higher altitude areas to avoid inundation of water.
- The plinth should be kept high in coastal and flood-prone areas.
- Plinth height (1-1.5m), To Co partners need to build the site with a plinth depending upon the area and historical data and Data published in the CWC report on the intensity of floods.
- Passive infra should be moved from the ground to raised platform in high flood-prone areas.
- Pathway access to passive infra in low-lying areas.
- Active infra should be moved to height more than flood level in flood-prone areas.

### Cyclone and wind-prone areas design criteria

- Towers in cyclone-prone areas shall be designed adequately to survive the high wind speed to with peak wind speed.
- An adequate factor of safety needs to be considered while designing Telecom infrastructure. Zoning for Wind Load IS 875 Part-III indicates the wind speeds and wind load intensities in various parts of the country based on measured and collected data on wind speeds.
- Periodical checkup and tightening of mechanical parts.

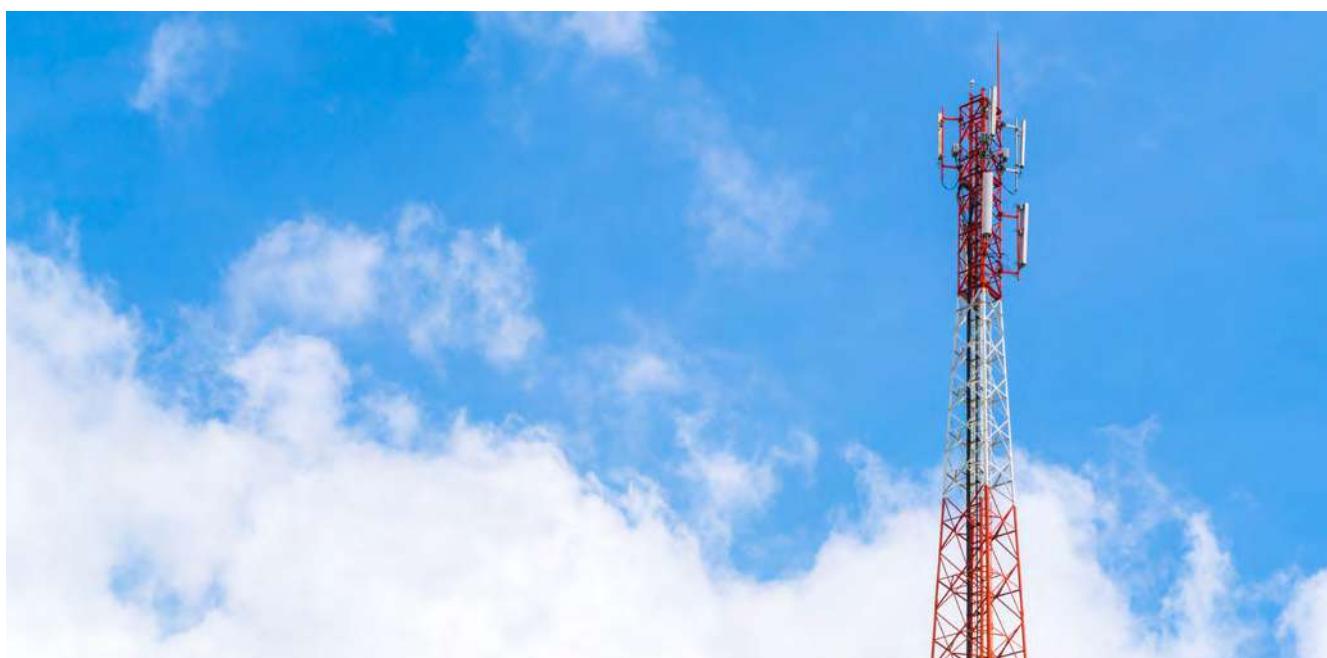
- COW removal, MW removal and unsafe towers from coastal belts and permanent structures to be built.
- RRU's to be installed behind the Base station antenna to reduce wind exposure area.
- Mw of >1.2m dia. should be avoided.
- Mw should be installed with a supporting rod to avoid misalignment.
- Clamp should be crocodile clamp rather than U clamp for improved grip.
- Tower loading in terms of antennas and other equipment loads should be as per the design document.
- Preventive maintenance and health checkups at regular intervals
- For rooftop tower (RTT), the base should be adequately designed to transfer the load of the tower on the RCC grid and further where steel beams are used for the transfer of load, adequate lateral strengthening shall be designed especially for the web region. The building taken on lease shall have proper structural safety and same shall be certified by the structural engineer of the Company.
- To ensure the safety of towers during such disasters the towers should be designed by incorporating the provisions of latest B.I.S. codes of practice governing the design.
- A structural safety certificate should be obtained from a qualified structural engineer.

### Capitals impacted



### Material issues for Airtel

- Climate change and carbon emissions of telecom infrastructure
- Sustainable supply chain management



# Corporate Social Responsibility

## Making a positive impact on society



### SDGs Impacted



### Impact since inception

**~3 Mn**  
Students impacted

**27,000+**  
Schools impacted

**2.8 Mn+**  
Community members impacted

### Impact during the year

**2,000,000+**  
Students reached

**16,000+**  
Schools reached

**88,000+**  
Teachers reached

Bharti Foundation, the philanthropic arm of Bharti Enterprises, was established in 2000 to bring forth a transformational change in the field of education and have a positive impact on the lives of children from rural parts of India. Since its inception, the Foundation has been working closely with state governments, policymakers, NGOs, corporates and communities, and has earned respect by providing equitable access to quality education for underprivileged children in India with a special focus on the girl child.

Bharti Foundation is a key partner for Airtel's CSR initiatives, and the updates and highlights of Foundation's programmes are shared in the report.

## Education

At Bharti, we believe that access to quality education is the hallmark of a great nation, and it is imperative that every child gets to learn and contribute to the nation's growth. We strive to create a significant impact on society through facilitating this.

### Satya Bharti School Program

Satya Bharti School Program, launched in 2006, has established 173 schools in rural areas across five Indian states. We provide free quality education to children, emphasising holistic development through academics, co-curricular activities, and essential resources. Our schools offer vibrant learning spaces, innovative pedagogy, child-friendly infrastructure, and community involvement for a well-rounded educational experience.



**173**

Schools established

**38,965**

Students benefitted

**50.3%**

Share of girl students

#### Focus areas of this programme



##### Child-friendly and Technology-enabled Infrastructure

Safe, clean and green school environment, complemented with tech enablement and digital content.



##### Holistic Development Approach

A series of co-curricular activities in schools such as bal sabhas, house activities, art and craft activities, sports day, language week, student excursions, and participation in external events and competitions, besides regular academics.



##### Teacher Development

Capacity building of teachers through skill building workshops, trainings and teacher mentoring programmes.



##### Community Involvement

Increasing community engagement of schools through regular home visits by teachers, structured parent-teacher meetings and community development campaigns. Schools also conduct community volunteering week for the children to learn local traditions, art and craft, and promote community initiatives.

#### Ed-Tech enablement partnerships

Technology has transformed education, with more schools embracing digital integration. At Bharti Foundation, we recognised the need to bring technology and high-quality digital content to rural students. We collaborate with technology partners to provide digital infrastructure, smart TVs, computer labs, and online academic content. Our digital classrooms, led by teachers using smartphones or tablets, offer personalised learning experiences. With web cameras, students can participate in virtual classes, webinars, and online workshops.

We empower students to use technology, focus on teacher training, creating tech leaders, and engaging parents. Additionally, we provide advanced technology and robotics labs to enhance STEM skills. Our efforts to provide equal opportunities and a quality education through technology integration have gained momentum.

# Corporate Social Responsibility

## Case Studies

### Enabling virtual classes in Jodhpur

In the remote villages of Jodhpur, Satya Bharti Schools faced a shortage of teachers with specialised skills, particularly in subjects like English. To address this gap and ensure that students in Jodhpur receive a quality education, we implemented virtual classes. Teachers from our Senior Secondary (CBSE) Schools in Punjab dedicated extra time and effort to connect with the classrooms in these distant village schools and teach the students. This initiative proved to be highly beneficial for the students, as Bharti Foundation bridged the educational gap and provided much-needed support in Jodhpur.

### Making a mark in World Robotics Championship

Our students from Satya Bharti Schools had the privilege to take part in the prestigious World Robotics Championship, Technoxian 6.0. This national event, organised in Delhi, in affiliation with the Ministry of Science and Technology (Government of India) and the All India Council for Robotics and Automation, witnessed the participation of students from over 300 renowned schools and robotics clubs from India and other countries.

Participating in such esteemed events not only provides our students with valuable exposure but also nurtures their long-term confidence. These initiatives align with the National Education Policy (NEP), which encourages students to be prepared for the future and equips them with the necessary life skills to compete on a global level.



### Satya Bharti School alumni get jobs in Airtel

Many students who began their academic journey at Satya Bharti Schools have now transitioned into their professional lives. This year was a remarkable one as a significant number of our alumni became eligible to apply for job opportunities at Airtel. We are proud to share that many of them have successfully cleared multiple stages of the interview process and have embarked on their professional journey at Airtel.

Besides this, several alumni from Satya Bharti Schools have chosen to return as teachers, driven by a strong desire to empower children in their community, particularly girls. These dedicated individuals aim to inspire and support the education of numerous children, helping them pursue their dreams.



## Case Study

### Our alumni pays it forward

Anita, the oldest of four siblings, started her schooling at the age of seven, gaining admission to second grade at Satya Bharti School, Gumansinghpura, Jodhpur, Rajasthan. The school provided her with a supportive and nurturing environment, where patient and understanding teachers helped her catch up with her studies. They also guided and motivated her parents to continue sending Anita to school. With their assistance, Anita made progress in her education and eventually graduated from a government institute.

The impact of her teachers at Satya Bharti School remains etched in Anita's memory. When the opportunity to teach at the same school arose, she embraced it without hesitation. As a teacher, Anita takes great pride in upholding the values of Satya Bharti School and ensuring that her students receive the support and encouragement they need to thrive.

## Community engagement

The local communities around Satya Bharti schools are proactively involved in events, co-scholastic activities, volunteering work as well as social campaigns conceptualised by students on issues such as cleanliness, the importance of girl child and her education, the fight against drug abuse, etc. An education model embedded in the community ensures an active engagement of parents in their children's education, especially for the girls.

Engagement with communities has helped the Foundation encourage parents to have an involvement with children's learning process. A special initiative like 'Community Volunteering Week' invites the community to teach students local art, craft, folklore, local vocations, etc. The Sarpanch and the community members are also invited to all the school events fostering a sense of ownership towards the school. The close relationship developed with the community over the years is evident in their active participation in school events.



## Satya Bharti Quality Support Program

Taking a step further, our Foundation introduced the Satya Bharti Quality Support Program in 2013. The programme aims to enrich the overall schooling experience of teachers and students in government schools. Through a standardised and adaptable approach, we strive to create vibrant and joyful learning centres that positively impact students, teachers, parents, and administrators.

Under the initiative, we actively share the successful practices of Satya Bharti Schools with state education departments and school leadership, encouraging their implementation. Collaborating with respective state governments, we have rolled out the programme in 11 States/UTs. Following a whole-school approach, it focuses on co-scholastic activities, implementing a comprehensive framework over a period of three to five years. Our programme is structured around four pillars: student empowerment, parents and community involvement, school leadership and teachers' engagement, and school environment, ensuring holistic development and transformation within schools.

**808**

Government schools impacted

**50.9%**

Share of girl students impacted

**300,000+**

Students impacted

## Corporate Social Responsibility



### Large Scale Initiatives (LSI) Program

Building on the success of the Satya Bharti Quality Support Program, our Foundation expanded its support to education officers at the district and state levels through the Large Scale Initiatives (LSI) Program. This programme aims to scale up effective initiatives in key areas, such as empowering school leaders, fostering life skills in students, enhancing the home environment through mentoring, improving classroom teaching, enhancing school infrastructure, promoting parent and community involvement, and supporting initiatives aligned with the National Education Policy 2020.

**1.7 Mn+**

Students engaged

**75,000+**

Teachers engaged

### Higher education

Bharti Foundation supports higher education through collaborations with various prestigious institutes. This includes partnering with Plaksha University for an academic block, IIT Delhi for the Bharti School of Telecommunication, Technology and Management, ISB Mohali for the Bharti Institute of Public Policy (BIPP), and IIT Bombay for knowledge development in telecommunication. Under the Manmohan Singh Bursary Fund, we also provide scholarships to meritorious students keen on studying at the University of Cambridge.

### Plaksha University

Construction of 'Bharti Academic Block' has been completed and the first batch was welcomed in 2021. Thirty-seven students were granted the prestigious Bharti scholarship to empower them and help them become trailblazers of tomorrow. The 37 Bharti Scholars from Plaksha University visited two Satya Bharti Adarsh Senior Secondary Schools in Punjab. During the visit, there was an interactive session between the students of Plaksha University and those of Satya Bharti School, from classes XI and XII.

### The Bharti School of Telecommunications Technology & Management

The Bharti School of Telecommunications Technology and Management was established with a vision to nurture telecom leaders through exceptional education and research. Over the years, the school has become a prominent institution, providing specialised courses in telecommunications. We are proud to have awarded 'Bharti' scholarships to 168 deserving students since 2002, including 11 students in the academic year 2022-23.

### Bharti Institute of Public Policy

The Institute is an integral part of ISB's Mohali campus. Through its partnership with the Fletcher School of Law and Diplomacy at Tufts University, it offers specialised programmes in public policy, including the renowned Advanced Management Program. In addition to this, BIPP provides opportunities for specialisation in public policy through ISB's esteemed Post-Graduate Program.

## Bharti Centre For Communication, Indian Institute of Technology, Bombay

Specialising in the field of telecommunication and related systems, the Center welcomed 18 research students and hosted three distinguished speakers from around the globe. Additionally, 15 papers have been published in renowned international conferences and journals during the reporting year.

## Manmohan Singh Bursary Funds

Scholarships to 16 meritorious students have been offered to facilitate their education at the University of Cambridge.

## Anant National University

We are proud to support the establishment of the 'School of Future Technologies' at the institution, located in Ahmedabad. This collaboration reflects our commitment to advancing innovation and technological development in education.



## ACT-A Caring Touch

At Bharti, there is a strong commitment to Corporate Social Responsibility (CSR) and actively encourage our employees to make a difference through our employee philanthropy programme, ACT-A Caring Touch. ACT enables employees to contribute their time, skills, money, or knowledge to Bharti Foundation and other recognised charities like National Association for Blind, CRY, HelpAge India, SOS Village, Save Life Foundation, Alliances for People and Animals, and The Banyan. Over the past 14 years, ACT has grown significantly, reflecting the organisation's core values and the dedication of its employees to support social causes.

## Volunteering

Employee volunteering is a crucial aspect of the ACT Program. We always encourage our employees to engage with students on various occasions throughout the year.

During the year, our volunteers in different states created a conducive learning environment for children and teachers. Through virtual volunteering, our volunteers dedicated their time, skills, and knowledge to make a positive impact on over 9,000 Satya Bharti School children. These efforts enhanced a range of skills such as self-confidence, communication, listening, digital literacy, adaptability, creativity, writing, imagination, social interaction, and public speaking.

During these sessions, our volunteers shared informative presentations, highlighting the significance of each celebratory day. They also organised quiz competitions to actively involve students. The volunteering sessions fostered interactive discussions, allowing students to clarify their doubts and learn effectively.

# Creating an impact on the communities in Africa

At Airtel Africa, there is a strong collective commitment to supporting projects and initiatives that bring tangible improvements to the lives of the most vulnerable and underserved individuals on the continent.

Giving back to the communities in Africa has been an integral part of our values and operations. We collaborate with governments, Non-Governmental Organisations (NGOs), and directly engage with individuals and communities to address socio-economic and environmental challenges faced by people in the regions where we operate. Our dedication to making a positive impact drives us to actively participate in uplifting the well-being of those around us.



## Digital inclusion

Driving digital inclusion hinges on the crucial aspects of making our products and services both available and affordable. As we expand our network, we create opportunities for individuals to access telephony and internet services, often for the first time, thus contributing to the advancement of digital inclusion throughout Africa. However, we recognise that offering opportunities alone is insufficient; consumers also require access to products and services that enable them to fully utilise these opportunities.

We are proud to note a significant enhancement in data capacity as a result of the expansion of our network coverage and data availability. By continuously rolling out new sites and upgrading existing ones to 4G, we have substantially increased the number of people in Africa who can now access the 4G network, particularly in rural areas. As of March 31, 2023, our rural population coverage has reached 70%.

To further encourage customer uptake, we have introduced data bundle offers tailored to meet the specific needs of customers in each market. Moreover, existing users can benefit from additional add-on offers accessible through the MyAirtel app. Thanks to these efforts, the adoption of our data bundles has grown by 3.5%, reaching an impressive 94.7%.

**70%**

Rural population covered by our networks

**0.5%**

Home broadband penetration

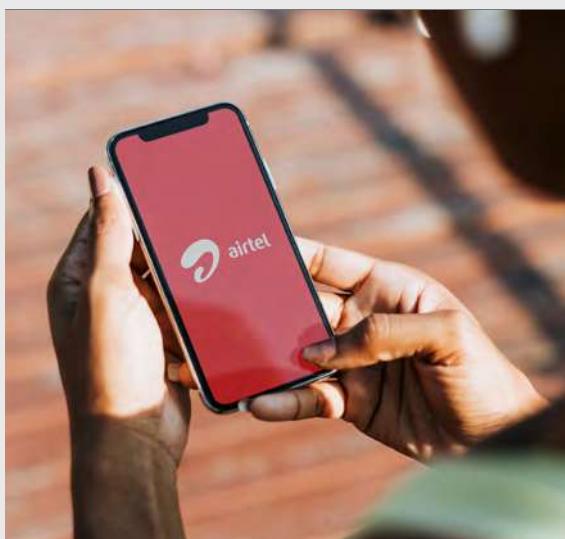
**69%**

Sites with exclusive outlets

**Case Study**

## Accelerating distribution and digital penetration in Zambia

In Zambia, the MyAirtel app has been instrumental in boosting distribution and driving digital penetration. This year, active users of the app increased by an impressive 186% in the market. Airtel Zambia conducted research to understand customer usage patterns and subsequently launched a targeted marketing campaign, focusing on essential features like transaction checks, accurate money transfers, and bill payments. As a result, the MyAirtel app was downloaded 1.3 million times in Zambia, and the number of active users nearly tripled to cross 465,000.



## Financial inclusion

Financial inclusion is a central pillar of our sustainability strategy, aimed at alleviating poverty. Our concerted efforts to enhance financial inclusion have resulted in increased digital payment usage. The value of transactions per Airtel Money subscriber rose by 16.4% during the year due to the launch of new products and expanded presence in our markets. To support customer access, we have increased our 'points of presence' by 44%, with a 12% rise in Airtel Money branches and an 11% increase in kiosks. Investment in technology infrastructure has strengthened our merchant business, extending our reach for customers to access banking, savings, loans, and insurance products at merchant sites. Additionally, we have widened international money transfer corridors, enabling faster and more convenient transactions to and from various destinations.

Empowering women economically remains a priority for us. We actively promote financial products and services to all customers, regardless of gender. Encouraging women to join our network and utilise our services, providing them with independence and empowerment, is a significant part of our approach. Furthermore, we focus on promoting household savings through innovative deposit products. One example is our partnership with Letshego Bank in Tanzania for a digital savings campaign, offering mobile money customers a chance to win prizes such as motorcycles, flat-screen TVs, and cash, encouraging digital savings.

**31.5 Mn**

Airtel Money customer base

**\$252**

Transaction value per customer per month

**22.5%**

Mobile money customer base penetration

**Case Study**

## Supporting women entrepreneurs in Kenya

Lucie Saulinah Omondi is the founder of LiveGreatAgriLife, a peanut butter factory and drinking water purification shop in Nairobi, Kenya. Operating in Kibera, Nairobi's largest informal settlement, their mission is to provide the community with delicious, nutritious peanut butter products and safe drinking water. They use Airtel Money services to manage their business transactions. Their peanut butter is made from high-quality, locally sourced peanuts and is available in various sizes and flavours. They ensure that the drinking water is safe and healthy by using state-of-the-art filtration systems.

Lucie's journey has been one of learning and overcoming challenges, resulting in steady growth and a dedicated team. Currently, they are focusing on online sales, and Airtel Money's product has been instrumental in collecting payments for their produce and services. We committed to being closer to customers, and in Kenya, they have expanded Airtel Money branches by 50.3%, kiosks by 66.5%, and the number of agents by 189.7% in the FY 2022-23 period, providing valuable support to customers like Lucie Saulinah Omondi.

## Corporate Social Responsibility

### Supporting education

Education holds the key to transforming the lives and futures of young people throughout Africa. Our mission is to positively impact over one million children on the continent by 2027 through education. Increasing access to education across our 14 markets is of utmost importance to us. By connecting schools, libraries, and youth centres to the internet, we enable millions of children to access online learning platforms. Our partnership with UNICEF allows us to provide practical and financial support, accelerating our commitment to creating better futures for the youth of Africa.



#### Case Study

### Taking strides with our partnership with UNICEF

We are committed to advancing our partnership with UNICEF by fostering collaboration between our 13 participating OpCos\* and their respective national UNICEF teams.

Our focus is on connecting schools to the internet and providing free access to government-approved education resources and learning platforms. Customised implementation plans are vital for success, considering the unique conditions in each market.

In February 2023, we held a significant joint convention in Nairobi, bringing together teams from Airtel Africa and UNICEF to exchange ideas and address challenges faced in implementing initiatives. We also set out the rollout and advocacy plans for the partnership's second year at national and regional levels.

**250,000+**

School children provide access to online education

**7**

Learning platforms out of 12 zero-rated in three OpCos

**\$2.4 Mn**

Donation made to UNICEF over the last two years

Several countries have already launched their national programmes with UNICEF, including Kenya, Nigeria, Madagascar, Uganda, Rwanda, and the Republic of the Congo. By Q1 FY 2022-23, we anticipate the remaining seven countries to launch their programmes. The impact is already evident, with Nigeria witnessing the connection of 20 schools to the internet and the distribution of 15,000 tablets and 600 routers to primary and secondary schools through the Federal Ministry of Education. In Kenya, 30 schools are now connected to the internet, and two government-approved learning platforms, Elimika for teachers and Education Cloud for children, are accessible at no cost to users.



\*OpCos: Operating Companies, referring to the Airtel subsidiaries in different African countries.

**Case Study**

## Airtel Nigeria commissions the largest primary school in Gombe State

Airtel Nigeria marked a significant milestone by commissioning its seventh adopted school, Government Day Primary, in Pantami, Gombe State in March, 2023. The Emir of Gombe and other notable guests graced the inauguration ceremony. The project involved renovating 12 blocks of 37 classrooms and 17 washroom facilities, transforming them into modern amenities for both pupils and teachers.

Airtel Nigeria takes pride in being the first to undertake such an intervention in the school and the entire state. Government Day Primary School is the largest primary school in the state, catering to 7,119 pupils and 135 teachers. Through the 'Adopt a School' programme, Airtel Nigeria commits to adopting and rehabilitating schools in rural areas for at least four years. This initiative aligns with our dedication to enhancing the standard of education in Nigeria, and since its inception, we have remained steadfast in the development of these schools.

**Case Study**

## Accelerating the 'Adopt a school' programme in Kenya

In November 2022, Airtel Kenya collaborated with the Kenya Directorate of Children Services (DCS) and the United Nations Office on Drugs and Crime (UNODC) to launch an initiative aimed at providing fair access to education for vulnerable adolescents who have transitioned from rehabilitation schools and need support in continuing their secondary education and reintegrating into society.

Through the 'Adopt a School' partnership, Airtel Kenya is supporting two high schools in Eldoret, Kenya, where 21 adolescents will benefit from the programme. Airtel Kenya will cover their school fees and other education-related expenses for three years, in addition to providing connectivity support for the IT hub in one of the schools. This initiative reflects our commitment to ensuring that everyone, including the most vulnerable, has equal opportunities for education.



## Best Company in Education Intervention' Award 2022

In December 2022, Airtel Nigeria was honoured with the prestigious 'Best Company in Education' prize at the SERAs AFRICA awards ceremony. We are deeply grateful for this recognition and reaffirm our unwavering commitment to promoting access to quality education throughout Nigeria.

# Financial Capital



## SDGs impacted



## Material Topics included

- Network quality, expansion and transformation
- Innovation of products and services
- Digital inclusion and enhanced access to ICT
- Green ICT solutions

## Relationship with other capital



Manufactured



Intellectual



Natural

At Airtel, we prioritise driving sustainability and growth across our business. We are dedicated to strategically optimising operational expenditures, ensuring prudent capital allocation and fostering a resilient operating cash flow. We duly acknowledge the significance of Financial Capital as a pivotal cornerstone in our business framework.

The investments directed towards enhancing our network and infrastructure are primarily oriented towards the objective of bestowing unparalleled services upon our valued customers. The creation of value for stakeholders and the enhancement of customer experience stand as two cardinal focal points governing our business endeavours.

## Highlights for FY 2022-23

**₹847,201 Mn**  
Revenue

**19.7%**  
Revenue growth Y-o-Y

**52.1%**  
EBITDA margin

**₹(896) Mn**  
Profit after tax

**3.2x**  
Net debt to EBITDA

**₹4,320 Bn**  
Market capitalisation  
(as on March 31, 2023)

### Dividend

**₹4**  
Per fully paid-up equity share

**₹1**  
Per partly paid-up equity share

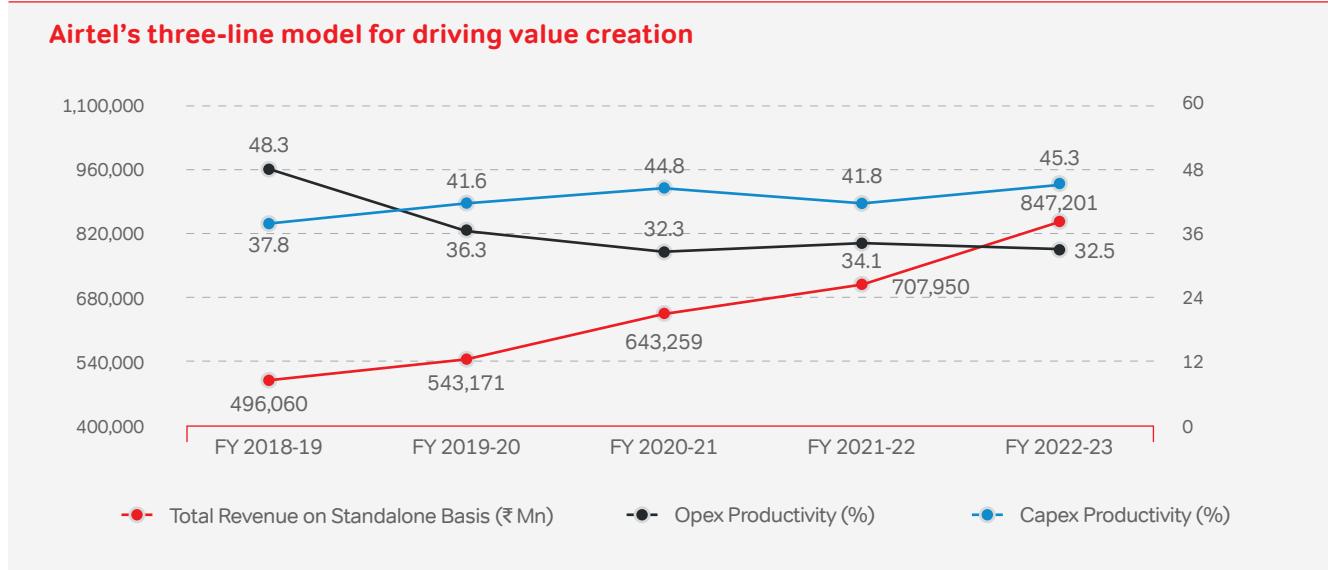
(Subject to the approval of shareholders at the ensuing AGM)

### Generating value for shareholders

We have been witnessing a phenomenal surge in our market capitalisation in recent years. Over the course of the past 10 years, our market capitalisation has experienced a staggering growth rate of ~290%, from ₹1,108 billion on March 31, 2013 to an astounding ₹4,320 billion as of March 31, 2023. This momentous upswing can be attributed to a confluence of smart strategic business decisions, unwavering stakeholder confidence in our business model, remarkable technological advancements and a robust customer base. As we continue to demonstrate our resilience and ability to capture new opportunities in the telecommunications industry, reinforcing our position as a key player in the global market, we will stay on track to generate superior shareholder returns.



## Financial Capital



Note: All the financial figures for FY 2021-22, as stated above, are re-casted to include the impact of the merger of Telesonic Networks Limited and Nettle Infrastructure Investments Limited with Bharti Airtel Limited.

### Robust financial performance driven by customer growth and pricing interventions

During the year, our Mobile Services business achieved significant growth in both customer base and revenue through unwavering efforts to retain and attract valuable customers, adopting a premium-focused approach to target high-value customers and implementing strategic pricing interventions. Additionally, our Homes business sustained impressive double-digit growth, supported by the local cable operator partnership model. Furthermore, the demand for seamless data connectivity and emerging business needs beyond core connectivity solutions in the B2B segment continued to drive strong growth in the current financial year. We ended the year with the highest-ever market shares across our businesses.

Double-digit growth in each of the above segments translated to the highest-ever revenue for the Company at ₹847,201 Mn, a 19.7% leap from ₹707,950 Mn last year. Our 'War on Waste' (WoW) programme continues to deliver excellent results as the India Network Opex increased by only 7.5% Y-o-Y, thereby achieving significant operational and financial efficiencies. EBITDA margins improved from 49.7% in FY 2021-22 to 52.1% in the current year.





## Significant capex investments to ensure an advanced and sustainable network

This year, we achieved the highest-ever site rollout, expanding into rural areas and delivering an exceptional customer experience nationwide. We were the first operator in India to launch 5G services, rapidly deploying 5G sites and are now live in multiple towns with our '5G Plus' offering. This was achieved by acquiring a significant amount of spectrum. To showcase 5G's capabilities, we established experience centres in our stores. We remain committed to invest in advanced technologies to enhance our services and strengthen our network infrastructure.

## Building a stronger balance sheet

We remain focused on generating sustainable and strong cash flows, while delivering excellent operational and financial performance. During the year, we participated in a spectrum auction and acquired spectrum across multiple bands, amounting to over ₹400 billion. To make an upfront payment to the Government, we utilised a combination of business cash generation, proceeds from Google's investment and lower-cost debt, totalling over ₹83 billion. This upfront payment covers four years of spectrum dues. We believe that this upfront payment, along with a moratorium on spectrum dues and AGR-related payments for four years, will enhance our future cash flows and allow us to allocate resources to expand network coverage and roll out 5G.

Our focus remains on creating long-term value for our stakeholders by providing superior digital services, reducing debt, optimising our cost of capital, prudent capital allocation and improving operating cash flows to participate in the development of a Digital India.

► Read more in 'Manufactured Capital' on [Page 78](#).

# Harnessing the Power of Digital

We are changing the way people connect, communicate, and transact. Fuelled by a commitment to innovate and customer-centricity, Airtel is harnessing the power of platforms, ushering in a new era of digital products and services.

Our business is defined within the three-layered digital framework—Digital Infrastructure, Digital Experience, and Digital Services and Products. Airtel is creating a robust digital infrastructure highway to further strengthen service offerings and foster a culture of innovation, fortifying its position as a digital pioneer, and empowering individuals and businesses alike with secure and reliable digital solutions.

The Digital Infrastructure layer is our data platform, which ingests 800 plus data streams and processes 50 million per second data events. All of this augments our data pool and allow us to create new data enabled businesses like AdTech and Financial services. We do this while maintaining the privacy of our customers.

Leveraging our robust platform-based architecture, cutting-edge capabilities, and customer-centric approach, we are building a seamless and interconnected digital ecosystem. We are developing four key platforms – Buy, Pay, Bill, Serve – each will play a vital role in our digital flywheel, and inspire individuals and businesses to embrace its endless possibilities. This will enable search to refer seamlessly and we are already seeing success.

Today, an Airtel customer may buy their mobility service from us, choose to add broadband and DTH, enjoy video and music on our Wynk app and pay for these services using our payment platform. Furthermore, they can apply for credit cards and loans from our marketplace. Airtel Finance is the newest addition in our portfolio and is delivering strong results within a short span of time.

## Key Highlights for FY 2022-23

**200 Mn+**

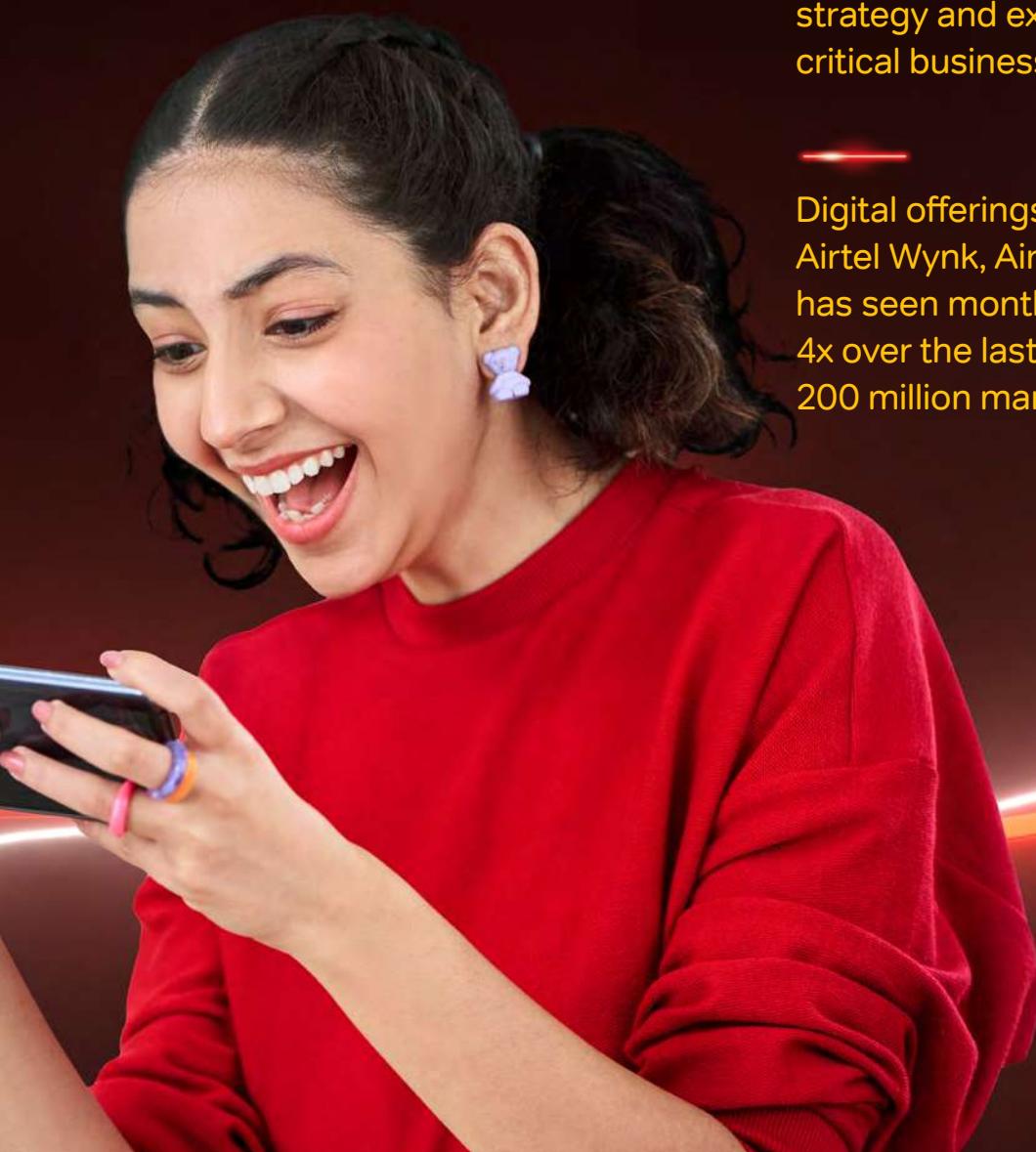
Cumulative MAUs growing 4x over the last four years on Wynk, Airtel Thanks and Xstream

**78 Mn+**

Monthly active users (MAUs) on Wynk Music

**~55 Mn+**

MTUs of Airtel Payments Bank. Total customer base increased to ~164 million



The platform approach is bringing the right velocity and quality with an autonomous way of working. It is helping us dovetail better with the business and product teams to achieve faster go-to-market, creating loyal customers, bridging the gap between strategy and execution, and achieving critical business objectives.

Digital offerings portfolio including Airtel Wynk, Airtel Thanks, and Xstream has seen monthly active users growing 4x over the last four years, crossing the 200 million mark.

**2.4 Lakh**

Annual run-rate of co-branded credit cards issuance

**₹12 Bn+**

Annual run-rate of lending through Airtel Finance

# Manufactured Capital



## SDGs impacted



## Material topics included

- Network quality, expansion and transformation
- Innovation of products and services
- Digital inclusion and enhanced access to ICT
- Green ICT solutions

## Relationship with other capital



Financial



Social and Relationship



Intellectual



Natural

We rely on a robust network infrastructure that is technologically advanced and environmentally friendly. By investing in the latest technologies and innovative solutions, we ensure our infrastructure is future ready, resulting in a seamless customer experience. With India's rapid transformation into a leading digital economy, we, at Airtel, recognise the importance of expanding our infrastructure and spectrum portfolio.

## Highlights for FY 2022-23

**37,492**

New mobile network towers installed

**80,233**

New mobile broadband base stations added

**12**

Large data centers

**120+**

Edge data centers

**92.45 MW**

Design Load in Large data centers

**106.01 MW**

Design load in edge data centers

**11,941**

Usable rack count/tile space for large data centers

**26,023**

Usable rack count/tile space for edge data centers

**5,027 Bn**

Minutes on network (Gross)

**33,647**

Rkms

Optic fiber cable deployed

**15,949 Bn**

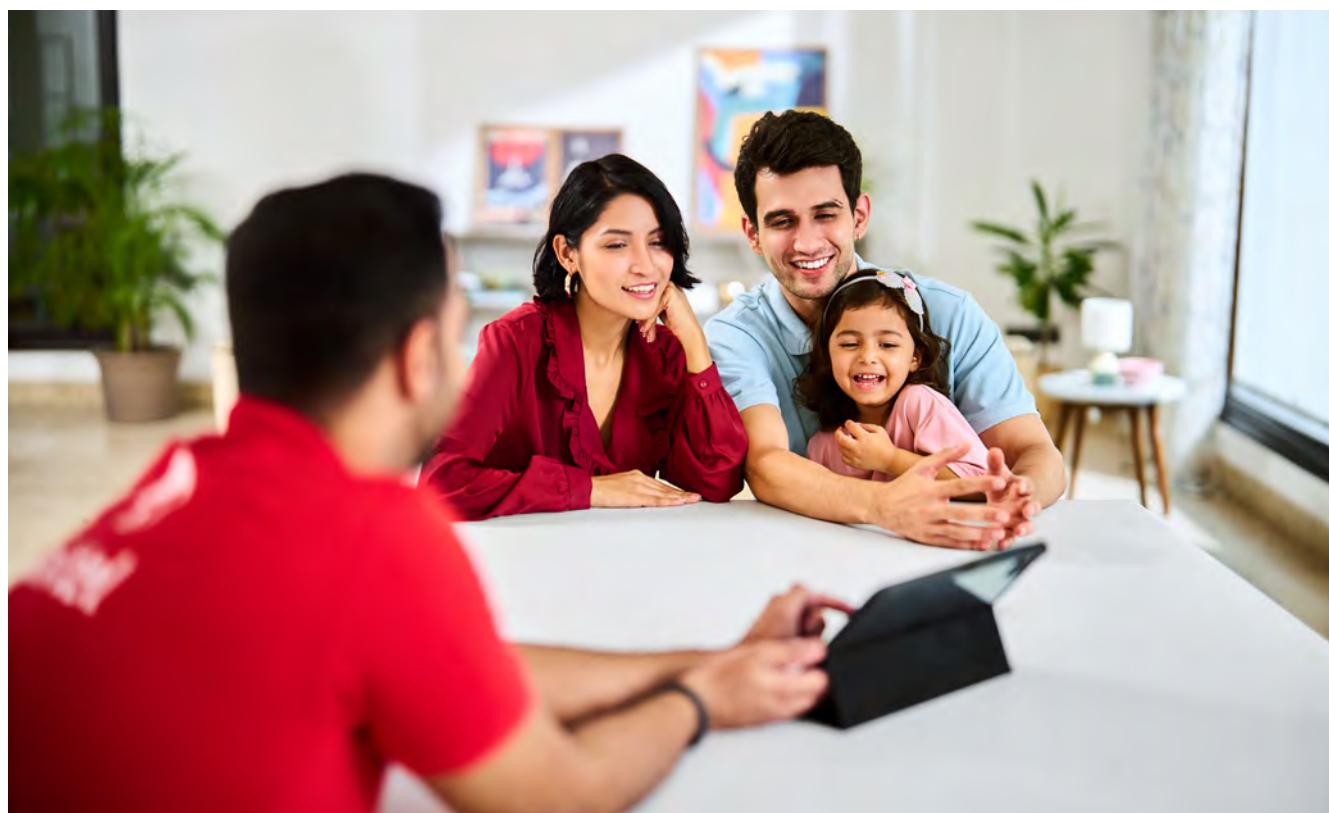
**MBs**

Data traffic (Homes Services)

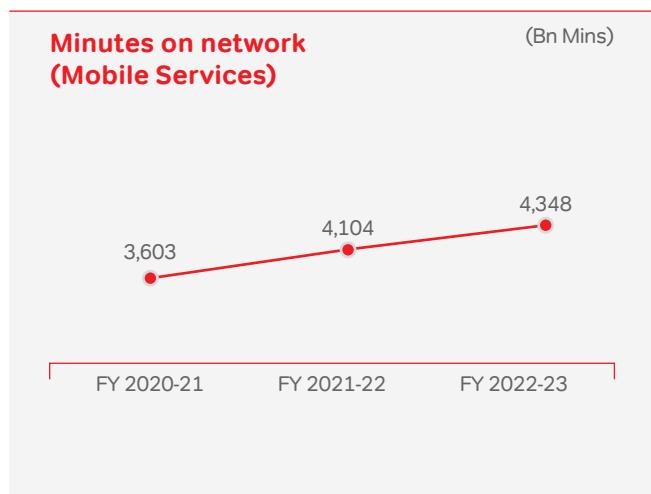
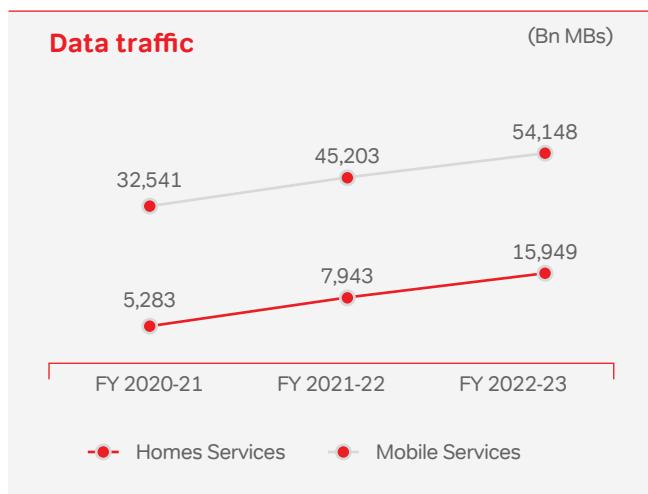
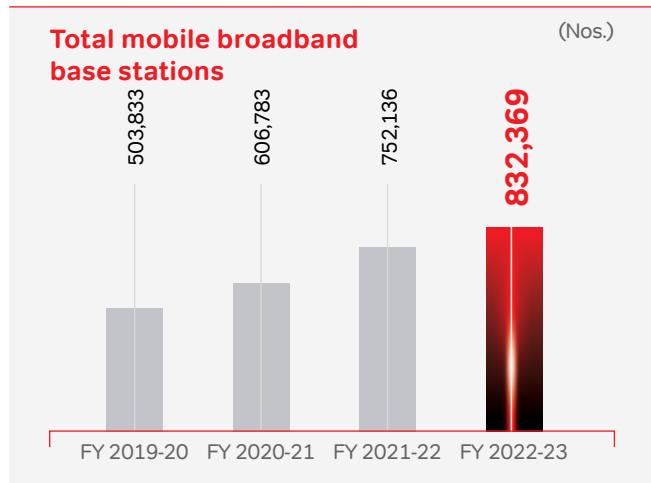
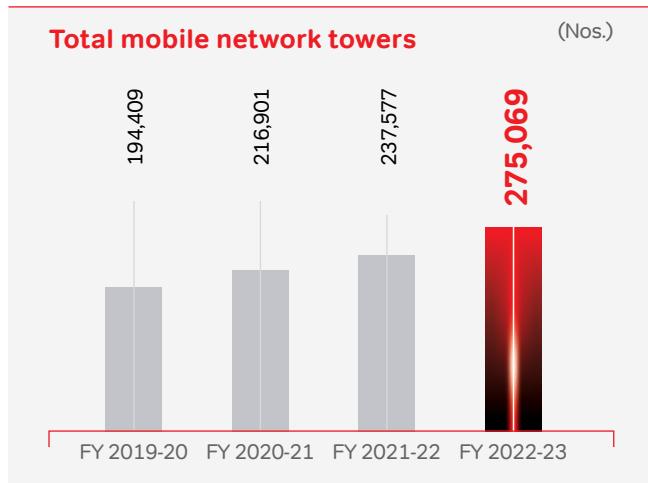
**54,148 Bn**

**MBs**

Data traffic (Mobile Services)



## Manufactured Capital

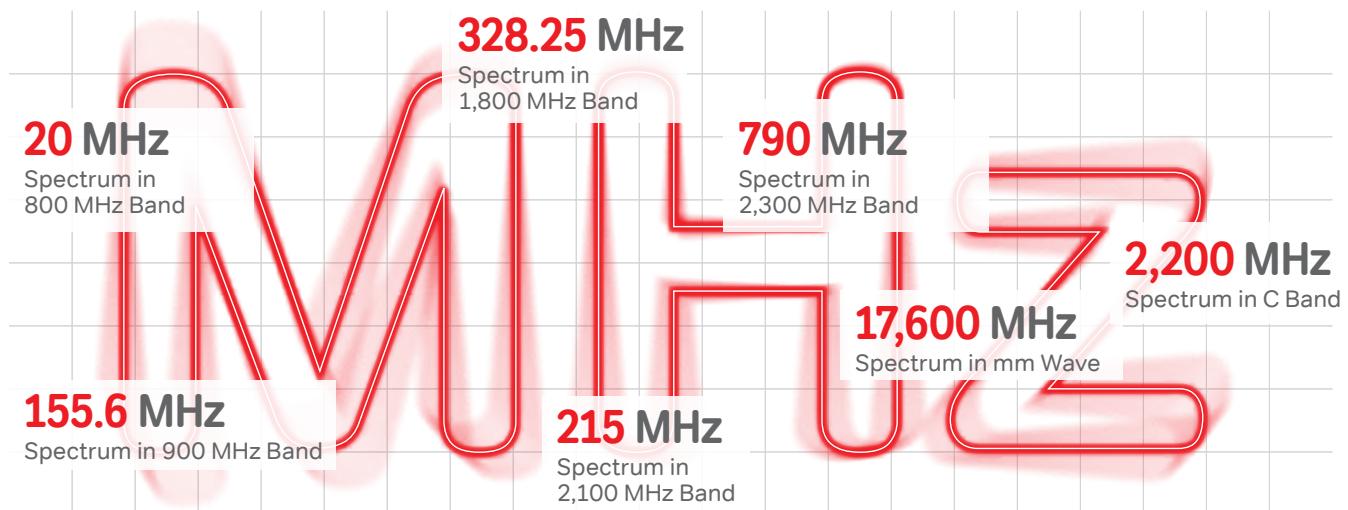


## Strong spectrum portfolio fostering world-class innovation and best experience

We have an ideal spectrum bank in the country. The acquisition of 19,800 MHz spectrum during FY 2022-23 further enabled us to secure a pan-India footprint of 3.5 GHz and 26 GHz bands, and selectively bolster the mid-band spectrum. A well-thought-out strategy for spectrum acquisition allows us to meet all our objectives: the best 5G experience, 100x capacity enhancement and the most power-efficient solutions that will go towards meeting our ambitious ESG goals.



## Airtel's spectrum snapshot



## Spearheading the 5G revolution in India

We launched our 5G network in October, 2022 and surpassed 1 million customers mark in less than 30 days of the commercial launch. Since then, we have rapidly expanded our coverage to thousands of towns/ cities. We continue to add 30 to 40 cities/ towns daily in our 5G network, demonstrating an aggressive approach in geographic expansion. Our 5G Plus is now accessible in every major city, from Kashmir to Kanyakumari.

This has been achieved by ensuring high-speed data services and extensive coverage, by deploying advanced network tools viz. Airtel 5G Plus, which offers three key benefits:

- Ultra-fast speed (up to 30x faster than 4G)
- Globally accepted technology architecture
- An eco-friendly network

The Company targets to cover all the urban areas and a few pockets of rural India with 5G services by March 2024.

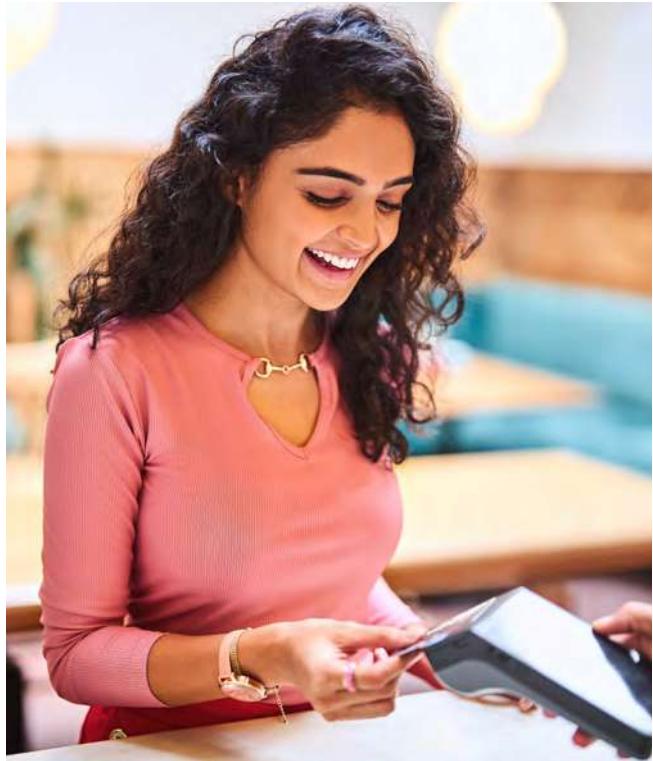
We have also been testing our 5G solutions for enterprise across various vertical industry use cases with multiple partners in manufacturing, healthcare and automotive and more, covering several locations, as a part of our #5GforBusiness.



► Read more about 5G use cases and strategic partnerships on [Page 120](#) in 'Management Discussion & Analysis Report'.

### Technology-enabled network transformation

We are committed to offering the best-in-class customer experience through the continuous deployment of Artificial Intelligence and Machine Learning technologies and the latest automation tools in our network infrastructure, thereby resulting in the reduction of customer complaints, ensuring proactive and preventive decisions using the big-data driven insights, reduction of overall service disruption time with faster identification/rectification, prevention of network degradation and faster resolution of network issues. Airtel Self Optimisation Network (A-SON), a state-of-art AI-ML driven platform, developed by our in-house network and digital engineering teams to detect, analyse and correct network anomalies/degradations, continuously monitors the network and routers and takes real-time preventive actions, ensuring a seamless customer experience. These tech-enabled network transformations ensure that our network teams are able to predict network issues ahead of time and deliver seamless connectivity.



### Airtel supports ‘Digital India’ mission

We are committed to the Digital India mission, which aims to transform India into a digitally empowered society and knowledge economy. We actively contribute to the mission through various initiatives aimed at ensuring uninterrupted mobile network services and fostering digital transformation. These include scaling core capacities for unlimited 5G adoption, streamlining ILD

services, implementing automated. By simplifying onboarding processes, improving customer journeys, and deploying advanced technologies, we support the seamless transition to a digital ecosystem. These efforts align with our commitment to driving digital inclusion and playing a significant role in the success of the Digital India initiative.

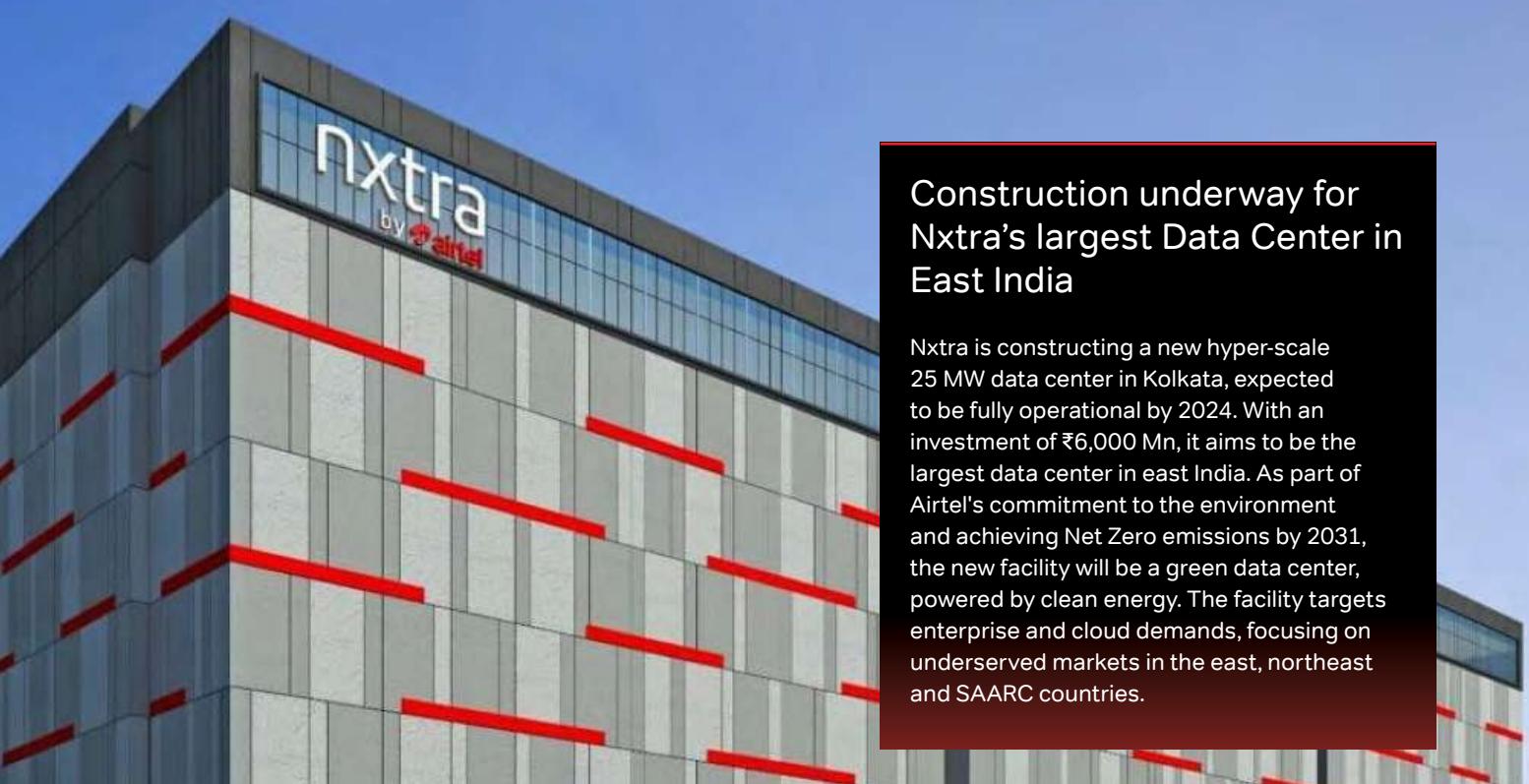
## Data centers: The backbone of India's digital economy

Our subsidiary, Nxtra Data Limited ('Nxtra'), offers the largest network of 12 large and over 120 edge data centers in India, providing businesses with a reach and scalable infrastructure that is unmatched. Nxtra serves over 400 clients (Non-group customers) through its pan-India infrastructure. The colocation facilities are fully-equipped to provide scalable, digitised and sustainable IT infrastructure, thus empowering businesses to build their digital-first ecosystem with optimal performance and security.

We understand that data center industry is going to witness significant growth in the forthcoming years, having strong demand across customer segments. Keeping in view the impending growth, Nxtra has further committed

to invest ₹5,000 crores in next few years to build new hyperscale data centers in Mumbai, Pune, Bengaluru, Hyderabad, NCR & Kolkata. All these upcoming facilities will play a key role in increasing our installed capacity by 2X to over 400 MW and serve the emerging requirements of India's digital economy.

**400+**  
Clients served by Nxtra



### Construction underway for Nxtra's largest Data Center in East India

Nxtra is constructing a new hyper-scale 25 MW data center in Kolkata, expected to be fully operational by 2024. With an investment of ₹6,000 Mn, it aims to be the largest data center in east India. As part of Airtel's commitment to the environment and achieving Net Zero emissions by 2031, the new facility will be a green data center, powered by clean energy. The facility targets enterprise and cloud demands, focusing on underserved markets in the east, northeast and SAARC countries.

# Delivering Exceptional Experience

Customer satisfaction is at the forefront of all our endeavours. Recognising its importance, we are transforming our services, combining innovative technology and digital tools to create a seamless and delightful experience. Embedding simplicity and efficiency, we have adopted a new structural design philosophy to drive holistic improvement across the Search-Discover-Purchase-Onboard-Experience-Refer flywheel.

Our omnichannel approach ensures customers can engage with us anytime, anywhere. What we are building from a technology perspective will allow a customer to start a journey on any channel and finish anywhere. This is holistic in nature, covering both self-serve and assisted channels. We foster trust and loyalty through innovative and intuitive interactions. Harnessing the power of data mesh, we deliver personalised services and reduce interactions.

We made several structural interventions during the year in our services to leverage Artificial Intelligence (AI), Data Science and Generative AI. From analysing speech and intent detection to smart resolution of incidents, AI tools drive these capabilities. We also employ AI-based self-healing tools and services to improve service resilience and availability.

In order to achieve our desired outcomes, we continuously invest in various aspects of our network. We also implement strategic changes to future-proof our networks. All network investment decisions are predicated on a holistic TCO assessment that not only considers revenue and cost but also our experience.

## Key Highlight for FY 2022-23

### 26% CAGR

Reduction in customer calls across services over the last four years



# Intellectual Capital



## SDGs Impacted



## Material topics included

- Information security and customer data privacy
- Climate change, energy efficiency and emission reduction
- Enhancing customer experience and satisfaction
- Digital inclusion and enhanced access to ICT
- Innovation of products and services

## Relationship with other capitals



Financial



Social and Relationship



Human



Manufactured

Our digital talent, technology-driven brand, strong three-layered digital foundation and strategic collaborations and partnerships with innovation-driven global players, form the key pillars of our Intellectual Capital.

## Airtel: Customer-obsessed, technology-driven brand

With strategic investments, we have developed digital innovation capabilities as a core business strategy. We are a technology-driven Company that leverages cutting-edge solutions to provide a seamless and superior experience to our customers. From 5G network infrastructure to AI-powered chatbots, we use advanced technologies to deliver innovative products and services that meet the evolving needs of our customers. With a strong focus on research and development, we are constantly exploring new and emerging technologies to stay ahead of the curve and offer the latest and best solutions to our customers.

## Strong digital foundation

Airtel at its core has a three-layered strong business model: Digital Infrastructure, Digital Experience and Digital Services. It allows us to continuously strengthen our service offerings and foster a culture of innovation, fortifying our position as a digital pioneer, and empowering individuals and businesses alike with secure and reliable digital solutions. Our major shift from product-based approach to a platform-based approach, coupled with our cutting-edge digital capabilities and customer-centric approach, is helping us build a seamless and interconnected digital ecosystem. We are developing four key platforms—Buy, Pay, Bill, Serve—with each playing a vital role in our digital flywheel, and inspiring individuals and businesses to embrace the endless possibilities.

- ▷ Read more in the 'Harnessing the Power of Digital' section on [Page 76](#).

## Driving innovation through the digital workforce

With an exceptional in-house digital talent, we have established ourselves as a digital-first company dedicated to serving Digital India. Our highly skilled workforce drives digital innovation. The digital talent base has increased by ~18% (from FY 2021-22).

Our Innovation Lab, a digital innovation factory, concentrates on areas such as IoT, Digital Engineering, Artificial Intelligence, and Machine Learning, delivering cutting-edge solutions to meet the evolving demands of Digital India.

**2,700+**  
Digital talent base

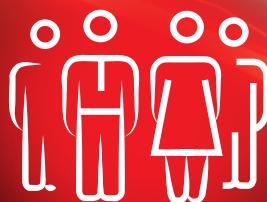
## Strategic partnerships and alliances

Our robust strategic partnerships, both with domestic and global players, have paved the way for an innovation revolution in the country. Strong strategic collaborations with industry leaders like Amazon, CISCO, Ericsson, Google, IBM, Intel, Meta, Microsoft, Netflix, Nokia, Oracle and Qualcomm, among others, have bolstered our capability to develop next-generation digital platforms, products, and services.

We are dedicated to supporting India's thriving startup ecosystem by offering the Startup Accelerator Program. Through funding, mentorship from our leadership team, and access to global strategic partners, the programme helps early-stage companies scale up sustainably. The programme provides startups with the opportunity to deploy their technologies and applications, leveraging our massive network and millions of customers. During FY 2022-23, we onboarded Lemnisk, a startup specialising in Real-Time Marketing Automation and a secure Customer Data Platform (CDP), in order to create the world's largest CDP platform.

- ▷ Read more about strategic partnerships and alliances during FY 2022-23 in the 'Management Discussion & Analysis' on [Page 120](#).

# Human Capital



## SDGs impacted



## Material topics included

- Talent attraction and human capital development
- Employee health and well-being
- Diversity and inclusion
- Promoting Human Rights

## Relationship with other capitals



Financial



Intellectual



Social and Relationship

We, at Airtel, believe that we have best-in-class talent in our organisation. We aim to create long-term value for our people while keeping diversity, inclusivity and employee well-being at the core. Aligned with the business goals, our human capital development pathway focuses towards building meaningful careers, developing impactful leadership capabilities and delivering a superior employee experience.

## Highlights for FY 2022-23

**17,292**

Employees on roll

**13**

Employees of nationalities  
(other than Indian)

**15,369**

Male employees

**1,923**

Female employees

**52,299**

Contractual employees

**7,248**

New employees hired in FY 2022-23

**1,498**

Internal hires  
(Open positions filled by internal candidates)

**34.3 years**

Average age of employees

**28.5%**

Total employee turnover

**22%**

Voluntary employee turnover

**₹4.7 Mn+**

Gross revenue per employee per month

## Workforce composition as on March 31, 2023

Category	Male (Age)			Female (Age)			Total
	<30 years	30-50 years	>50 years	<30 years	30-50 years	>50 years	
<b>Employees on roll</b>							
Junior management and below	3,482	7,375	117	728	550	12	12,264
Middle management	353	3,861	145	143	467	17	4,986
Top management	0	18	18	0	5	1	42
<b>Total</b>	<b>3,835</b>	<b>11,254</b>	<b>280</b>	<b>871</b>	<b>1,022</b>	<b>30</b>	<b>17,292</b>
<b>Contractual employees</b>							
Contractual employees	30,305	17,849	257	2,663	1,199	26	52,299

## Human Capital

### Strategic priorities aligned with business objectives

#### Enhance productivity by attracting, growing and retaining talent

A compelling talent proposition, a diverse and inclusive workplace and a culture of upskilling and reskilling

#### Improve efficiency by resourcing for impact

Right and meaningful organisation architecture, resourcing & talent pool to create long-term impact for employees and the Company

#### Enable growth by building strategic capabilities

Future-proofing the organisation and people by partnering for capability and best digital ecosystem

#### Build credibility by delivering exceptional experience

Right process and technology across employee lifecycle, keeping employee well-being at core

### Enhancing productivity by attracting, growing and retaining talent

In our effort to become the employer of choice, our key focus areas have been on providing the right career paths, outlining the right set of leadership behaviors, invest on building our leadership pipeline and creating a truly inclusive workplace.

#### Airtells

Keeping customer obsession at the heart of innovation and in order to unlock the power of customer experience, our talent strategy during the year focused disproportionately on the cross-functional breadth of experiences. With an increasingly omni channel and diverse customer base, it is critical for us to build talent that understands nuances across products, businesses, channels and geographies. "Airtells" was set up as an internal talent marketplace, to foster interdisciplinary experiences followed by over 1,000 opportunities for learning, job shadowing and cross-functional movement. 6,000+ employees participated in this intervention and more than 1,000+ learning opportunities were created.

#### Unified Behavioural Framework

To build a common language of leadership behaviours, we have defined 7 leadership competencies called the Unified Behavioural Framework. These behaviours define what is important and valued at Airtel; know what is expected of employees and know what behaviours drive us; provide a common 'One Airtel' lens to evaluate and groom talent; enable fungibility and cross-functional movements and cut through the overlaps between existing frameworks, simplify and consolidate key human resource themes. These behaviours have been reiterated across various HR processes—right from hiring to performance management.





## Airtel Leadership Academies

Our focus on building leadership capabilities and pipeline continued via our flagship “Airtel Leadership Academies”, an immersive, blended leadership development programme aiming to build a pipeline of future leaders for Airtel and ensuring that we have a high leadership talent density. This experiential journey spanning over 10 months, covers ~280 future leaders year-on-year basis. We have been able to cover a pool of 700+ leaders since its launch in 2019 and the current Class of 2023 includes ~260 future leaders. Careers and building leadership capabilities will continue to be a key focus area going into the next year with personalised career journeys.

**700+**

Leaders covered under Airtel Leadership Academies since its launch in 2019

## Diversity and inclusion

Creating a diverse workforce also continues to be an important lever for our focus on customer centricity and in becoming an employer of choice. We have moved 100 basis points in increasing women representation in our permanent workforce. Several initiatives like the Step-in programme have been launched to drive this forward. Step-in is categorised into two segments: Return to Work and Remote Work. ‘Return to Work’ welcomes talented technical women professionals with full-time roles after a career break of 12 months or more from the workforce. The Remote Work programme is for women who are in the early stages of their careers and based in non-metro cities and with location/mobility constraints to apply to full-time roles at Airtel. This is to fuel the ambition of young, capable women keen on building a career and working with a global company right from their homes. The programme allows women much-needed flexibility, empowers them to be financially independent and enables them to build a robust career path. 40 women have been inducted into Airtel via Step-in across technical and non-technical domains.

We have also invested in onboarding ex-armed forces personnel and alumni of Satya Bharti school to develop diversity of thought. The key focus in the upcoming year will be to provide an inclusive environment and setting in place enablers that help diverse talent thrive.

# Human Capital

## Key highlights

47

Differently abled employees

14%

Women in top management positions

17%

Women in STEM positions

11%

Women in junior management positions

10%

Women in management positions in revenue-generating functions

11.1%

Women employees  
(out of total employees)

11%

Women in management workforce



### Diversity and inclusion targets

Increase share of women in workforce to at least 20% by FY 2024-25

### Progress

Diversity increased from 10% to 11.1% in FY 2022-23

The year saw Airtel drive massive efforts towards diversity and inclusion. Numerous interventions were launched including the following:

- Right targets have been set across Airtel Management Board and governance mechanisms have been put in place to track progress.
- Creating a culture of inclusion by top-down ownership, inculcating the culture of 'Airtel for All', celebrating and amplifying diversity, revamping policies for women employees on their well-being and safety, flexible working options, etc.
- 'We-Lead' programme created and launched for women leaders at the B1 level in association with Harappa, which resulted in positive feedback.
- Multiple policies were revisited to ensure equity. Car Lease Policy and Travel Policy have been revamped to ensure a level playing field.
- Exit Deep Dive and Maternity Connects introduced to ensure 100% connect with all exiting women employees and returning mothers. The inputs were used for creating interventions to retain diversity talent.
- Mentoring and coaching via external programmes, quarterly engagement sessions, revisiting of the appraisal process, structured connects and pro-active career pathing to reduce stagnancy, all contributing to retaining diversity talent.

## Improving efficiency by resourcing for impact

For our digital teams, to be nimble with increasing complexity of technological delivery, building a resusable and configurable core was essential. To deliver this, we reorganised our teams to key platform charters, each of which focused on a stream to provide the best in class customer experience. Strategic capabilities particularly in the roles related to development, big data, SDET and programme management roles were insourced, this was coupled with setting up of our Pune technology centre. The centre places us strongly in a high tech talent market with talent attraction benefits through a diversified geographical presence. The centre is now 400+ employees and this exercise has seen a very significant up in quality of talent, lower talent churn, better delivery velocity and has delivered significant cost benefits through this resourcing model shift.

With the increasing focus on our B2B business and fostering long-term customer relationships, around 1,000 associates in Airtel business in the emerging business segment were insourced to provide better customer experience and increase productivity. Insourcing of these account managers has not only led to a 67.5% increase in productivity but also a reduction of attrition from 14% month-on-month to 2.2% voluntary attrition.

For the extended workforce (contractual employees), massive efforts went into the consolidation of partners and digitisation of HR processes to give seamless experience and build tighter governance.



## Human Capital

### Enabling growth by building strategic capabilities

We adopted a hybrid strategy concentrating on hiring new talent as well as upskilling our existing talent through programmes like the 5G Academy and IP (Internet Protocol) Academy. The training curriculum covers fundamentals of IP (Internet Protocol), Cisco Certified Network Associate (CCNA), Cisco Certified Network Professional (CCNP) and Cisco Certified Internetwork Expert (CCIE) certifications.

### Embracing the digital era

#### Introducing the IP Academy to educate and empower

The Internet Protocol (IP) Academy was launched in FY 2022-23 for our employees and associates in the Network function with an aim to upskill them on 5G readiness much ahead in time. The academy consisted of four levels: L0 (Basic), L1 (Standard CCNA), L2 (CCNP-Service Provider – Core and Concentration) and L3 (CCIE-Service Provider).

To facilitate flexible learning, both online and offline training modes were available to the employees. The three-day programme was rolled out to individuals across various sub-functions. Through virtual LAB access, employees gained practical, hands-on experience and real-time operational learning. Additionally, post-training assessments were conducted to evaluate their comprehension and skills.

As part of our ongoing learning journey, we conducted 'Learning Shots', which were webinars (live sessions by internal and external SMEs) on relevant topics for enhancing the knowledge and skills of employees.

#### Impact

##### 240 employees

Completed IP LO level training

##### 5,810

Training hours

##### 22

Learning shots delivered

##### 4,100+ attendees

in the Sessions by senior business leaders on Future of 5G and Demystifying 5G

As we continue to grow and invest right in our digital business, incubate new businesses, and build capabilities towards our Digital infrastructure, Experience and Offerings to match the evolving expectations of our customers, it is imperative that our teams stay agile in their thinking and ways of working. Digital appreciation is an experiential, in-person, day long workshop which includes case studies and exercises and encapsulates themes like Ecosystem Partnerships, Data Based Decision Making, Platform Thinking and Omnichannel. The rollout is continuing in a phased manner across the organisation with trainers trained for facilitation in Airtel leadership.

### Impactful learning through structured training

We have implemented an impactful learning and development approach that enhances on-the-job performance and builds a capability network for current and future skills. Throughout the year, various training interventions have been conducted, resulting in an average spend of ₹5,881 per employee and a training time of 12.2 hours per employee.

#### Training snapshot

211,161

Total training hours

4,197

Training interventions

99.78%

Learning coverage (% of employees who received training)

₹101 Mn+

Expenditure on trainings



## Training snapshot (By category)

Training	Training hours	Training interventions
Behavioural training	38,301	27
Leadership training	17,781	15
Functional training	72,420	150
Mandatory training	17,764	1
Digital learning	64,895	4,004

## Delivering exceptional experience

Airtel took numerous interventions with a bedrock of delivery of superior experience to our internal customers—our employees. We have simplified our onboarding experience and background verification process for employees. Background verification process has been condensed from taking a lead time of 15 days to 2 days. The new onboarding process focuses on an immersive experience engaging the candidate from a fortnight before joining to help them start green. Every new joiner gets to visit an Airtel office to help them meet Airtel leaders and get better joining support. We have got an overwhelming response from new joinees about their initial experience in this new process, with a New Joinee Feedback Score of 4.8 on a scale of 5. This is expected to reduce early attrition and improve overall employee experience in the long run.

## Employee well-being

As a responsible organisation, our holistic view towards employee well-being continues to be the topmost priority. Our actions and interventions are aimed at promoting positivity, wellness and good health among our employees and their families. We believe that overall well-being, as the core element of Airtel's human resource strategy, adds to the productivity, impactful innovations and success of the organisation, while also ensuring happier and fulfilling lives for employees.

Our Airtel Cares program is a comprehensive 360 employee well being program that spans across 4 key elements of well being – Physical well being, Mental well being, social well being and financial well being.



### Ensuring health and safety

At Airtel, we prioritise well-being and safety of our employees and have committed to operate in compliance with applicable health and safety laws, regulations, and leading industry practices. We have implemented a comprehensive occupational health and safety management system and policies (Environment, health

and safety and Bharti Airtel Infrastructure and safety policy) that aims to maintain a secure and accident-free workplace throughout all our operations. Our management systems for health and safety are certified to meet the ISO 45001 standard specifically for data center operations.



#### Targets

Conduct safety training  
for all employees  
by FY 2022-23

Implementation of  
ISO 45001 Certification  
Occupational health and safety management  
system across all operations by FY 2023-24

#### Progress

100%  
Target Achieved\*

In progress

► Refer to page 146 of the 'Business Responsibility and Sustainability Report' for more information on health and safety.

\* Safety trainings were conducted for nearly 100% of locations in FY 2022-23 covering all eligible employees.

## Promoting human rights

We are committed to preventing any violation of human rights throughout our operations, supply chains, communities and business relationships. Our Human Rights Policy serves as a guiding document for both our internal operations and suppliers, emphasising the importance of upholding internationally recognised human rights like equal opportunity, fair compensation, freedom of association and strict prohibition of child labour, forced labour and human trafficking. We take proactive measures to ensure the protection and promotion of these fundamental rights.

All employees receive training to ensure prevention of discrimination and harassment in the workplace. Further, Airtel has a policy on the prevention of sexual harassment

and any such incidents can be reported to the Internal Complaints Committee as per the process defined in the policy.

Moreover, we proactively conduct human rights due diligence by periodically conducting compliance monitoring to identify and assess risks related to human rights issues across all operations and contractors. Any identified risks are addressed through corrective actions and closely monitored for progress. For risks identified in our operations or value chain, we implement appropriate mitigation actions, ranging from risk prevention through awareness sessions and precautions, to risk reduction through capacity building and safeguards, or even risk elimination through modifications in business processes.



► Refer to page 146 of the 'Business Responsibility and Sustainability Report' for more information on human rights.

# Social and Relationship Capital



## SDGs impacted



## Material topics included

- Enhancing customer experience and satisfaction
- Sustainable supply chain management
- Corporate citizenship and community development
- Fair marketing and advertising

## Relationship with other capital



Financial



Intellectual



Manufactured

We have established and fostered strong connections with various stakeholders, including customers, communities, governments, distributors and suppliers. The strength of our social partnerships and stakeholder relationships is crucial in meeting the needs of a new generation of customers.

Our relationships with stakeholders are closely tied to our commitment to provide excellent products and innovative services while upholding ethical business practices. We greatly value the networks and associations we have built over the years and continuously strive to enhance our social connections.

## Customer obsession powered by technology

Customer obsession is of utmost priority to us and we are committed to transforming our services through innovative technology and digital tools, creating a seamless and delightful user experience. Our holistic approach focuses on every step of the customer journey, emphasising simplicity and efficiency across the Search-Discover-Purchase-Onboard-Experience.

By adopting an omnichannel strategy, we enable customers to engage with us anytime, anywhere, seamlessly transitioning between channels. Through the integration of Artificial Intelligence (AI), Data Science and Generative AI, we deliver personalised services, reduce customer interactions and enhance service resilience.

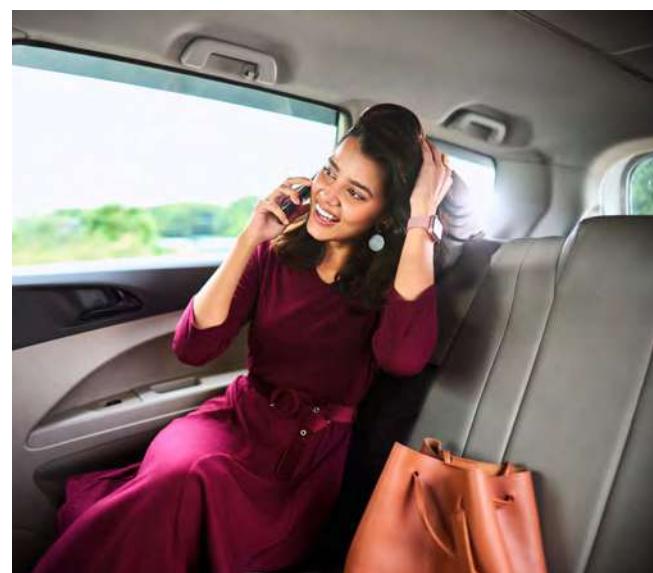
We continuously invest in our network infrastructure, implementing strategic changes to future-proof our networks and ensure a superior customer experience. Our decisions are driven by a holistic Total Cost of Ownership (TCO) assessment that considers revenue, cost, experience and expertise.

Our customer data privacy policy complies with relevant laws and regulations and applies to all employees, suppliers and third parties with access to customer information. The policy is overseen by the Risk Management Committee and governed by the CISO. We respect customer consent and offer choices regarding their data. We update our privacy controls to adapt to changes in regulations and industry practices. Audits, certifications and vulnerability assessments are conducted to maintain data security. Real-time monitoring tracks data movement and instances of non-compliance are investigated and resolved promptly. Privacy Policy is available [here](#).

- ▷ Refer the ‘Management Discussion and Analysis’ section for more information on our strategic partnerships, new customer offerings and key initiatives.

## Transparent Communication

At Airtel, we hold transparency and honesty in high regard. We recognise that despite our sophisticated technology, unforeseen service interruptions may arise, necessitating scheduled maintenance. However, in today's interconnected world, the boundaries between peak and off-peak times have become less defined. As a proactive measure, we diligently communicate with our customers regarding planned outages and promptly send notifications in the event of unplanned disruptions caused by factors such as inclement weather. While these messages cannot completely eliminate disruptions, they provide valuable information that allows our customers to plan and adapt to a significant extent.



## Social and Relationship Capital

### Creating shared value for our channel partners

To create sustainable employment, we collaborate with rural entrepreneurs through our rural distribution network. Rural distributors and retailers earn a livelihood by selling our products/services. Field Sales Executives (FSEs) serve rural markets, providing local employment. Our Rural Promoter Program generates formal jobs for 10,000+ rural resources. Expand retailer presence in underserved areas, improving shop owners' earnings. With approximately 4,000 rural distributors employing 8,800+ FSEs, livelihoods are supported. We leverage digital interventions like geo-fencing and a digital ledger to enhance distribution efficiency. Quality Management Systems ensure high service standards, upheld through workshops, training and audits for channel partners.

Our Quality Management System upholds the highest standards and provides a framework for ensuring that our product and service distribution networks meet defined customer service quality benchmarks. Our extensive network of channel partners follows established standards and service level expectations throughout the value chain. To maintain customer service quality, we regularly conduct workshops and training programmes for distributors, retailers and other channel partners, in addition to performing audits.

### Responsible supply chain towards a sustainable future

We prioritise responsible business practices and strong partnerships in the complex telecommunications supply chain. Our strategy focuses on enhancing customer experience, cost-efficiency and risk management through collaboration with supply chain partners. We have clear priorities including supplier capacity, delivery lead time, inventory management, scalability, sustainable practices, reliability, innovation, low-cost sourcing and geographic reach. By establishing these priorities, we partner with suppliers who enable us to operate efficiently and responsibly, staying ahead of the world. We maintain an efficient procurement process and ensure compliance with laws and regulations.

### Supply chain management

#### Strategic priorities

- 1 Partnering with suppliers who provide goods/services of quality
- 2 Procure goods and services at competitive cost
- 3 Short lead time to meet business requirements
- 4 Strong focus on innovation and sustainability
- 5 Risk mitigation and agility to evolve with the dynamically changing customer needs.

**302**

New suppliers  
empanelled

**97%**

Share out of total  
procurement spent  
within India

The competitive advantage and market success we achieve, are greatly influenced by our strong ecosystem of partners supplying critical products and services viz. network, IT equipment and other key goods/services. Strategic Partners supply Network equipments, and Tower Companies provide the passive infrastructure which crucially supports Airtel to run network operations efficiently. In FY 2022-23, Airtel engaged with 3,591 suppliers out of which 3,462 are Indian suppliers.



Supplier category	Suppliers (Nos.)		Share (%) of procurement spent	
	Within India	Outside India	Within India	Outside India
Strategic partners (Key Active Network Equipment Partner)	7	2	95	5
Strategic partners (Tower Companies)	8	-	100	0
Critical partners	263	14	97	3
Others	3,184	113	94	6
<b>Grand total</b>	<b>3,462</b>	<b>129</b>	<b>97</b>	<b>3</b>

We encourage our suppliers to adhere to international sustainability standards such as ISO 14001, ISO 45001, ISO 27001 etc. Currently, more than 81% of our procurement comes from partners having at least one of these ISO certifications. We have Human Rights policy to promote human rights in our value chain. The policy provides a framework for suppliers to uphold human rights and implement practices that align with relevant labour laws, ILO Convention and Modern Slavery Laws. The Code of Conduct for Business Associates ("Code") sets out the fundamental values and integrity levels of business conduct that Airtel expects its business associates to uphold in all business relationships.

All suppliers must accept and adhere to the Code and Airtel's Human Rights Policy as contractual obligations. To foster ESG (Environmental, Social and Governance) practices throughout our value chain, we organise training and awareness sessions for suppliers and buyers covering requirements of the Code and Human Rights Policy, sustainability expectations from suppliers, Airtel's ESG Goals/Commitment and NGRBC (National Guidelines on Responsible Business Conduct) principles.

We evaluate suppliers based on ESG parameters, including environmental impact, labor practices, human rights, ethical conduct and data security. In the reporting year, 86% of our partners were self-assessed by procurement value. Furthermore, we have integrated measures into our procurement processes, such as:

- Acceptance of Code of Conduct and Human Right Policy before On-boarding
- Inclusion of reference to these policies in the suppliers contract
- Annual acknowledgement of these policies

Airtel promotes local procurement from India-based suppliers which constituted 97% of total suppliers in FY 2022-23.

- Refer to page 62 of the 'Corporate Social Responsibility' section for detailed information on the positive impact that Airtel creates for the community in which it operates.

## Collaboration for supplier audits, corrective actions and capability building via JAC

Airtel has joined the [Joint Alliance for CSR \(JAC\)](#), which is a non-profit association of telecom operators domiciled in Belgium. The association aims to verify, develop, and assess the Corporate Social Responsibility (CSR) implementation across the manufacturing centres of suppliers in the Information Communication Technology (ICT) industry.

JAC members share resources and best practices to develop long term Corporate Social Responsibility implementation at different levels of the ICT Supply Chain globally. The sharing of resources and best practices does not involve the sharing of any commercially sensitive information.

## Empowering communities

As a responsible corporate citizen, we are committed to contributing to both society and community development. To achieve this, we align our activities and contributions with our business purpose and values. We actively undertake community development initiatives in collaboration with diverse stakeholders through Bharti Foundation, which serves as the philanthropic arm of Bharti Enterprises.

Since its inception in 2000, the Foundation has been at the forefront of Corporate Social Responsibility (CSR) initiatives. We work closely with state governments, policymakers, NGOs, corporates and communities to realise the vision of a prosperous society. We place great emphasis on education, aiming to bring about a positive change in the lives of children from rural areas in India. In addition to this, our community development and upliftment programmes provide exposure to life skills such as communication and leadership. Through these initiatives, we strive to make a positive impact and create a better society.

# Building a Sustainable Future

Changing business environment needs renewed thinking, one that embraces Environmental, Social and Governance (ESG) metrics through all areas of operations with full transparency to achieve desired results. At Airtel, ESG is more than climate change, diversity, and disclosures - it is about implanting stated principles across our businesses, aligning talent and technology to move on the path of defined goals.

We have embarked on a transformative sustainability journey, leveraging innovation and strategic initiatives to drive positive change. At the heart of our efforts is a commitment to reducing our carbon footprint and achieving Net Zero, aligned with our Science Based Targets.

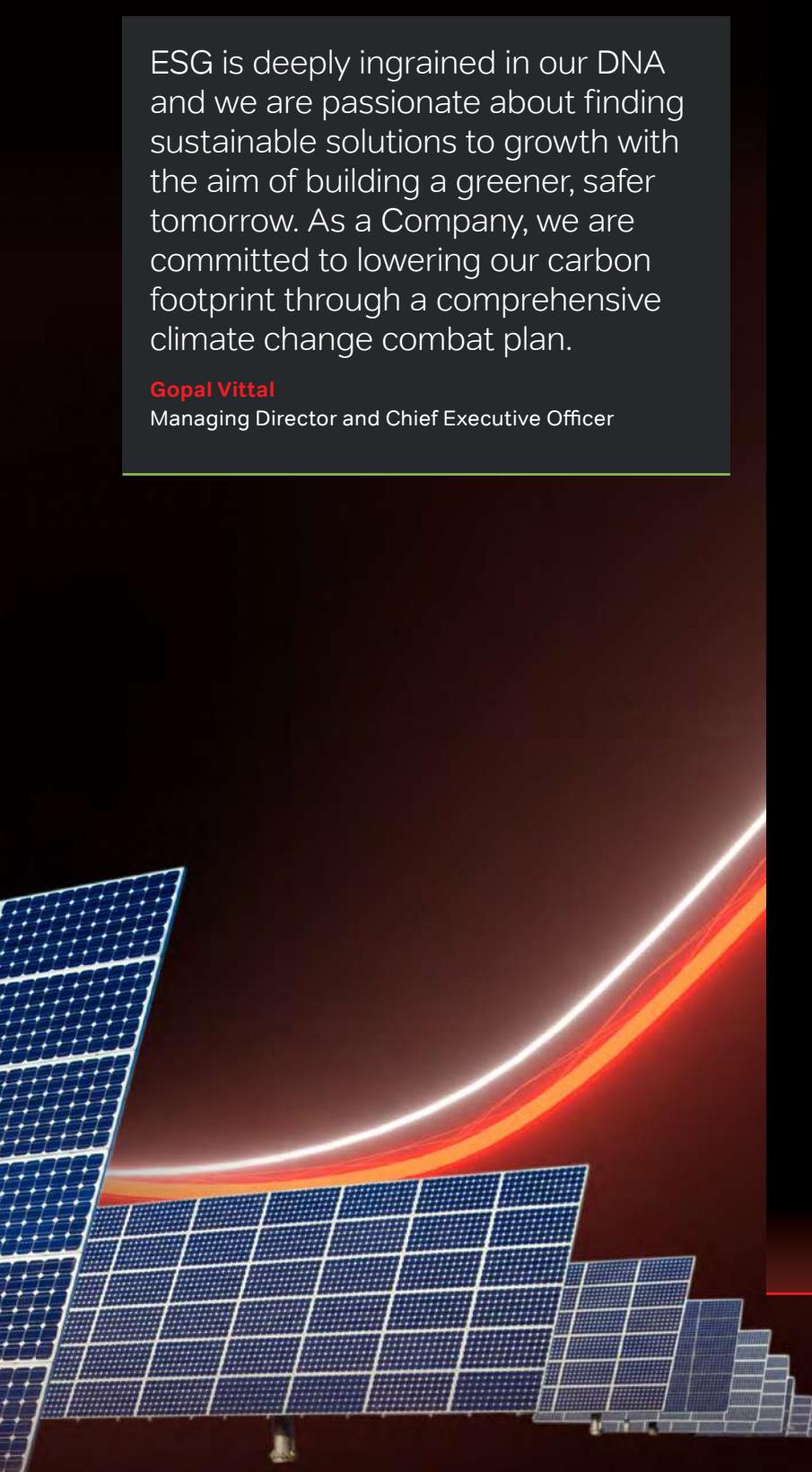
Airtel is spearheading the establishment of green data centers, incorporating energy-efficient initiatives in our wireless network and sustainable practices. We are harnessing the power of renewable energy and reducing reliance on traditional sources of power through solarisation of network sites. We are prioritising the climate-proofing of our networks, ensuring resilience in the face of environmental challenges.

We are also driving diversity, recognising the value of inclusivity, and embracing a culture of equality and empowerment by fostering an environment where every individual, regardless of their background or identity, thrives.

Creating a diverse workforce continues to be an important lever for our focus on customer centricity and in becoming an employer of choice. The key focus in the upcoming year will be to provide an inclusive environment and setting in place enablers that help diverse talent thrive.

The Step-in programme was launched to increase women's representation in this direction in our permanent workforce, and is categorised under 'Return to Work' and 'Remote Work'. We have also invested in onboarding ex-army personnel and alumni of Satya Bharti School to develop diversity of thought. We have a robust safety and well-being agenda for our employees, partners and all involved stakeholders. We are inspiring others to join us on this incredible journey with a clarion call for delivering positive change while fostering a culture of sustainability, equality, and diversity.





ESG is deeply ingrained in our DNA and we are passionate about finding sustainable solutions to growth with the aim of building a greener, safer tomorrow. As a Company, we are committed to lowering our carbon footprint through a comprehensive climate change combat plan.

**Gopal Vittal**

Managing Director and Chief Executive Officer

## Key Accolades

### ICSI National Award for Excellence

In Corporate Governance, 2022, presented by the Institute of Company Secretaries of India

Assigned 'CRISIL GVC Level-1' grading  
Indicates Airtel's corporate governance practices and value creation for all its stakeholders are at the 'highest' level

**ESG Excellence Award**  
at the inaugural edition of the Dun & Bradstreet ESG Leadership Summit 2023

## Key Highlights for FY 2022-23

### Risk category reduced from Medium to Low

Improved Sustainalytics ratings

### 'BBB' to 'A'

Upgrade from MSCI

### 'C' to 'B'

CDP upgraded rating by two notches

### Nxtra

Constructing green facility in Kolkata.  
Partnered with Bloom Energy to deploy low environmental impact fuel cell installation at its data center in Karnataka

# Natural Capital



## SDGs Impacted



## Material topics included

- Climate Change, energy efficiency and emission reduction
- Resources efficiency and waste management
- Water efficiency
- Green ICT solutions

## Relationship with other capital



Financial



Social and Relationship



Human

At Airtel, we are dedicated to ethical and sustainable development while also protecting, preserving, and regenerating the environment and generating value for our stakeholders. We support and encourage the adoption of environmentally friendly and cost-effective technology and energy sources. Our commitment to implementing sustainable practices in our operations and throughout the value chain is reinforced by our environment, health, and safety policy.

We embrace our environmental responsibilities by aligning with the Task Force on Climate-related Financial Disclosures (TCFD) framework to ensure transparency and effective management of climate risks and opportunities. We recognise the urgency of addressing environmental challenges and thus actively take measures to minimise our carbon footprint, promote sustainable practices, and contribute to a greener future.

Under the guidance of our senior leadership, we are committed to our strategy of war on waste, which is realised through the adoption of alternate power sources like solar, enhanced asset optimisation and renegotiating commercial agreements with partners to save network costs at each site. Our ESG agenda is driven by our board appointed ESG committee as well as the management council that drives our ESG initiatives with vigour.

## Airtel's Decarbonisation Goal

In 2021, we were the first Indian telecommunication Company to have approved Science Based Targets.

We have committed to reduce absolute scope 1 and 2 GHG emissions by 50.2% by FY 2030-31 from the base year of FY 2020-21. We have also committed to reducing absolute scope 3 GHG emissions by 42% over the same time frame.



## Climate change, energy efficiency and emission reduction

### Climate change

We are aware of the threat that climate change poses to our Company's operations. We are aware of the physical and transitional risks associated with climate change.

Airtel acknowledges that climate-related risks and opportunities can significantly affect our business. To evaluate the potential severity of these risks and the value of the opportunities, we have undertaken the necessary steps recommended by TCFD. Airtel has conducted a thorough analysis of different scenarios based on the IPCC Shared Socioeconomic Pathways (SSPs) across various timeframes to assess the resilience of our business in the face of climate change. This analysis enables us to evaluate the impact and likelihood of material climate-related risks and opportunities at a Group level for each scenario and time period. This enables us to enhance our resilience and develop effective mitigation strategies to combat climate change and its related impact.

To enhance our preparedness in addressing these risks, we are implementing various measures, including climate-proofing our network infrastructure, raising tower heights, and locating data centers on upper floors to mitigate the risks associated with flooding. In our efforts to reduce carbon emissions, we are implementing multiple initiatives to enhance efficiency and achieve emission reduction. These include energy efficient network planning, infrastructure sharing, adoption of Renewable Energy Technology (RET), deployment of energy-efficient technologies, and key stakeholder engagement.

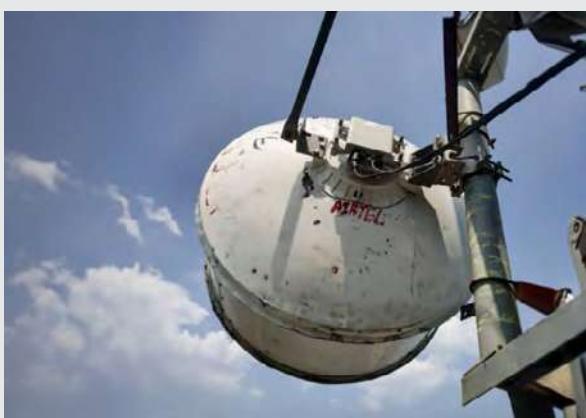
**71%**

Increase in use of renewable energy from FY 2021-22

## Natural Capital

### Steps taken to fight the changing climatic conditions

- Deploying infrastructure that can improve the reliability of service delivery, extend the life of assets, protect loss of revenue, and deliver the best customer experience
- Elevating infrastructure from the ground to a raised platform in flood-prone areas
- Strengthening of towers
- Regular maintenance and health checks



Microwave installed with additional support rod to withstand high wind pressure



Infrastructure elevated to combat flood impact

### Overcoming the Bihar Flood case

- Based on past flood experience, we climate-proofed the sites which were identified to be at risk. Our aim was to mitigate the adverse impact of calamity on our network and to continue to serve our customers when they need us the most
- When the flood hit the state, our sites were well prepared to work effectively as planned and our customers were able to stay connected
- Avoided significant loss to infrastructure/ revenue due to network outage

### Energy efficiency and emission reduction

Airtel is expanding the use of green energy across its operations and with its partners by utilising open-access green energy and solar power. These efforts help us move towards our SBTi commitments and align with our country's and the world's environmental targets.

We gradually lower our emissions intensity each year while increasing our investments in environmentally friendly and clean energy sources to run our business.

**156,698 MWh**

Renewable energy consumed in our operations

**3,330 Tonnes**

E-waste recycled

**14,676 MWh**

Electricity savings through conservation initiatives

**246 KL**

Diesel savings through conservation initiatives

**~401 Mn**

Sheets of paper saved through e-bill initiatives

### Energy-efficient 5G infrastructure

- Our 5G Towers will generate 86% lesser carbon emissions for every GB compared to what 4G towers would consume during peak hours
- Designed network with optimum radio nodes and minimise coverage overlapping to reduce site power consumption

## Green power wheeling

- Airtel aims to reduce its carbon footprint by green energy wheeling
- We have raised the quantity of renewable energy we purchased through open access contracts or power wheeling agreements in Main Switching Centres (MSCs) and data centers to ~154,384 MWh, which decreased our carbon emissions by ~109,612 tCO<sub>2</sub>e

## Solarisation of networks

- Rooftop solar plants have been erected at 30 different locations in our data centers and MSCs till FY 2022-23
- 177 of our owned network sites have been solarised till FY 2022-23. With installed capacity of 1.2 MWp+ at telecom tower sites spread across many states of India such as Andhra Pradesh, Arunachal Pradesh, Assam, Jammu and Kashmir, Jharkhand, Manipur, Meghalaya, Mizoram, Nagaland, Rajasthan, Tripura, Telangana with the aim to cover entire India soon.



## Energy consumption in our operations<sup>#</sup>

Categories	Units	FY 2022-23	FY 2021-22
Renewable Energy Consumption	MWh	156,698	91,376
Grid Energy Consumption	MWh	1,402,527	1,239,209*
Diesel Consumption	KL	19,866	18,732*

Note: The boundary has been increased in FY 2022-23 to include warehouses.

\* Energy consumption in operations directly controlled by Airtel

\* Values have been revised to reflect data from accurate meter reading for electricity and diesel consumption at facilities

## Scope 1 and 2 emissions

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 Emissions	tCO <sub>2</sub> e	70,251	62,713*
Total Scope 2 Emissions	tCO <sub>2</sub> e	995,794	978,975*

Note: \* Scope 1 and 2 value for FY 2021-22 has been revised to include fugitive emissions and more accurate data from facilities

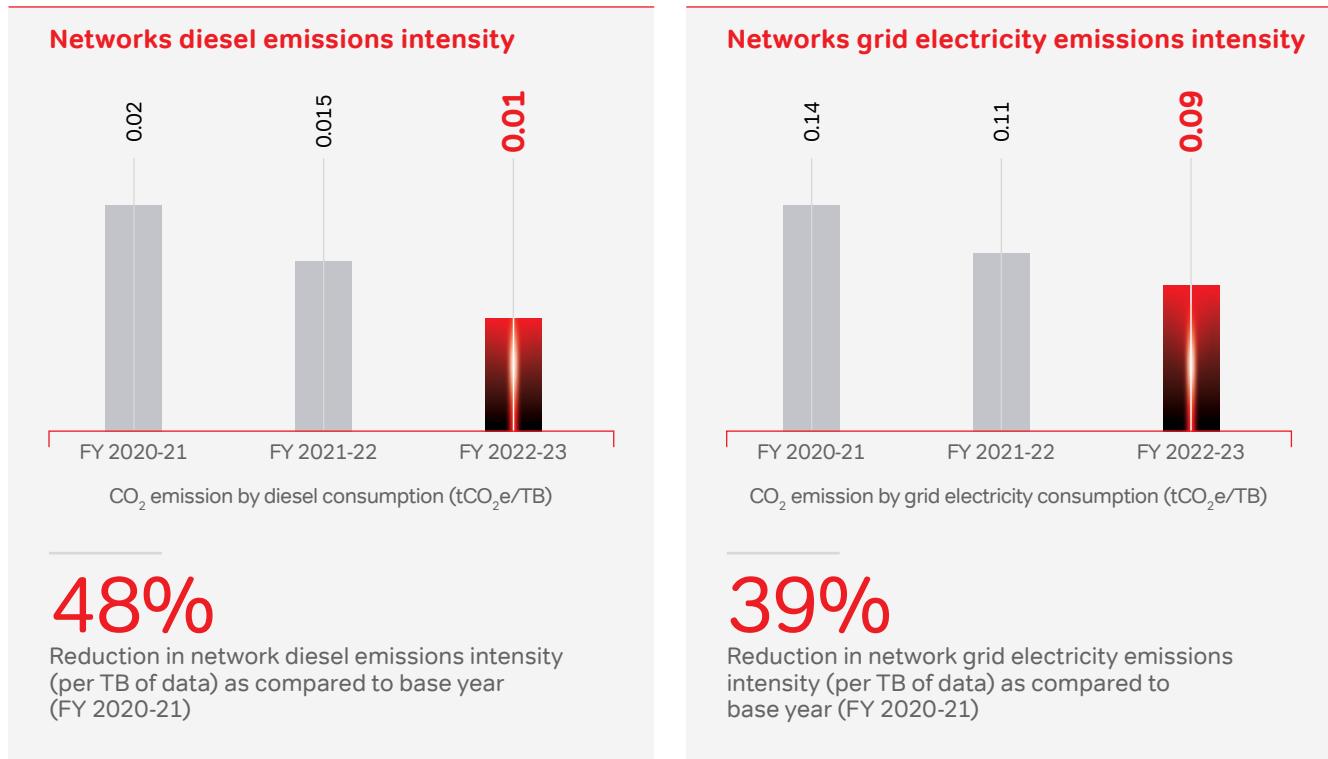
## Scope 3 emissions

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 3 Emissions	tCO <sub>2</sub> e	5,680,979	5,394,813
Category 1: Purchased Goods and Services	tCO <sub>2</sub> e	222,792	231,893*
Category 2: Capital Goods	tCO <sub>2</sub> e	462,472	322,303*
Category 3: Fuel and Energy- Related Activities not included in Scope 1 and 2	tCO <sub>2</sub> e	300,161	265,959*
Category 4: Upstream Transportation and Distribution	tCO <sub>2</sub> e	52,672	64,493*
Category 6: Business Commute	tCO <sub>2</sub> e	3,782	2,016*
Category 7: Employee Commuting	tCO <sub>2</sub> e	12,939	36,501*
Category 8: Upstream Leased Assets	tCO <sub>2</sub> e	4,626,161	4,471,647

Note: \* Values of scope 3 emissions for FY 2021-22 have been revised to align with updated supply chain emission factors as per US EEOI v1.1.1 (2021) link (C1, C4, C6), Updated emission factors as per DEFRA 2021 and 2022 (C3), updated activity level data (C2, C3, C7).

## Network Infrastructure

### Emission trend In network infrastructure



Network Infrastructure: Includes own tower sites, third-party network sites and MSCs.

To lower our reliance on fossil fuels, we have implemented several energy-saving and emission reduction strategies throughout our network infrastructure. The following are some of the major initiatives in FY 2022-23:

- **A 'Project Green City':** Working with our network infrastructure partners, we are transforming our sites into eco-friendly ones. 43% of our network sites, including both owned by Airtel and as well as by partners have been tagged as green sites, consuming less than 100 litres of diesel per quarter.
- **Hybrid battery bank solutions:** To optimise energy use and lessen our reliance on diesel, we have installed cutting-edge lithium-ion and VRLA (Valve-Regulated Lead-Acid) batteries. We have added additional/upgraded battery banks resulting in saving of 4,112,680 L of diesel corresponding to emission reduction of ~10,812 tCO<sub>2</sub>e.
- **Site sharing:** Through greater use of passive infrastructure, our site sharing strategy with partners has optimised our resource use and dramatically decreased carbon emissions. 39% of newly rolled out sites are co-located.
- **Auto-shutdown** in non-peak hours: An auto-resource shutdown feature has been implemented at more than 1.6L sites, including all 4G sites, thereby reducing energy requirement during non-peak hours.
- **Increasing outdoor Base Transceiver Station (BTS) –** We moved 2,496 inside BTS sites outside, which decreased BTS energy usage.
- We have installed **DC air conditioners** at our telecom shelters since they can maintain temperature without running of DG as these air conditioners run in DC batteries and hence reducing our emissions.
- **AI (Artificial Intelligence) and Machine learning algorithms** are implemented to put to sleep radios of less load and other cells can take the traffic.

## Data centers and MSCs

'Nxtra by Airtel' operates India's largest network of 12 large and 120+ edge data centers, with a planned investment of ₹5,000 crores by 2025 to triple capacity to over 400 MW.

In FY 2022-23, we obtained ISO 50001 certificates for all main data centers and developed Nxtra's Energy Policy in accordance with Energy Management System (EnMS) guidelines. Pune-2 DC is LEED (BD+C), USGBC certified. Chennai-2 DC achieved "Gold Certification" from IGBC this year. Most upcoming data centers are LEED certified.

## Energy Efficiency

Energy efficiency is crucial for ensuring sustainable operations of our data centers. We have undertaken various measures to optimise our data center facilities. Nxtra targets to attain 10% reduction in PUE by FY 2024-25, with base year as FY 2020-21. We are working to accomplish this through energy conservation measures like deployment of energy-efficient equipment, innovation in design & technology, operational efficiency via digitisation and IOT enablement.

### Some major initiatives undertaken:

- **Optimum lighting:** Lighting optimisation through LED lights and motion sensors across various data centers saved 88,464 kWh of energy.
- **Optimum cooling:** Cooling optimisation through the installation of active tiles, set points management, and air diverters saved 1,984,494 kWh of energy at our data centers.
- **Cold aisle/Hot aisle containment:** Cold aisle/hot aisle containment at different locations saved 562,070 kWh of energy.
- **UPS optimisation and Power Factor (PF) improvement:** UPS and Switched Mode Power Supply (SMPS) optimisation along with PF improvement at various locations saved 1,648,465 kWh of energy.
- **Other Main Switching Centre initiatives:** We installed LED lights, motion sensors, air diverters, active tiles, and blanking panels in our Main Switching Centre sites. In addition, we installed solutions for temperature, rack, UPS and SMPS optimisation, cold aisle containment and natural cooling to reduce energy consumption. These measures helped us save 9,010,672 kWh of energy in the reporting year.



Out of the total electricity consumed in our data centers, 33% comes from renewable sources.

## Natural Capital

### Emission reduction via Renewable Energy (RE) sourcing

'Nxtra by Airtel' is continually increasing the Renewable Energy share in the overall energy mix of data centers via sourcing green energy through open access and installing on-site solar rooftop plants. We have increased renewable energy usage at our own operations from 91,261 MWh in FY 2021-22 to 156,147 MWh in FY 2022-23 sourced through various green power wheeling agreements and captive solar rooftop plants.

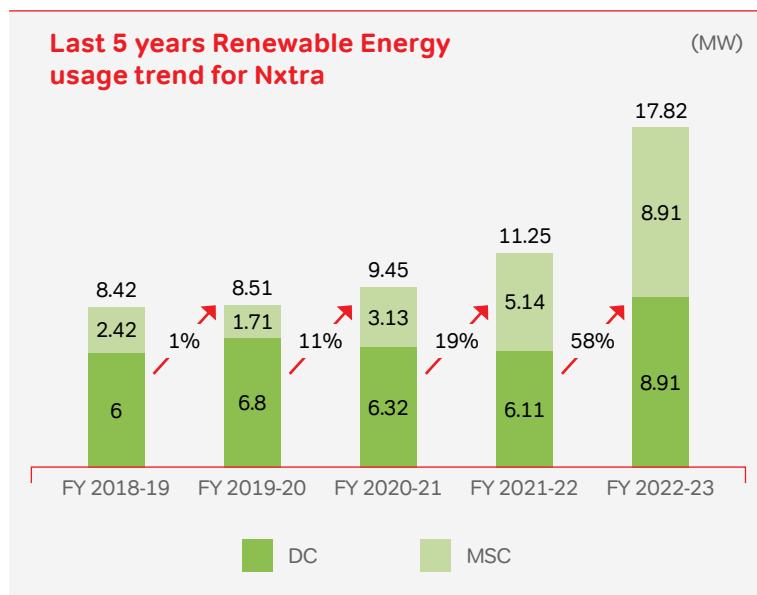
We have strengthened our green energy footprint with the commissioning of Solar and Wind power plants in various states. The captive units with capacity 34 MW Solar, 13 MW Solar and 1.5 MW Hybrid (Solar + Wind) were commissioned to supply clean energy in the state of Tamil Nadu, Karnataka, and Gujarat respectively. The captive power units have been set up in partnership with Avaada (Tamil Nadu and Karnataka) and Continuum (Gujarat) to supply clean energy to Nxtra by Airtel's large and edge data centers.

### Nxtra Data Limited has partnered with Bloom Energy to deploy low environmental impact fuel cell tech

We have become the first data center company in India to install solid oxide fuel-cell technology to provide clean energy. We partnered with Bloom Energy to deploy low environmental impact fuel cell installation at Karnataka data center, reducing carbon emissions through a cleaner, hydrogen ready fuel supply.

We deployed solid oxide fuel cell technology to reduce carbon emissions at its data center while unlocking cost and sustainability benefits. Started the unit on non-combusted natural gas and will switch to 50% hydrogen in future without any significant investment. The natural gas-powered cells will be used for primary generation with utility electrical grid and generators as backup sources.





### Green ICT solutions

The IoT-enabled services offered by Airtel to business customers increase energy efficiency while reducing the need for customer mobility. The connectivity or complete end-to-end platform known as Airtel IoT was created to offer cloud and video conferencing services. These services enhance connectivity while lowering fuel consumption related to travel, preventing greenhouse gas emissions.

## Water efficiency

### Water management

At Airtel, we recognise the value of water and advocate for sustainable methods for its preservation, recycling, and reuse. Majority of the large facilities are promoting conservation of water and have installed waste-water treatment plants to ensure reuse of recycled water for activities such as gardening. With the aim to achieve 100% wastewater recycling at all our data centers and become water positive in near future, all our new data centers are being designed with 'zero discharge' spaces. We are currently in the process of incorporating IOT for tracking real time water efficiency (Water Usage Effectiveness-WUE), water usage and water quality parameters along with revamping our water management infrastructure.



KPI	Units	FY 2022-23
Total water withdrawn	KL	284,944*
Water recycled	KL	51,412
Water consumed from recycled and harvested sources	%	~18%**

Note:

\* Boundary increased to include un-metered facilities, calculated by taking 45 Ltr/per employee/per working day.

\*\* With the above referred increased boundary, % of Water consumed from recycled and harvested sources has reduced. Water from the un-metered facilities is discharged to the building connected water system. From there the water is routed to effluent treatment plant(s), as set up by the landlord or the local authorities outside the operational boundary of the Company.

## Natural Capital

### Resource efficiency and waste management

#### Waste management

As we transition to a new future to meet the needs of a new generation, we try to reduce our resource consumption and recycle whenever it is practical to do so and replenish what can be done. Airtel has adopted the 3R approach of Reduce, Reuse and Recycle to minimise the wastes.



Performance FY 2022-23	Waste generated* (tonnes)	Waste recycled** (tonnes)	Waste disposed# (tonnes)
E-waste	3,169	3,330	-
Battery waste	3,919	3,781	-
Hazardous	44	44	-
Other non-hazardous	3,204	3,600	13

\* Calculations are based on approximate weight of sample lot items.

\*\* Actual weight of waste sent to authorised recycler(s).

Due to above reasons and closing stock of waste at FY closing which will be processed in due course, waste generated does not tally with waste recycled and disposed.

# Waste disposed via landlord or municipal waste collection system.

#### Promoting a circular economy

We aim to strategically alter the value generation model and switching from a linear to a circular one. At Airtel, we always thrive to have a positive impact on ecology and the environment. By implementing revolutionary digital projects across our operations and supply chain through new partnerships and collaborations, we are realising our focus on the circular economy.

We urge and suggest our partners to utilise minimum amount of packaging materials and look for resources that are recyclable, hygienic, and protective for the shipping of goods. We encourage all our suppliers and business partners to reduce waste, recycle, and reuse products.

We have also started several projects with external Stakeholders to recycle products after use and to stop value loss by throwing away the products.

#### E-waste

To limit the procurement of virgin materials, Airtel repairs damaged modules both internally and through outside repair facilities. All scrap auctions are done via authorised partners who enable recycling.

In addition, we undertook various initiatives during the reporting year to reduce e-waste, including:

- Double validation of non-repairable modules, first by a strategic partner and followed by a local agency.
- Inter-circle movement of materials to reuse obsolete material from one circle into another circle.
- Material handling and packaging capabilities to minimise damage during transit from sites to warehouses.

#### Paper waste

We are using less paper because of the rapid adoption of digital practices throughout the business ecosystem. We have replaced physical copies of customer bills with electronic statements and online payment methods.

KPI	FY 2022-23 (tonnes)
Paper used	70
Paper saved through e-bills	4,412

## GSMA Metrics



**FY 2022-23**

**Reporting Boundary:** Refer to IR page 4.

S. No.	Topic	Code	KPI	Alignment	Airtel
<b>Environment</b>					
1.	Science-based targets	GSMA-ENV-01	<b>1.1</b> Disclose whether you have set, or have committed to set, GHG emissions targets that are in line with the goals of the Paris Agreement - to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C - and to achieve Net Zero emissions before 2050.	Stakeholder Capitalism; Metrics; TCFD Recommendations; CDSB R01, R02, R03, R04 and R06; SASB 110; SBTi	Yes, refer to Natural Capital (page 104)
2.	Scope 1, 2 and 3 emissions	GSMA-ENV-02	<b>1.2a Scope 1 and 2 GHG emissions</b> i. Absolute scope 1 and 2 emissions (tonnes CO <sub>2</sub> e) ii. Absolute scope 1 and 2 emissions (tonnes CO <sub>2</sub> e) per 1GB data iii. Percentage change in absolute scope 1 and 2 emissions since last reporting period	GRI 305:1-3, TCFD, GHG Protocol (modified)	1,066,045 0.0000186 2.34%
			<b>1.2b Scope 3 GHG emissions</b> i. Absolute scope 3 emissions (tonnes CO <sub>2</sub> e) ii. Absolute scope 3 emissions (tonnes CO <sub>2</sub> e) per 1GB data iii. Percentage change in absolute scope 3 emissions since last reporting period		5,680,979 0.0001 5.30%
3.	Energy consumption	GSMA-ENV-03	<b>1.3a Total energy consumption</b> i. Total energy consumed by the Company in own operations (MWh) ii. Total energy consumed at 3 <sup>rd</sup> party network sites (MWh) iii. *Total energy consumed (MWh) per 1GB of data	GRI 302-1; SASB TC-TL-130a.1 (modified)	1,758,548 7,851,428 0.00017
			<b>1.3b Network energy consumption</b> i. Total network energy consumed by the company in own operations (MWh) ii. Total energy consumed at 3 <sup>rd</sup> party network sites(MWh) iii. **Total network energy consumed (MWh) per 1GB of data		1,469,639 7,851,428 0.00016
			<b>1.3c Network energy mix (Owned infrastructure)</b> i. Percentage grid renewable ii. Percentage grid non-renewable iii. Percentage off-grid renewable iv. Percentage off-grid non-renewable		5.21% 82.33% 0.14% 12.33%
4.	Waste generated	GSMAENV-05	<b>1.5a Total waste generated per 1GB of data (tonnes)</b>	GRI 306-3 (modified)	0.00000018

## GSMA metrics

S. No.	Topic	Code	KPI	Alignment	Airtel
<b>Digital inclusion</b>					
5.	Population covered by mobile network	GSMA-INC-01	<b>2.1 Percentage of population covered by operator's mobile network breakdown by 3G, 4G, 5G</b>	ITU Indicator 2.6	95.88%
6.	Device subscription and affordability	GSMA-INC-02	<b>2.2a Cost of the most affordable smartphone, as percentage of monthly GDP per capita</b>	GSMA Methodology	Airtel does not sell smartphones
<b>Digital integrity</b>					
7.	Customer data incidents	GSMA-INT-01	<b>3.1a Number of data breaches, per million subscribers</b>	SASB TC-TL-230a.1 (modified)	Zero
			<b>3.1b Percentage of data breaches involving PII</b>		Zero
			<b>3.1c Number of customers affected, per million subscribers</b>		Zero
			<b>3.1d Number of regulatory actions for data protection violations (e.g., marketing related complaints, data breaches), per million subscribers</b>		Zero
8.	Online safety measures	GSMA-INT-03	<b>3.3 Do you have controls or programmes in place to improve online safety for children and other vulnerable groups? (yes/no)</b>	Yes. Refer Airtel Human rights policy. X-Safe solution	
<b>Supply chain</b>					
9.	Sustainable procurement policy	GSMA-SUP-01	<b>4.1a Do you have a sustainable procurement policy in place? (Yes/No)</b>	ISO 20400:2017	Yes, available on the Airtel partner portal
			<b>4.1b If yes, how many of the following elements does it cover?</b>	The policy covers all the elements.	
			a. Organisational governance		
			b. Human rights		
			c. Labour practices		
			d. Environment		
			e. Fair operating practices		
			f. Consumer issues		
			g. Community involvement and development		
10.	Supplier assessments	GSMA-SUP-02	<b>4.2a Percentage of suppliers screened against the sustainable procurement policy using company defined and documented assessment procedure, within the previous two years</b>	GRI 308-1; GRI 414-1 (partially)	86% (Via Self-Assessment module)
			<b>4.2b Percentage of suppliers assessed against the sustainable procurement policy through site visits, within the previous two years</b>	Airtel is a member of Joint Audit Cooperation (JAC) which conducts suppliers' audit. JAC Initiative	

Note: Intensity has been calculated as: KPI/data traffic in FY 2022-23 in GB

\*Energy intensity = sum of total energy consumed by the company in own operations and 3<sup>rd</sup> party network sites (MWh)/total data traffic (GB)

\*\* Network energy intensity = sum of total network energy consumed by the company in own operations and 3<sup>rd</sup> party network sites (MWh) / total data traffic (GB)

We are constantly striving to improve the granularity of our data collection to ensure comprehensive disclosure in the coming years.

# GRI Content Index

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# Assurance Statement

To  
**Bharti Airtel Limited**  
Plot no. 16, Phase IV  
Sector 18  
Gurugram, Haryana 122015

## Independent Assurance Statement on sustainability disclosures in the Integrated Report and Annual Financial Statements 2022-23

### Introduction and objective of engagement

Bharti Airtel Limited (the 'Company') has developed its Integrated Report and Annual Financial Statements 2022-23 (the 'Report') based on the applicable accounting standards and has incorporated the principles of the Integrated Reporting (<IR>) Framework published by the International Integrated Reporting Council (IIRC). Its sustainability performance reporting criteria have been derived from Business Responsibility and Sustainability Reporting (BRSR) framework based on National Guidelines on Responsible Business Conduct (NGRBC), Account Ability's AA1000AP 2018 (Principles of Inclusivity, Materiality, Impact and Responsiveness), Global Reporting Initiative (GRI) Standards, and Greenhouse Gas (GHG) Protocol– A Corporate Accounting and Reporting Standard.

BDO India LLP was engaged by the Company to provide independent assurance on its sustainability disclosures in the Report that includes the Company's sustainability performance for the period April 1, 2022 to March 31, 2023.

### Respective responsibilities

The Report content and its presentation are the sole responsibilities of the management of the Company. The Company management is also responsible for the design, implementation, and maintenance of internal controls relevant to the preparation of the Report, so that it is free from material misstatement.

BDO's responsibility, as agreed with the management of the Company, is to provide assurance on the Report content as described in the 'Scope of assurance and methodology' section below. We do not accept or assume

any responsibility for any other purpose or to any other person or organisation. Any reliance a third party may place on the Report is entirely at its own risk.

### Assurance standard

The assurance process was conducted in line with the requirements of the AA1000 AS v3 (2020) Type 2 assurance<sup>1</sup>. We applied a moderate<sup>2</sup> level of assurance.

### Scope of assurance and methodology

The scope of assurance engagement was limited to review of sustainability data and information in the Report, pertaining to the Company's performance for the period April 1, 2022 to March 31, 2023 (including the BRSR section in the Report and data relevant for CDP disclosure).

The sustainability disclosures covered in our sample review included: Energy Consumption; Water Consumption; Waste Generation; GHG Emissions (Scope 1, Scope 2 and Scope 3) and Employee Training and Education.

We conducted review and verification of data collection, collation and calculation methodologies and general review of the logic of inclusion/ omission of relevant information/ data in the Report. Our review was limited to:

- Evaluating the appropriateness of the quantification methods used to arrive at the sustainability disclosures presented in the Report.
- Review of consistency of data/information within the report as well as between the report and source.
- Execution of an audit trail of claims and data streams, on selective basis, to determine the level of accuracy in collection, transcription, and aggregation.
- Review of sustainability data collection and management procedures.

### Limitations of our engagement

The assurance scope excludes:

- Data and information outside the defined reporting period (April 1, 2022 to March 31, 2023).

<sup>1</sup> Type 2 Assurance: an engagement in which the assurance provider gives findings and conclusions on the principles of Inclusivity, Materiality, Impact and Responsiveness, and verifies the reliability of specified sustainability performance information AA1000ASv3 (2020) Standard.

<sup>2</sup> A moderate level of assurance as per AA1000AS v3 (2020) Standard is commensurate with "limited" assurance as defined in the International Standard on Assurance Engagements (ISAE) 3000.

- Review of the 'economic and/or financial performance indicators' included in the Report which, we have been informed by the Company, are derived from the Company's audited financial records.
- The Company's statements that describe expression of opinion, belief, inference, aspiration, expectation, aim or future intention.

As agreed with the Company, data assurance was done through remote assessments using appropriate web-enabled tools. We did not conduct physical verification at locations or offices of the Company. Audit trails and review were conducted through remote discussion with officials of the Company and gathering of evidence on sample basis.

### **Our assurance team and independence**

BDO India LLP is a professional services firm providing services in Advisory, Assurance, Tax and Business Services, to both domestic and international organisations across industry sectors. Our non-financial assurance practitioners for this engagement are drawn from a dedicated Sustainability and ESG Team in the organisation. This team comprises of multidisciplinary professionals, with expertise across the domains of sustainability, global sustainability reporting standards and principles, and related assurance standards. This team has extensive experience in conducting independent assurance of sustainability data, systems and processes across sectors and geographies. As an assurance provider, BDO India LLP is required to comply with the independence requirements set out in International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. Our independence policies and procedures ensure compliance with the Code.

### **Our observations**

The sustainability disclosures of the Company as defined under the scope of assurance are fairly reliable. The Company has applied considerable efforts to ensure consistency of data for this Report; however, the Company may continue to improve robustness of its data collection and collation process.

### **Our conclusion**

Based on the scope of our review, our conclusions are outlined below:

- **Inclusiveness:**

We are not aware of any matter that would lead us to conclude that the Company has not applied the principle of inclusivity in engaging with key stakeholder groups. The Company transparently disclosed its stakeholder engagement approach and activities in the Report.

- **Materiality:**

We noted that the Company has listed the material topics in the Report. Nothing has come to our attention that causes us to believe that any material topic has been excluded from the Report of the Company.

- **Responsiveness:**

We are not aware of any matter that would lead us to believe that the Company has not applied the responsiveness principle for dealing with stakeholders (such as customers, suppliers, and local communities) on material topics covering its sustainability performance, including climate related risks and opportunities.

- **Impact:**

We are not aware of any matter that would lead us to believe that the Company does not monitor and measure and is not accountable for how their actions affect their stakeholder universe.

- **Reliability of sustainability performance information:**

We have reviewed the sustainability information in the Report including Energy Consumption; Water Consumption; Waste Generation; GHG Emissions (Scope 1, Scope 2 and Scope 3) and Employee Training and Education. Nothing has come to our attention that causes us not to believe that the data has been presented fairly, in material respects, in keeping with the <IR> Framework and the Company's reporting principles and criteria.

For **BDO India LLP**

**Dipankar Ghosh**

Partner & Leader | Sustainability & ESG  
Business Advisory Services

Gurugram, Haryana

July 29, 2023



AA1000  
Licensed Report  
000-594/V3-1FGGO

# Management Discussion & Analysis



## Overview

The telecom sector is the backbone of India's digital economic growth. Telecom operators are investing heavily to contribute towards the Indian Government's vision of making the nation a trillion-dollar digital economy.

During FY 2022-23, telecom operators acquired 5G spectrum in the auction and subsequently pressed the pedal for a fast-paced rollout amid global supply chain challenges around chipset availability. During the year, the Indian Department of Telecom relaxed spectrum usage charges, which enabled the operators to plough back the resultant savings as investments into the business for fast-paced 5G deployment. However, the telecom industry continues to be highly taxed.

Given the elevated capex spending towards rolling out new technologies and maintaining large networks, tariff revision is inevitable to create a healthy competitive landscape over the long term and recover the cost of capital.

Global shortages on chipset availability led to inflationary conditions for smartphone prices and in turn, hampered the growth prospects of the telecom industry. As per IDC\*, smartphone shipments in India declined by 10% in CY 2022. Despite these challenges, the Company was able to add more than 23 million 4G customers in FY 2022-23.

\* International Data Corporation smartphone market, India 2022: [Link](#)

Telecom operators are rolling out 5G services at a fast pace, keeping in mind medium-to-long-term prospects of monetisation. At the current juncture, 5G use cases are far and few in both B2C and B2B segments. Bharti Airtel continued with its focus on working with enterprises across industries to develop specific use cases. During last year, Airtel demonstrated the power of 5G with a host of powerful use cases that will change the way customers lead their lives and do business. From India's first live 5G network in Hyderabad to India's first private 5G network at the BOSCH facility in Bengaluru to partnering with Mahindra & Mahindra to make its Chakan manufacturing facility, India's first 5G enabled auto manufacturing unit, Airtel has been at the forefront of 5G innovation.

The Company remained on course to execute its strategy of winning high-value customers, premiumising the portfolio with bundled offerings, enhancing customer experience through extensive use of digital tools, and investing in future-ready digital networks. This resulted in an all-time-high market share across the business segments. The mobile segment registered strong operating performance with continued RMS gains. Airtel Business recorded robust revenue growth, backed by core data connectivity offerings, next-generation connectivity innovations and re-engineered GTM strategy. The Homes Business saw all-time high net customer additions of 1.6 million, driven by market share gains and network expansion to newer locations. Digital TV (DTH), continued with customer market share gains amid industry level challenges.

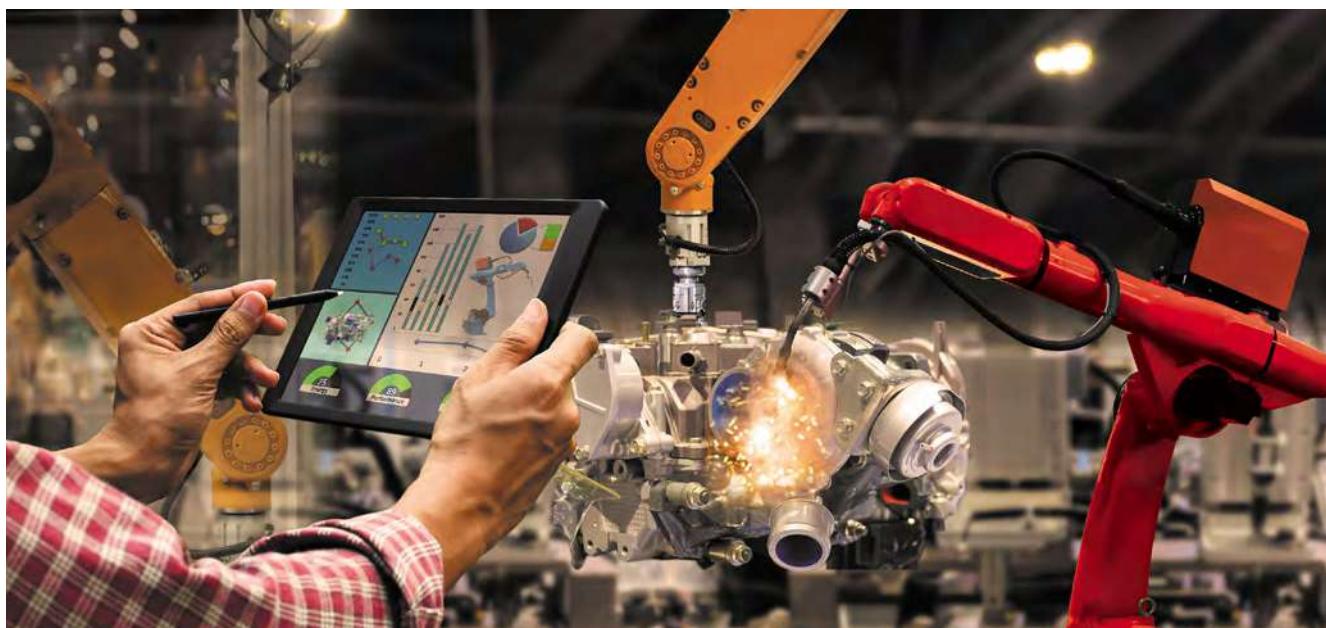
The Digital Business remained on an upward trajectory with delivering new highs backed by an increase in active user base and customer engagements. Airtel Payments Bank

ended FY 2022-23 with monthly transacting user base of ~55 million, up 49% from the year-earlier period. The total user base also expanded by ~34 million to ~164 million during the same period.

Airtel has built a comprehensive portfolio of digital offerings, which include Airtel Payments Bank, Airtel IQ (CPaaS), Wynk (music streaming), Xstream, Airtel Finance, and Airtel Ads. During the year under review, it launched co-branded credit card in partnership with Axis Bank and recorded a healthy offtake within a short span of time.

Airtel launched 5G Plus services during the second half of FY 2022-23; it is live in 3,500+ cities. The Company targets to cover all the urban areas and a few pockets of rural India with 5G services by March 2024. Airtel's 5G Plus offers up to 30x faster download speeds than 4G. 5G handset ecosystem is gradually evolving with more choices for customers at affordable price points. Given the technological advancement through 5G, the emergence of B2B use cases is expected to play a critical role for enterprises over the foreseeable future. Airtel is channelising investments towards building 5G capabilities to capitalise on these impending opportunities.

Airtel, with its future-ready mindset, has made meaningful investments towards creating digital infrastructure. Offerings to both B2C and B2B customers cater to their ever-growing digital needs, and brilliant experience to make their journey simpler on our network. To achieve this, the Company has built in-house capabilities/platforms and partnered with the leading companies around the world including Amazon, CISCO, Ericsson, Google, IBM, Intel, Meta, Microsoft, Nokia, Oracle, Qualcomm, Netflix and Hotstar, among others.



## Management Discussion & Analysis

The Company's War on Waste (WoW) programme enables it to build upon efficiencies every year. In a nutshell, operational excellence and WoW benefits translated to healthy operating free cash flows. Last year, the Company acquired 5G spectrum and prudently paid the charges for the four years upfront. Its investment in spectrum purchase was backed by judicious capital allocation considering future needs and deploying the most widely used technology architecture giving the best coverage and experience at the lowest cost. During FY 2022-23, Airtel stepped up its investments with the deployment of 5G and rural expansion. The Company will continue to focus on adequate capital investments to grow its business and focus on deleveraging its Balance Sheet.

### Economic Review<sup>2</sup>

The global economy was impacted by various factors in 2022, which included monetary policy tightening to tame high inflation, slowing growth, and the ongoing Russia-Ukraine conflict. China continued with its stringent Zero Covid policy, which weighed on growth. However, the earlier-than-expected reopening of the Chinese economy in the third quarter paved the way for a faster-than-expected recovery. Despite these headwinds, several economies including the US, Europe, and major emerging markets and developing economies witnessed growth momentum in the third quarter of 2022. Global economic output clocked growth of 3.4% in 2022, with advanced economies growing at 2.7%. Emerging market economies outpaced global growth with 4.0%.

It is evident that monetary policy tightening has started to cool off demand and inflation, though its full impact will be realised in the quarters to come. Global headline inflation peaked in the third quarter of 2022, and easing since then, reflected in the decline in energy and food prices. Prices of fuel and non-fuel commodities have moderated, lowering headline inflation notably in the US, Europe and Latin America. Core inflation is expected to moderate gradually in 2023.

Inflation and monetary tightening resulted in hardening of yields across the globe and had an adverse impact on equity capital outflows from most of the economies across the globe into the US market. Unlike in the past, capital outflows were not restricted to emerging markets, given their relatively high vulnerabilities, or the perception thereof; advanced economies also witnessed capital outflows.

Despite the fast-paced 5G rollout and ongoing network expansion, the Company remains committed to its Environmental, Sustainability and Governance (ESG) framework. To further strengthen its focus on sustainability and support India's global leadership role, Airtel joined the WEF initiative – Alliance of CEO Climate Leaders India. The Alliance aspires to serve as a high-level platform for business leaders to support concrete plans and ideas to step up India's climate action and green transition efforts. We also have a robust safety and diversity agenda. Airtel maintains the highest standards of governance backed by full transparency and disclosures.



### Outlook<sup>3</sup>

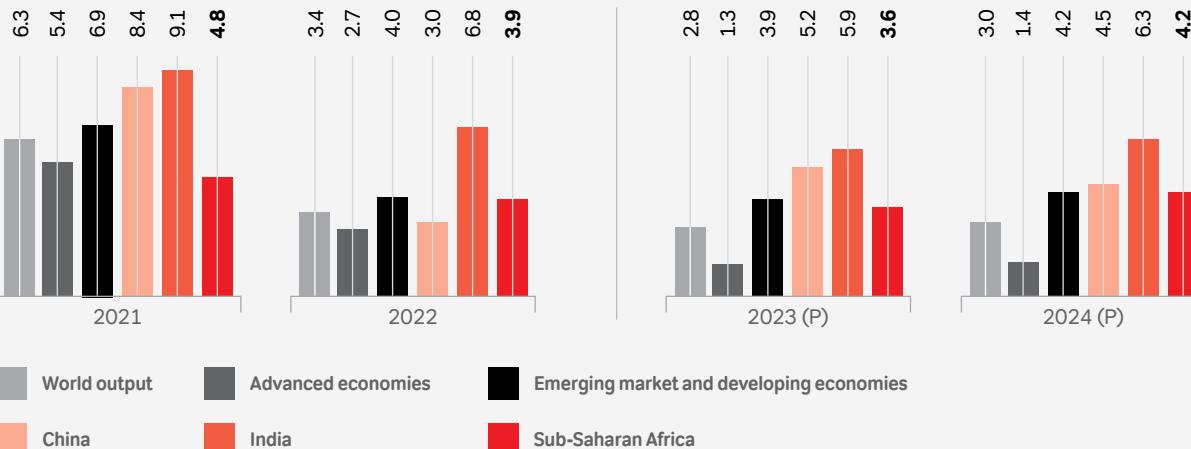
The IMF projects global economic growth to moderate to 2.8% in 2023 from 3.4% in 2022, which is below the historical (2000-19) annual average of 3.8%. Global growth is expected to bottom out in 2023, with recovery starting from 2024. Inflation will ebb gradually, compared to earlier estimates. Supply chain challenges, food and energy disruptions, arising out of the Ukraine-Russia conflict are receding.

The subdued growth projections for 2023 reflects the continued rise in central bank rates to tame inflation, especially in advanced economies. Notably, emerging markets and developing economies are powering ahead with signs of considerable improvement in growth rates. Global headline inflation is set to fall in 2023 on the back of lower commodity prices, but underlying core inflation is likely to decline at a slow pace.

▷ <sup>2</sup> IMF World Economic Outlook April 2023: <https://www.imf.org/en/Publications/WEO/Issues/2023/04/11/world-economic-outlook-april-2023>  
  <sup>3</sup>IMF World Economic Outlook April 2023: <https://www.imf.org/en/Publications/WEO/Issues/2023/04/11/world-economic-outlook-april-2023>

### Global growth trend

(%)



## Indian Economy

The Indian economy demonstrated strong resilience amid global headwinds from monetary policy tightening, slowing growth and commodity price volatility. GDP growth for FY 2022-23 stood at 7.2%, the fastest among major economies, predominantly led by capital formation and private consumption.

India's economic growth in FY 2022-23 was supported by private consumption and capital formation. The improvement in private consumption provided a boost to production, leading to enhanced capacity utilisation across key sectors. During the year, collective measures by the RBI and the Indian Government eased inflationary pressures, and brought inflation within the upper quartile of the RBI's tolerable range.

In the latest Budget estimates, the Central Government pegged a 37.4% increase in capital expenditure FY 2023-24<sup>4</sup>. Balance sheets of Indian corporates and public sector banks are healthy, pointing towards an imminent rise in private capex.



### Outlook<sup>5</sup>

The IMF projects the Indian economy to grow by 5.9% in FY 2023-24. Indian economic growth is expected to display resilience and will remain one of the fastest-growing major economies in the world, driven by domestic demand and a pickup in capital investment. The recent deceleration in inflation print is a silver lining for the economy.

India's growth will be propelled by strong private consumption and investment cycle, backed by favourable government policies in key sectors like manufacturing, transport, infrastructure and logistics.

► <sup>4</sup> Ministry of Finance, PIB, Press Release, [Link](#)

<sup>5</sup> IMF World Economic Outlook April 2023: <https://www.imf.org/en/Publications/WEO/Issues/2023/04/11/world-economic-outlook-april-2023>

# Management Discussion & Analysis

## African Economy<sup>6</sup>

The Sub-Saharan Africa economy registered a slower growth of 3.6% in 2022 vis-à-vis 4.1% in 2021, according to the World Bank. The slowdown was due to persistent turmoil in the global economy, declining yet high inflation, and challenging global and domestic financial conditions amid high levels of debt. Rising food and energy prices continued to impact the vulnerable population.

Among the 10 largest economies in Sub-Saharan Africa, which represent more than three-quarters of the region's GDP, eight are growing at rates below their long-term average. International support in resolving the ongoing challenges, including food, security and green energy transition, should play a critical role in improving prospects and prosperity.

## Outlook

Amid global challenges to economic growth, India is expected to be better positioned, with the highest GDP growth estimates among the large economies. According to the IMF, the impact of the Russia-Ukraine conflict has been less severe than initially envisioned. Monetary policy interventions are expected to further cool off global inflation in 2023, but headwinds around slowing growth continue to surface. In India, growing telecom and internet penetration, coupled with the Indian Government's focus on developing digital infrastructure, has laid a strong foundation for a digital economy. Users (individuals and corporates) are growing businesses efficiently and becoming globally competitive through the use of data and digital tools built around the same. Online marketplaces are experiencing relentless growth across sectors, indicating the overall change in consumer behaviour. It is validated by the massive adoption of the Unified Payments Interface (UPI)<sup>7</sup>, which enabled around 9.0 billion monthly transactions with a total value exceeding ₹1.4 Tn in April 2023.

The telecom industry is playing a significant role in making India a trillion-dollar digital economy, backed by its continuous investments in expanding networks and improving coverage. Operators are also expanding network coverage across rural India and bridging the economic/digital divide.

Customer data needs to continue to evolve with the rise in data usage, which is one of the highest per customer per month globally. To recoup investments and maintain a healthy competitive scenario, telecom tariffs need to inch higher from the current levels.

## Outlook

The World Bank forecasts economic growth to further slow to 3.1% in 2023, before a moderate uptick to 3.7% and 3.9% in 2024 and 2025, respectively. However, growth conditions remain insufficient to reduce extreme poverty and boost prosperity in the medium-to-long term. Non-resource-rich countries are expected to perform better, driven by gains from lower import bills and expansion in services.

Rising demand for data with multiple connected devices in homes is creating strong headroom for growth in high-speed wireline broadband. According to Counterpoint Research<sup>8</sup>, Smart TV shipments grew 28% in 2022, accounting for 90% of total TV shipments. Favourable demographics, increasing urbanisation and nuclearisation, and a wide range of use cases are opening growth avenues for high-speed internet.

The Enterprise offerings are transitioning fast from services to products and solutions and beyond core connectivity—Cloud, data centers, security, managed services, SD-WAN and CPaaS, among others, which are expected to see strong acceleration going ahead. The Company has accelerated its 5G rollout and is working closely with enterprises to develop use cases and eventually create a revenue stream to monetise 5G investments. To enhance productivity and capital efficiency, under 'One Transport' strategy, fiber is efficiently planned and shared across our businesses—Mobility, B2B and Homes. This enables the Company to forecast and predict demand across all its businesses and drive prudent planning for expansion. It is investing heavily to build a future-ready digital network and it is well-positioned to benefit from growth avenues across its business streams.

Africa provides strong growth opportunities over the medium-to-long term, supported by favourable demographics. As a result, the Company foresees favourable growth potential across all revenue streams—voice, data mobile and Airtel Money.

▷ <sup>6</sup> World Bank, <https://www.worldbank.org/en/region/afr/overview>

<sup>7</sup> National Payment Corporation of India, <https://www.npci.org.in/what-we-do/upi/product-statistics>

<sup>8</sup> Counterpoint research, <https://www.counterpointresearch.com/india-smart-tv-shipments-q4-2022>

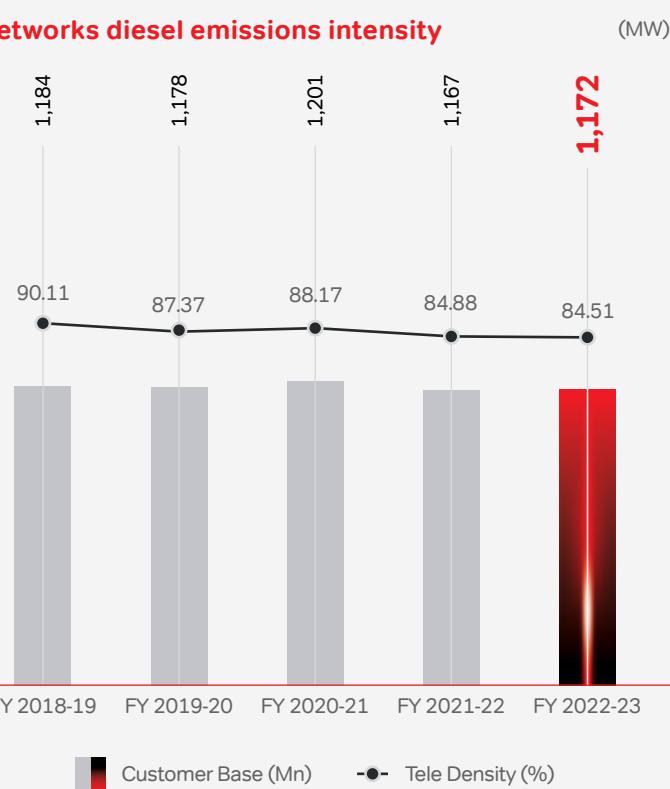
## Industry Overview

### Indian Telecom sector

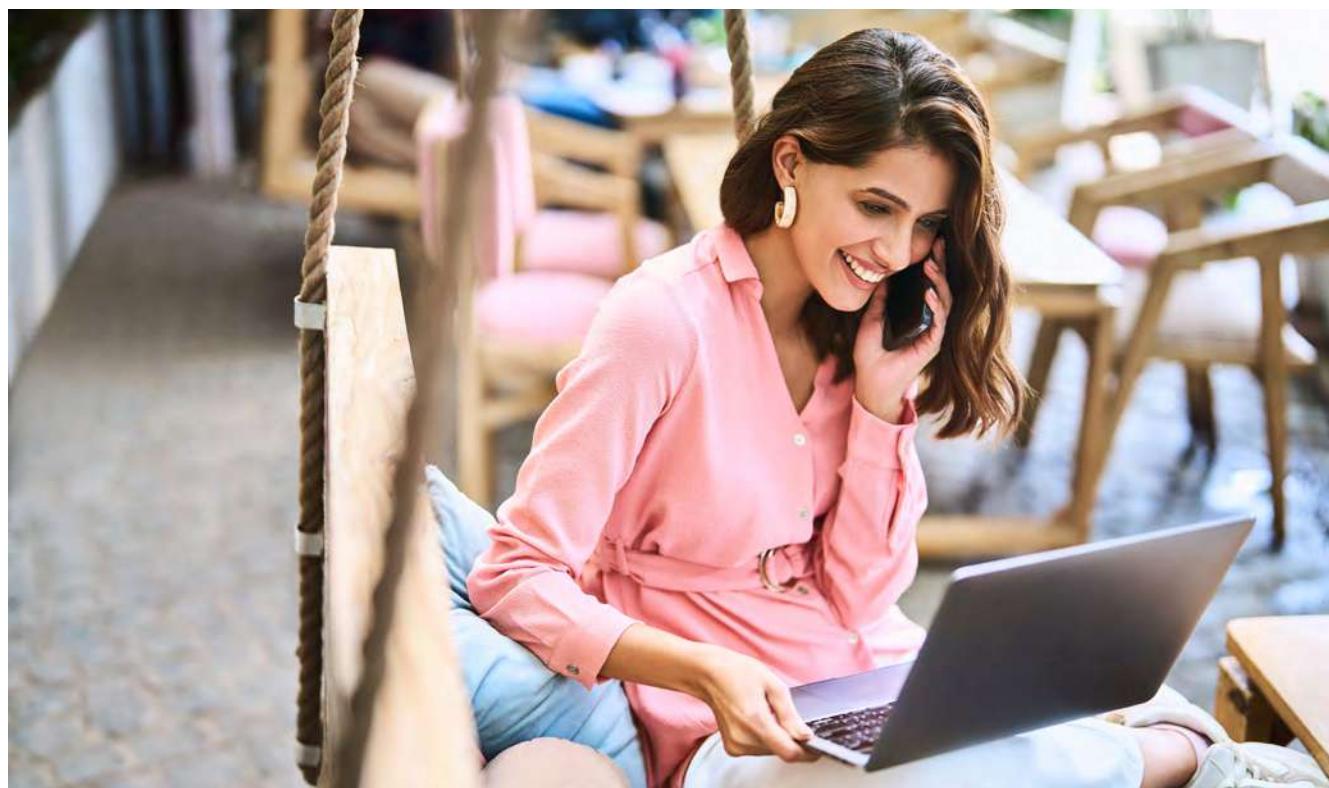
Over the last few years, the Indian Telecom market has seen major consolidation with three private players and one government-owned entity. India's total telecom user base stood at 1,172.34 Mn as on March 31, 2023, growing marginally. Tele-density was pegged at 84.51% as on March 31, 2023; urban tele-density stood at 133.81%, whereas the rural tele-density stood at 57.71%.

Among the service areas excluding metros, Kerala has the highest tele-density (122.13%), followed by Himachal Pradesh (119.69 %), Punjab (115.31%), Tamil Nadu (103.46%), Maharashtra (101.96%), Karnataka (101.91%), Andhra Pradesh (92.93%) and Gujarat (92.58%). Among the metros, Delhi tops the list with 273.67% tele-density. On the other hand, service areas such as Bihar (55.23%), Uttar Pradesh (66.12%), Madhya Pradesh (66.73%) and Assam (70.72 %) have comparatively low tele-density. The wire-line customer base stood at 28.41 million at the end of March 31, 2023 vis-à-vis 24.84 million in the previous year.

### Networks diesel emissions intensity



(Source: Telecom Regulatory Authority of India report as on March 31, 2023)



# Management Discussion & Analysis

## Airtel Africa's Services and Network

Africa is one of the world's fastest-growing regions in terms of population and urbanisation. A young and growing population, an expanding urban middle class, limited infrastructure, and people's need to connect with each other and with local and global economies: these factors are all driving ever-increasing demand for data, mobile voice, and mobile money services across sub-Saharan Africa.

Mobile networks are the primary source of voice and data services in much of our region, where landline and fixed broadband infrastructures are limited or, in many places, non-existent. That means mobile telecom is a critical resource, essential to people's daily lives, to businesses, and to community and state service providers. Mobile connectivity remains low relative to other markets. By expanding and improving our networks, we help drive the trend of strengthening local infrastructures and winning and retaining customers. Digitisation will be at the heart of Africa's future growth, and our region is already seeing a rapid expansion of data usage, despite relatively low smartphone penetration.



## Development in regulations

The year saw several regulatory changes and developments. The significant regulatory changes were:

### India

- A. The 5G auction held during July 2022 witnessed active interest from all participants towards the spectrum bands allocated for 5G, with players acquiring a large chunk of spectrum in the 3,300 MHz and 26 GHz bands. The acquisition of 5G spectrum, coupled with the Government's encouraging stance is projected to support the rapid rollout of 5G services in the country. Post the successful auction of 5G Spectrum, DoT allotted the spectrum on August 17, 2022 to all the operators.
- B. DoT issued guidelines on Spectrum Usage Charge which defined that no SUC shall be charged on spectrum acquired through auctions held after September 15, 2021 in different access bands. The weighted average rate of SUC will include the spectrum acquired in the 2022 auction (including 5G), with the rate assigned as '0'. This will ensure a significant reduction in SUC pay-out based on the quantum of spectrum acquired by operators in 3.3 GHz and 26 GHz bands. The earlier condition of a minimum 3% weighted average SUC rate and SUC floor amount was also removed from the revised guidelines. Reduced weighted average rates of SUC for Access Spectrum became applicable from August 17, 2022.
- C. DoT also allotted E-band carriers for backhaul purposes on August 17, 2022 on a pan-India basis. For each E-band carrier of 250 MHz paired bandwidth, spectrum charges are pegged at @0.15% of AGR in the interim period till pricing is decided finally.
- D. On November 18, 2022, TRAI issued recommendations on 'Regulatory Framework for Promoting Data Economy Through Establishment of Data Centers, Content Delivery Networks, and Interconnect Exchanges in India'. TRAI recommended rolling out fiscal and non-fiscal incentives to bring out Data Centers Incentivisation Schemes (DCIS) for establishing DCs and DC parks wherein the Central Government should prepare guidelines listing the incentives (land/capital/interest subsidy) for DC/DC park operators and to implement a national level DC readiness index (DCRI) to rank Indian states.
- E. On November 29, 2022, TRAI issued Recommendations on 'Licensing framework for establishing and operating Satellite Earth Station Gateway (SESG)'. TRAI recommended introducing a separate SESG license which will not be part of the UL license. SESG license will work anywhere within Indian

territory for all types of satellite systems for which the government has given permission. No frequency spectrum shall be assigned to the SESG licensee. SESG license may provide satellite-based resources to any entity, which holds a license/permission granted by DoT or MIB.

- F. DoT issued an addendum regarding the allotment of MWA/MWB carriers to TSPs. As per the same, DoT has decided to increase the limit of the maximum number of Microwave Access carriers that can be assigned to a TSP with access service authorisation from the existing 4 carriers (In Metro/Cat 'A' LSA)/3 carriers (Cat 'B' and 'C' LSA) to 8 carriers (In Metro/Cat 'A' LSA)/6 carriers (Cat 'B' and 'C' LSA) w.e.f. July 25, 2022.

G. TRAI directions curbing Unsolicited Commercial Communications: TRAI issued directions to Access Providers to stop the misuse of Headers and Message Templates, and to curb unauthorised promotions using telecom resources under TCCCP- 2018 on February 16, 2023.

- H. Ministry of Electronics and Information Technology released a new draft of the proposed personal data protection legislation called the Digital Personal Data Protection Bill, 2022. The Bill is the fourth iteration of the proposed data protection framework. Airtel submitted its response on various aspects of the bill such as definition clarity, prospective applicability, data localisation, adopting the best global practices and phased implementation. The Bill has been approved by the Cabinet and is expected to be tabled in the monsoon session of Parliament.

## Africa

### Nigeria 2,100MHz license renewal

- On May 9, 2023, Airtel Africa's subsidiary, Airtel Networks Limited ('Airtel Nigeria'), made a payment of NGN58.7 Bn (\$127.4 Mn), to the Nigerian Communications Commission (NCC), to renew its 2x10MHz 2,100 MHz spectrum licence. Once renewed, the licence will be valid for a period of 15 years following the expiry of the previous licence (April 30, 2022).

### Nigeria 4G and 5G spectrum acquisition

- In January 2023, Airtel Africa's subsidiary, Airtel Networks Limited ('Airtel Nigeria') purchased 100 MHz of spectrum in the 3,500 MHz band and 2x5 MHz of 2,600 MHz from the Nigerian Communications Commission (NCC) for a gross consideration of \$317 Mn, paid in local currency. This additional spectrum will support investments in network expansion for both mobile data and fixed wireless home broadband capability, including 5G rollout, providing significant capacity to accommodate our continued strong data growth in the country.

### Other spectrum acquisitions

- In October 2022, Airtel Tanzania plc purchased 110 MHz spectrum spread across the 2,600 MHz (2 blocks of 2x15MHz) and 3500 MHz bands from the Tanzania Communications Regulatory Authority (TCRA) for a gross consideration of \$60 Mn.
- Airtel Zambia purchased 60 MHz of additional spectrum in October 2022 spread across the 800 MHz and 2,600 MHz bands from the Zambia Information and Communications Technology Authority (ZICTA), for a gross consideration of

\$29 Mn, payable in local currency. Further, Airtel Zambia acquired an additional 40 MHz of spectrum in the 2,600 band for \$12 Mn in November 2022

- In July 2022, Airtel Kenya Networks Limited purchased 60 MHz of additional spectrum in the 2,600 MHz band from the Communications Authority of Kenya, for a gross consideration of \$40 Mn, for a period of 15 years.
- Airtel DRC purchased 58 MHz of additional spectrum, spread across 900 MHz, 1,800 MHz, 2,100 MHz and 2,600 MHz bands, for a gross consideration of \$42 Mn in June 2022. The licence for paired spectrum in the 2,100 MHz band comes up for renewal in September 2032. All the other licences continue until July 2036.

### Uganda listing obligation

- Under Article 16 of Uganda's National Telecom Operator ('NTO') licence, Airtel Uganda limited is obliged to comply with the sector policy, regulations and guidelines requiring the listing of part of its shares on the Uganda Stock Exchange. The current Uganda Communications (Fees & Fines) (Amendment) Regulations 2020, creates a public listing obligation for all NTO licensees, and specifies that 20% of the shares of the operator must be listed within two years of the date of the effective date of the licence. This imposed a listing requirement by December 15, 2022 on Airtel Uganda. In April 2022, the Company applied for an extension of time to list the shares, which was granted by the Regulator thereby extending the deadline to December 16, 2023. Preparatory steps are underway by Airtel Uganda and its advisors to comply with this deadline.

# Management Discussion & Analysis

## NIN: SIM linkage implementation in Nigeria

Following a directive issued by the Nigerian Communications Commission (NCC) on December 7, 2020 to all Nigerian telecom operators, all our customers were required to provide their valid National Identification Numbers (NINs) to update SIM registration records, with a final deadline of March 31, 2022.

- In April 2022, the voice services for 13.6 million customers were barred due to non-submission of NIN information. As of March 2023, 6.4 million customers (47%) have subsequently submitted their NINs and 3.5 million customers (26%) have been fully verified and unbarred.

## Financial Review

### Consolidated figures

Particulars	FY 2022-23		FY 2021-22	
	₹ Mn	USD Mn*	₹ Mn	USD Mn*
Gross revenue	1,391,448	17,313	1,165,469	15,673
EBITDA before exceptional items	717,330	8,925	581,103	7,815
Interest, Depreciation & Others before exceptional items	545,025	6,781	473,258	6,364
Profit before exceptional items and tax	172,305	2,144	107,845	1,450
Profit before tax	165,606	2,061	124,831	1,679
Tax expense	42,733	532	41,779	562
Profit for the year	83,459	1,038	42,549	572
Earnings per share from continuing and discontinued operations (In ₹ / USD)	14.80	0.18	7.67	0.10

\*1 USD = ₹ 80.37 Exchange Rate for the financial year ended March 31, 2023 (1 USD = ₹ 74.36 for the financial year ended March 31, 2022)

### Standalone figures

Particulars	FY 2022-23		FY 2021-22	
	₹ Mn	USD Mn*	₹ Mn	USD Mn*
Gross revenue	847,201	10,541	707,950	9,521
EBITDA before exceptional items	441,477	5,493	351,943	4,733
Interest, Depreciation & Others before exceptional items	386,020	4,803	374,404	5,035
Profit before exceptional items and tax	55,457	690	(22,461)	(302)
Profit before tax	12,693	158	(42,557)	(572)
Tax expense	13,589	169	(3,920)	(53)
Profit for the year	(896)	(11)	(38,637)	(520)
Earnings per share (In ₹ / USD)	(0.16)	(0)	(6.96)	(0)

\*1 USD = ₹ 80.37 Exchange Rate for the financial year ended March 31, 2023 (1 USD = ₹ 74.36 for the financial year ended March 31, 2022)

Note: All the financial figures for FY 2021-22 stated above, are re-casted to include the impact of the merger of Telesonic Networks Limited and Nettle Infrastructure Investment Ltd. with Bharti Airtel Limited.

The Company recorded consolidated revenues of ₹1,391,448 Mn, for the year ended March 31, 2023, as compared to ₹1,165,469 Mn in the previous year, an increase of 19.4%. Full-year revenues of India and South Asia stood at ₹981,192 Mn as compared to ₹824,877 Mn in the previous year, an increase of 19.0%. The revenues across 14 countries of Africa, in constant currency terms,

grew by 17.6%. The increase in revenue was majorly driven by focusing on acquiring quality customers and premiumisation.

The Company incurred operating expenditure (excluding access charges, cost of goods sold, license fees and CSR costs) of ₹450,638 Mn representing an increase of 17.2% over the previous year.

The Consolidated EBITDA increased by 23.4% over the previous year to reach ₹717,330 Mn. The Company's EBITDA margin for the year increased to 51.6% as compared to 49.9% in the previous year, exhibiting Airtel's continued focus on driving cost optimisation and improving operational efficiencies.

Depreciation and amortisation costs for the year were higher by 10.1% at ₹364,318 Mn as we continued our investments towards expanding network coverage and building a future-ready network.

Consequently, EBIT for the year was ₹352,229 Mn, an increase of 41.7%, resulting in a margin of 25.3% vis-à-vis 21.3% in the previous year.

Net finance costs at ₹187,444 Mn were higher by ₹23,609 Mn compared to the previous year, largely due to exchange rate fluctuations and interest on FLO.

Consequently, the consolidated profit before taxes and exceptional items was ₹172,305 Mn compared to ₹107,845 Mn for the previous year.

Exceptional items during the year accounted for an impact of ₹1,905 Mn comprising of the provision of license fees for earlier periods and DTA recognition in group subsidiaries.

After accounting for exceptional items and Minority Interest, the resultant consolidated net profit for the year ended March 31, 2023, came in at ₹83,459 Mn as compared to a net profit of ₹42,549 Mn in the previous year.

The capital expenditure for the financial year ending March 31, 2023 was ₹341,947 Mn.

### Sector-specific key ratios

Key Ratios	Units	FY	FY	Y-o-Y %
		2022-23	2021-22	
Capex Productivity	%	53.77	50.26	4
Opex Productivity	%	32.39	33.00	-1
Interest Coverage Ratio	Times	5.01	4.36	65
Net Debt to Shareholders' Equity	Times	2.75	2.41	34
EBITDA Margin	%	51.55	49.86	2
Net Profit Margin	%	6.0	3.7	2
Return on Shareholders' Equity	%	11.58	6.78	4.8

### Liquidity & Funding and Ratings

As on March 31, 2023, the Company had cash and cash equivalents of ₹71,794 Mn and short-term investments of ₹47,045 Mn. As on March 31, 2023, the Company generated an operating free cash flow of ₹375,384 Mn. The consolidated net debt excluding lease obligations for the Company stands at ₹1,526,508 Mn compared to ₹1,235,439 Mn in the previous year. Consolidated net debt for the Company including the impact of leases stood at ₹2,131,264 Mn as on March 31, 2023. The Net Debt-EBITDA ratio (USD terms LTM), including the impact of leases as on March 31, 2023, was 2.90 x as compared to 2.70x as on March 31, 2022. The Net Debt-Equity ratio was at 2.7x as on March 31, 2023, as compared to 2.41 x as on March 31, 2022.

- The Company acquired an additional 1.46% stake in Indus Towers, which increased the overall stake in Indus Towers to 47.95% at the end of the fiscal year.
- The Company paid ₹8,312.4 crores to the Department of Telecom (DoT) towards dues for the spectrum acquired in the 5G auction. It paid 4 years of spectrum dues upfront. This upfront payment, coupled with the ongoing moratorium on spectrum dues and AGR payments, will free up future cash flows and allow Airtel to dedicate resources to drive the 5G rollout.



# Management Discussion & Analysis

## Segment-wise Performance

### B2C services

#### Mobile Services: India

##### Overview

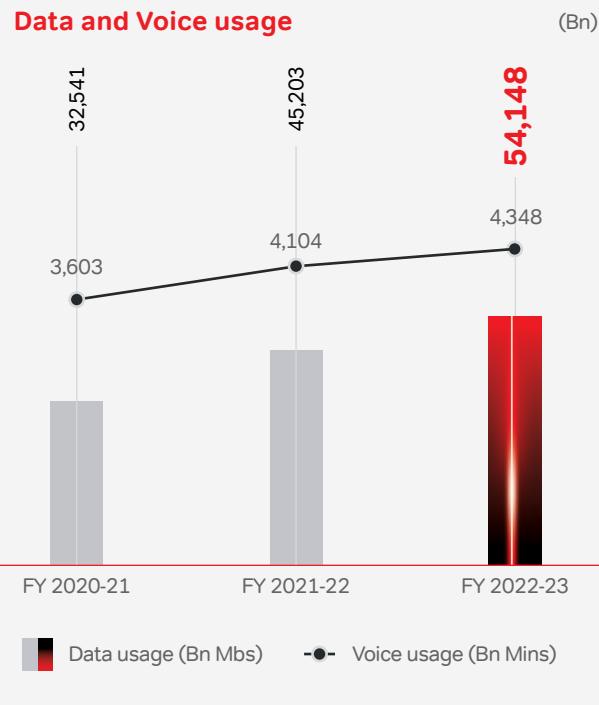
To offer a differentiated network experience to its valued customers, Airtel acquired a 19,867.8 MHz spectrum by securing a pan India footprint of 3.5 GHz and 26 GHz bands and selectively bolstering low and mid-band spectrum. This massive spectrum bank was secured for a total consideration of ₹43,040 crores in the latest spectrum auction conducted by the Department of Telecom, Government of India. Airtel has mobile broadband footprint across the country making it well-positioned to usher in the 5G revolution in India. Our long-term spectrum acquisition strategy and adoption of widely used global technology architecture for 5G has ensured that we can offer the best-in-class experience at the lowest cost of ownership, with the most power-efficient solutions. As on March 31, 2023, our customer base stood at 335 Mn. The minutes on the network have increased by 6.0% to 4,348 Bn. The Company had 232.68 Mn data customers at the end of March 31, 2023, of which 224.12 Mn were mobile 4G customers. The increased penetration through bundles with high in-built data has also led to the total MBs on the network growing by 19.8% to 54,148 Bn MBs.

The Company's focus on acquiring and retaining quality customers and a relentless obsession with customer experience has resulted in a strong 4G customer base increase. During the year, revenues increased by 20.7% to ₹759,246 Mn as compared to ₹629,149 Mn in the previous year due to a focus on acquiring quality customers and premiumisation. The segment witnessed an increase in

the EBITDA margins to 52.8% during the year, compared to 49.6% in the last year. EBIT margin for the year increased to 19.6%, compared to 12.5% in the previous year.

The Company had 275,069 network towers, compared to 237,577 network towers in the last year. Mobile broadband (MBB) base stations were at 832,369 at the end of the year, compared to 752,136 at the end of last year.

Key Ratios	FY 2022-23 ₹ Mn	FY 2021-22 ₹ Mn	Y-o-Y %
Gross Revenues	759,246	629,149	20.7
EBIT	148,450	78,525	89.0



## Key Highlights

### Strategic Alliances and Partnerships

Airtel continues to forge business partnerships to provide a seamless customer experience with a greater value proposition to end users.

- Airtel and Tech Mahindra, a leading provider of digital transformation, consulting, and business re-engineering solutions provider, announced a strategic partnership under which they have deployed a '5G for Enterprise' solution at Mahindra's Chakan manufacturing facility, making it India's first 5G-enabled auto manufacturing unit. The '5G for Business' solution has significantly enhanced Chakan's network connectivity, resulting in improved speeds for software flashing, a critical operation for all vehicular dispatches. Blazing hi-speeds and ultra-low latency now allows managers to undertake multiple software flashing sessions in parallel, which has resulted in reduced turn-around time for an operation. Further, the computerised vision-based inspection is now fully automated resulting in improved paint quality.
- Airtel and Apollo Hospitals, Asia's most trusted integrated healthcare provider, conducted India's first 5G-enabled, AI-guided colonoscopy trial. The trial was conducted using AI on Airtel's 5G technology, which has ultra-low latency and high processing capabilities, allowing colon cancer to be detected much faster and more accurately. The other three companies involved in this trial were HealthNet Global, AWS and Avesha.

### Mergers, Acquisitions and Disinvestments

Airtel concluded M&A transactions as a part of its growth and diversification strategy and to harness economies of scale resulting from consolidations:

- The Company acquired a strategic stake in Lemnisk (Immensis Private Limited) under Airtel's Start-Up Accelerator Program. Airtel and Lemnisk have collaborated to create the world's largest CDP platform. Airtel's Digital businesses will benefit from this, including Ad-Tech (Airtel Ads), Digital Entertainment (Wynk Music and Airtel Xstream), and Digital marketplace (Airtel Thanks App). Airtel intends to offer this service to its enterprise customers in the future via Airtel IQ, the world's first network-integrated Cloud Platform as a Service (CPaaS). Under this, businesses will be able to create a nimble, scalable, and omnichannel engagement for their customers.
- Upon approval of Hon'ble National Company Law Tribunal, Chandigarh Bench, vide its order received on January 25, 2023, the composite scheme of arrangement between Nettle Infrastructure Investments Limited ('Nettle'), Telesonic Networks Limited ('Telesonic'), their respective shareholders and the Company, under section 230 to 232

along with other applicable provisions of the Companies Act, 2013, for amalgamation of Nettle and Telesonic, wholly-owned subsidiaries, with the Company ('Scheme'), has become effective from February 1, 2023, with an appointed date of April 1, 2022, in accordance with the Scheme. Consequently, fiber assets held by Telesonic have been allocated into the respective segments based on fiber ordered by various segments from Telesonic. Accordingly, the segment reporting of the previous periods has been restated.

### Network Expansion and Transformation

Airtel remains committed to delivering a world-class network experience to high-value customers through its various initiatives:

- Airtel has deployed 5G in NSA mode on a 3500 MHz band in more than 3500 cities/towns and rapidly expanding its reach. India is leading one of the fastest 5G rollouts in the world. All the 5G capable smartphones in India support Airtel 5G Plus, and this was achieved through collaborations with the smartphone manufacturers for timely testing and commercial release of the binary for 5G support on the Airtel network. Airtel 5G Plus is also environment-friendly and consumes lower energy per GB compared to legacy networks.
- Airtel 5G Plus service availability will continue to rapidly expand as the Company is working towards offering nationwide coverage. It is now offering its 5G services in every major city from the upper northern city of Jammu to the southern tip of Kanyakumari. Airtel 5G Plus has three compelling advantages for its customers:
  - Upto 30x higher speeds than 4G
  - A technology that's accepted the world over and a network that is kinder to the environment
  - Customers do not need to change SIMs as their existing Airtel 4G SIM is also 5G-enabled and will work on all 5G smartphones
- Airtel launched an introductory offer of unlimited 5G data for its customers to encourage them to experience the power of the Airtel 5G Plus network. The offer is open to all postpaid customers and prepaid customers with a data plan of ₹239 and above. All customers will need to activate it in a 5G compatible device and a 5G network area. Customers can simply log on to the Airtel Thanks App to claim this offer.
- Airtel signed 5G network agreements with Ericsson, Nokia and Samsung to commence 5G deployment in August 2022. It has a long-standing relationship for connectivity and pan-India managed services with Ericsson and Nokia, while the partnership with Samsung will begin this year onwards.

## Management Discussion & Analysis

- Airtel acquired the sub-GHz band and mid-band spectrum from the last auctions to further solidify its 4G spectrum holding. This will help to enhance the coverage and capacity of 5G NSA. It will enable improved network availability and data speeds, along with better coverage inside homes and buildings in cities and urban areas and offer wider coverage along highways and rail routes.
- Airtel successfully conducted India's first Open Radio Access Network (Open RAN)-based live 5G network validation in the field and achieved 1 Gbps+ speed using commercial mobile devices. ORAN solution deployed by Airtel is fully cloud-native and supports O-RAN standard-based interfaces. It is leading the innovation efforts of the O-RAN Alliance in India and is looking forward to strengthening its technology partnership with potential ORAN vendors and scaling it commercially.

### Digital Innovations and Customer Delight

In the face of rapidly changing customer demands, Airtel consistently remained on the path of digital innovations to nurture its customer journey across all touch points and to have a highly engaged customer force by providing an exceptional customer experience.

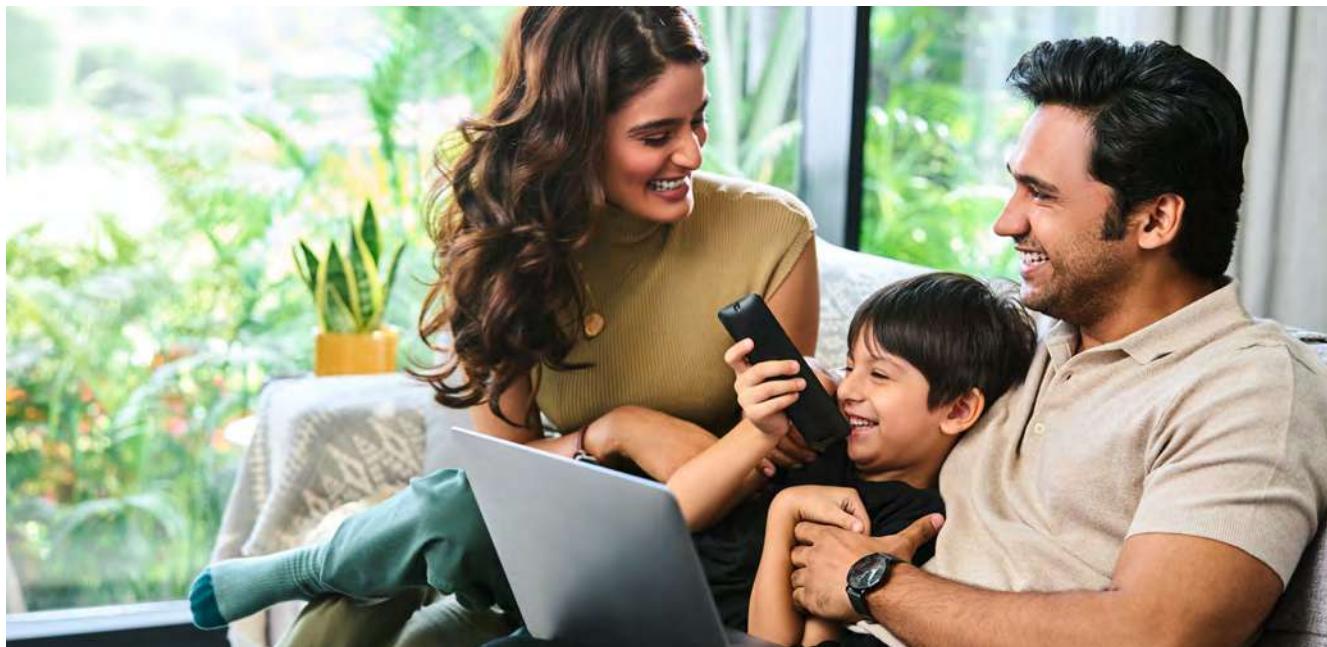
- At IMC 2022, Bharti Airtel and Nokia used holographic images to showcase the cultural splendour of the Kashi Vishwanath temple and the Statue of Unity, thereby demonstrating the benefits of an ultra-fast and low latency 5G network. The almost life-like holograms brought the architecture and design of these iconic monuments to life, simulating the physical experience. With the introduction of 5G, immersive virtual tourism is expected to reinvent the Travel & Tourism industry, allowing people to visit remote locations and monuments from the comfort of their own homes.
- The Company launched 'Airtel World Pass' to make staying connected easy, intuitive and compelling. The World Pass will revolutionise the experience of international travelling as one pack would work seamlessly across 184 countries and will cover layovers at airports, and address all roaming needs.
- The Company announced that its video streaming service – Airtel Xstream, is India's fastest-growing OTT aggregator platform. Airtel Xstream offers India's largest bouquet of OTT platforms to consumers across mobile and large-screen formats. Mobile customers can select one OTT provider from the bouquet with a minimum recharge of ₹148. The large screen format, launched earlier this year

as Xstream Premium, is also available at ₹149 and enables access to over 10,500 movie titles and shows, alongside Live TV from Airtel's OTT content partners such as Sony LIV, Eros Now, Lionsgate Play, Hoichoi, manoramaMAX, Shemaroo, Ultra, Hungama Play, EPIC ON, DocuBay and Divo TV, among others.

- Wynk Music introduced Wynk Studio, India's largest music distribution ecosystem for independent artists based in India and overseas. The studio will enable artists to launch their music and will also partner with them in monetising their music on a host of platforms, which will be a part of Airtel's digital products portfolio - Wynk, Airtel Xstream, Airtel Ads and Airtel IQ, among others.
- Airtel has created 5G experience zones across all its retail stores in the country. Through these specially curated zones, it is demonstrating the power of 5G to consumers through its blazing data speeds and emerging use cases like immersive virtual reality entertainment, cloud gaming and more. As an industry leader, Airtel has taken the lead to simplify the new technology for customers and get them to experience the real difference of 5G. Customers can experience it at Airtel's 1,000+ stores, which will have specially trained executives, who will not only demonstrate use cases but will also answer all 5G-related questions along with Airtel's offerings.
- Airtel launched family plans for postpaid subscribers starting at a rental of ₹599/month with 2 postpaid SIM connections, 105 GB data, Amazon Prime for 6 months, Disney Hotstar for 1 year and Xstream Mobile Pack. The postpaid plans go up to ₹1,499 a month, giving five connections and 320 GB data a month, while also including a Netflix standard plan in addition to the other OTT offerings. The postpaid plans also change for Airtel Black users that can avail of two postpaid SIM connections starting from ₹799 and ₹998, with the former having a DTH connection, and the latter offering broadband connection. Family plans and Airtel Black enable users to pay one consolidated bill for multiple mobile, broadband or DTH connections. These plans are available for prepaid customers willing to transition to postpaid as well.
- Airtel announced its partnership with Secure Meters for deploying Narrow Band (NB-IoT) services, which will power 1.3 million homes in Bihar through a smart meter solution. This deployment will be India's first NB-IoT solution on a narrow band with a fall-back option, that will work on 2G and 4G, and ensure real-time connectivity and uninterrupted transfer of critical data.

### Awards

Airtel has been conferred with the overall ESG Excellence Award at the Inaugural edition of the Dun & Bradstreet ESG Leadership Summit held in Mumbai. Airtel undertakes comprehensive initiatives on Environment, Social and Governance (ESG) and has set ambitious ESG targets for itself. The Company has been actively reporting its performance on sustainability for the last five years and has adopted Integrated Reporting in accordance with the IIRC Framework. The win is a testament to Airtel's commitment to the environment and society.



## Homes Services

### Overview

Homes Business continues to accelerate rollouts on the back of the innovative asset-light local cable operator partnership model, which is now present in 1,199 cities across India. The growing need for reliable and consistent broadband has led to strong customer base addition during the year, which stood at 6.1 Mn at the end of the financial year, representing a growth of 35% as compared to 4.48 Mn at the end of the previous year. During the year, it scaled up its operations as it launched Airtel fiber in 355 new towns and increased its coverage by rolling out new fiber across major cities of its operations, thereby helping the country take strides towards realising its vision of Digital India.

Revenues from Homes services stood at ₹40,472 Mn for the year ended March 31, 2023, as compared to ₹30,390 Mn in the previous year, an increase of 33%. EBITDA margin during the year was 42%.

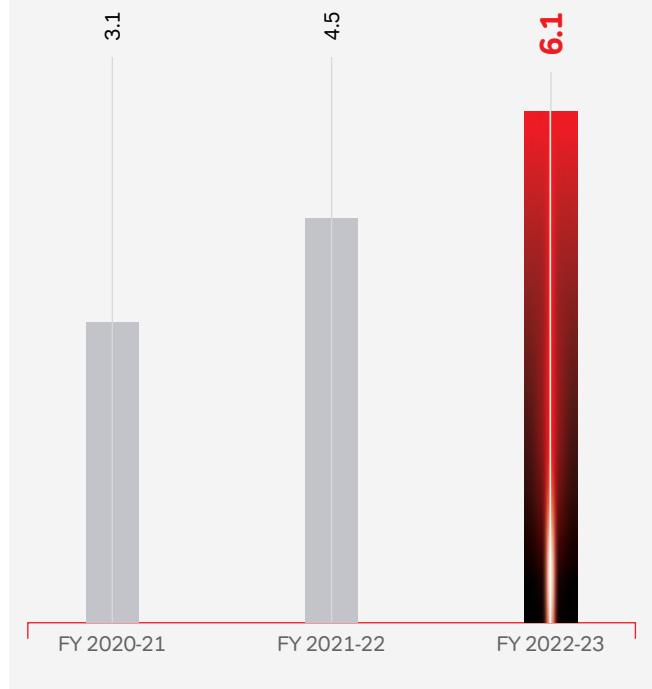
Particulars	FY 2022-23 ₹ Mn	FY 2021-22 ₹ Mn	Y-o-Y Growth %
Gross Revenues	40,472	30,390	33.2
EBIT	8,894	5,654	57.0

### Key Highlights

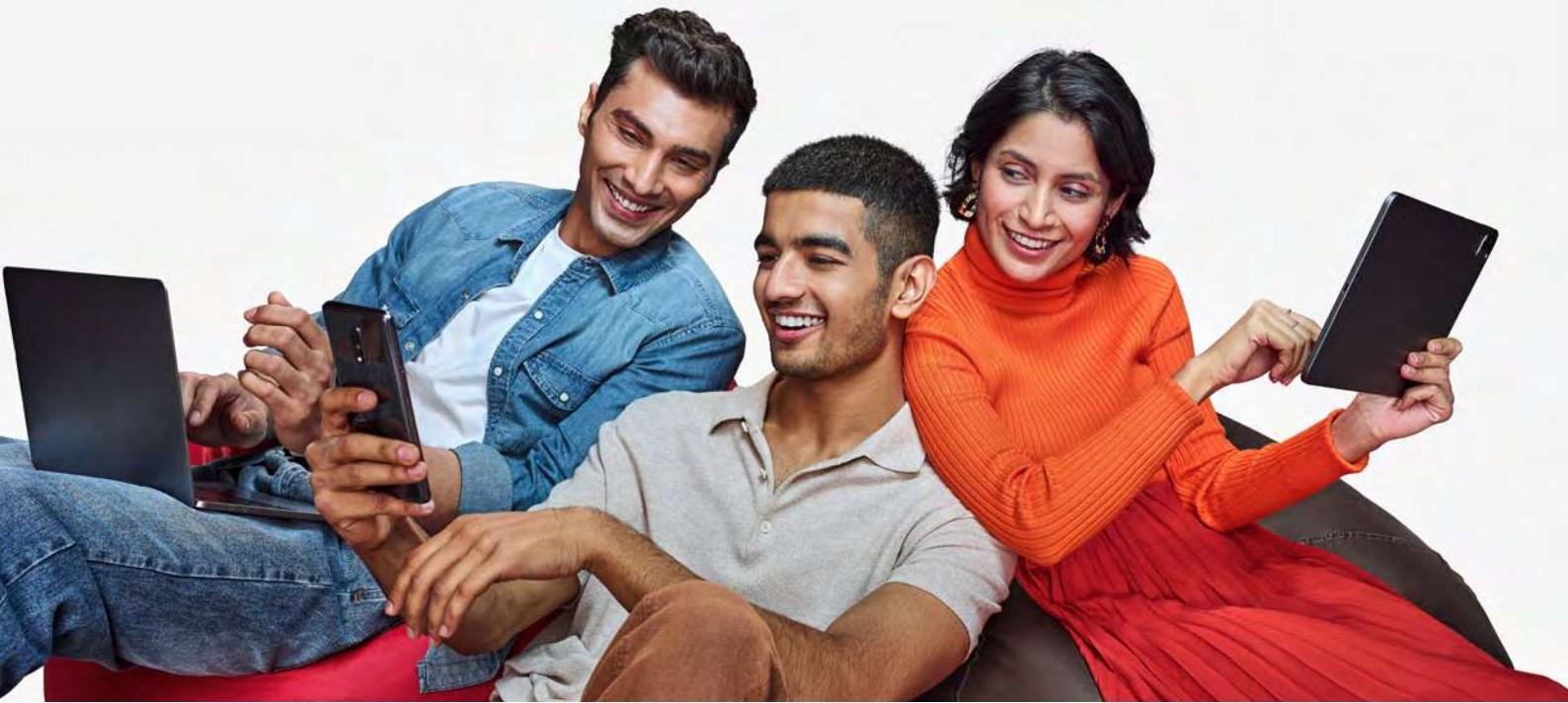
- To serve the needs of premium households, who prefer next-generational connectivity and entertainment experience, Airtel has once again raised the bar in the home broadband segment with the launch of three new all-in-one plans (under the proposition of 'Airtel Black'). In urban India, both home internet and home entertainment are seeing rapid growth, accelerated by consumers watching more content on their TVs and consumers demanding a greater variety of entertainment than ever before, powered by reliable home internet.

### Home Subscribers

(Mn)



- The Company announced the launch of XSafe, an easy-to-operate, end-to-end home surveillance solution that includes a range of Wi-Fi-based advanced cameras, designed to ensure customers have peace of mind and are connected to their homes even while they are away. This service was launched across 40 cities including Mumbai, Delhi-NCR, Bengaluru, Chennai and Kolkata, among others.
- The Company announced the launch of its Fiber-To-The-Home (FTTH) broadband service – Airtel Xstream Fiber in Ladakh, and Andaman and Nicobar Islands. With this, Airtel has become the first private ISP to roll out FTTH broadband in these remote geographies and bring world-class digital access to customers by connecting them to the data superhighway.



## Digital TV Services

### Overview

Airtel Digital TV continues to strengthen its market position with a strong customer base of 15.9 Mn, on the back of the Company's strategy of simplified pricing and differentiated converged experience to win high-value customers. Airtel DTH is a pioneer in launching innovative products for its customers, along with best-in-class customer service, making it one of the fastest-growing DTH operators with operations in 639 districts across the country.

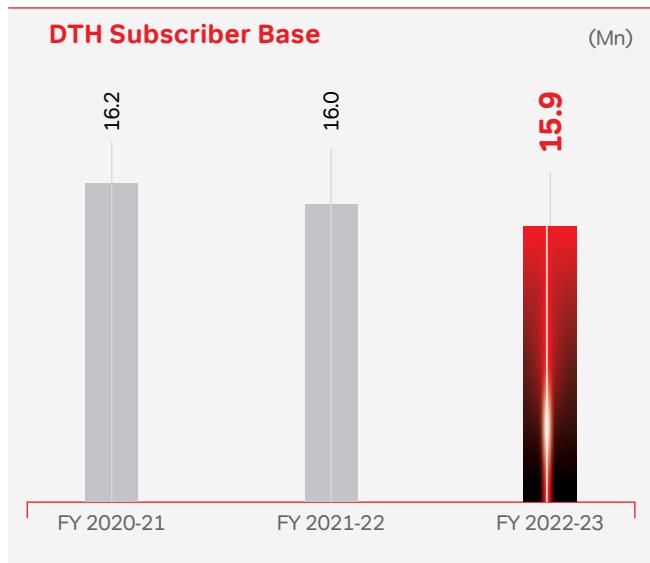
During the year, the Company witnessed customer addition on its Airtel Black Plans (a converged home proposition with services of DTH, Broadband and Mobile). Airtel Black is India's first all-in-one solution for homes, which eases the customer's life with One Bill, One Customer Care number, and a dedicated relationship manager with amazing value and zero switching cost. With this, Airtel Digital TV has further strengthened its position in the converged homes in the country.

### Key Highlights

- During the year, the Company has added 54 new channels on its platform including 3 SVOD services. The Company currently offers 704 channels including 85 HD channels, 32 SVOD services and 6 international channels.
- In December 2022, broadcasters released new bouquet pricing in accordance with NTO 2.0 amendment by TRAI. The Company has implemented the changes w.e.f.

February 1, 2023 and launched new consumer tariffs to comply with the amendments. With this implementation, the Company has further simplified the packaging across markets to win value customers.

Particulars	FY 2022-23 ₹ Mn	FY 2021-22 ₹ Mn	Y-o-Y Growth %
Gross Revenues	29,450	31,537	(7.0)
EBIT	3,775	8,374	(55.0)



## B2B Services

### Airtel Business

#### Overview

Airtel Business is India's largest and one of the most trusted companies offering solutions across connectivity and new technologies to businesses. It has a wide presence across India as well as a global network across the USA, Europe, Africa, the Middle East, Asia-Pacific and SAARC regions. Airtel Business serves over 1,200 global enterprises, 2,000 large and 1 million medium/small businesses across India.

It offers a diverse portfolio of products and services such as Data Connectivity, Voice & Messaging, Landline and Conferencing, Collaboration, Cloud, Data Centers, Security, IoT, Enterprise Mobility, Network Integration & Professional services to Enterprises, Government, Carriers, Small & Medium Businesses, OTTs, Start-ups and Mobile Network Operators across the globe.

Through the diverse product portfolio and strategically located submarine cables and satellite network running across 400,000+ RKM in 50 countries and 5 continents, it is pushing the boundaries in digital service delivery with a key focus on enhanced end-user experience, round-the-clock infrastructure availability, and superior service quality.

Airtel Business witnessed a year of growth, led by the surge in global and domestic data revenues. Revenues for the year grew by 15.7% as compared to the previous year. The Company continued to focus on winning in the core business while building upon new revenue streams and emerging businesses in the areas of IoT, IQ, Cloud, Security and Data Centers.

Key Ratios	FY 2022-23 ₹ Mn	FY 2021-22 ₹ Mn	Y-o-Y %
Gross Revenues	185,931	160,702	15.7
EBIT	54,361	44,650	21.7

#### Key Highlights

- **Airtel acquires stake in Cloud Network Solutions provider Cnergee Technologies**

The stake acquisition will enable Airtel to sharpen its NaaS proposition for Small and Medium Businesses (SMBs) who are looking to accelerate their shift to cloud-based applications. Airtel already offers a wide range of connectivity and productivity solutions for SMBs backed by unmatched distribution network reach across India. In addition, Cnergee's advanced software tools will boost Airtel's 'Work from Anywhere' solutions portfolio as businesses look to adopt hybrid work models.

- **Airtel Announces Strategic Partnership with Vultr to Deliver Cloud Solutions to Enterprises**

Airtel will offer Vultr's extensive suite of cloud solutions to its enterprise customers, especially those in the digital space and help them gain unrivalled global reach and cost-performance advantage to build, test, and run demanding cloud workloads. The cloud solutions will be hosted in Airtel's state-of-the-art data centers, enabling businesses to scale their digital operations globally. Businesses of all sizes and across all industries can now leverage cutting-edge cloud technologies to accelerate digital innovation, optimise global cloud performance, and maximise return on global cloud spend. They can also enjoy simple and transparent pricing to avoid billing shocks.

- **Airtel and Meta collaborate to accelerate India's digital ecosystem**

Airtel and Meta will jointly invest in global connectivity infrastructure and CPaaS-based new-age digital solutions to support the emerging requirements of customers and enterprises in India. With the constant endeavour to augment the nation's infrastructure, Airtel will partner with Meta and STC to extend 2Africa Pearls to India. 2Africa is the world's longest subsea cable system and is expected to provide faster internet connectivity to almost 3 billion people globally. Airtel and Meta will extend the cable to Airtel's landing station in Mumbai and also pick up the dedicated capacity to further strengthen its submarine network portfolio.

Airtel will integrate Meta's WhatsApp within its CPaaS platform, Airtel IQ. With this integration, businesses will now be able to use WhatsApp's rich features and reach to provide unparalleled omnichannel customer engagement to enterprises.

- **Nxtra by Airtel strengthens its green energy footprint with the commissioning of Solar and Wind power plants in various states**

The captive units with a capacity of 34 MWp Solar, 13 MWp Solar and 1.5 MW Hybrid (Solar + Wind) were commissioned to supply clean energy in the state of Tamil Nadu, Karnataka and Gujarat respectively. This will lead to a reduction in carbon emissions by 62,880 tonnes annually. The captive power units have been set up in partnership with Avaada (Tamil Nadu and Karnataka) and Continuum (Gujarat) to supply clean energy to Nxtra by Airtel's large and edge data centers.

# Management Discussion & Analysis

- Nxtra by Airtel became the first data center company in India to install solid oxide fuel cell technology to provide clean energy**

Partnered with Bloom Energy to deploy low environmental impact fuel cell installation at Karnataka data center, reducing carbon emissions through a cleaner, hydrogen-ready fuel supply. Nxtra by Airtel is the first data center company in India to deploy solid oxide fuel cell technology to reduce carbon emissions at its data center while unlocking cost and sustainability benefits. Started the unit on non-combusted natural gas and will switch to 50% hydrogen in future without any significant investment. The natural gas-powered cells will be used for primary generation with utility electrical grids and generators as backup sources.

- Launch of WhatsApp banking services in partnership with Indian Post Payments Bank**

Airtel partnered with India Post Payments Bank (IPPB) to launch WhatsApp Banking Services for IPPB customers, empowering customers PAN India to access banking services on their mobile phones. Delivered on Airtel IQ - a cloud communications platform as a service that enables brands to engage with their customers across voice, SMS and WhatsApp channels, the messaging solution augments the Govt.'s Digital India mission by enabling IPPB customers to seamlessly connect with their bank on WhatsApp. IPPB customers can now effortlessly avail a host of banking services including – doorstep service requests, locating the nearest Post Office and much more. Airtel is the first telecom company in the world that serves as a Business Service Provider (BSP) for WhatsApp.

## Africa

### Overview

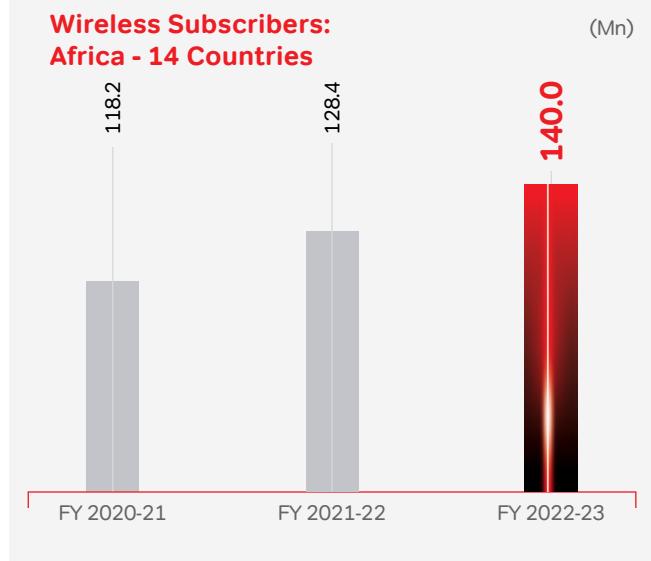
#### Financial and operational review

Airtel Africa, through its portfolio of offerings, is helping transform lives across sub-Saharan Africa by fostering financial inclusion, driving digitisation and empowering our 140 million customers across 14 countries, up from 128.4 million customers in the prior year. This represents a growth of 9.0% in the customer base, largely a result of the expansion of both our mobile network and our distribution network, helping us to get closer to our customers and improving their network experience.

Total minutes on the network during the year increased by 16.0% to 439.1 billion. Data customers increased by 7.9 million to 54.6 million accounting for 39.0% of the total customer base compared to 36.4% in the previous year. The total MBs of data transmitted on the network increased by 46.3% to 2,704 billion MBs with usage per customer increasing from 3,520 MBs to 4,546 MBs. Total sites in Africa on March 31, 2023 were 31,546 of which 28,476 were 4G sites, representing 90.3% of the total sites.

In INR-reported currency, Airtel Africa revenues grew by 20.5% to ₹422,664 Mn as compared to ₹350,612 Mn in the previous year. The Company's continued focus on running the operations efficiently and cost-effectively has resulted in EBITDA of ₹207,281 Mn for the year as compared to ₹172,071 Mn in the previous year, an increase of 20.5%. Consequently, this resulted in an EBITDA margin of 49.0% compared to 49.1% in the previous year. Depreciation and amortisation charges were at ₹65,836 Mn as compared to ₹55,323 Mn in the previous year. EBIT for the year was at ₹141,255 Mn as compared to ₹116,586 Mn in the previous year. PBT for the full year was at ₹82,569 Mn as compared to ₹86,289 Mn in the previous year. The full-year capex was at ₹60,400 Mn as compared to ₹48,891 Mn in the previous year.

Particulars	FY 2022-23 ₹ Mn	FY 2021-22 ₹ Mn	Y-o-Y Growth %
Gross Revenues	422,664	350,612	21.0
EBIT	141,255	116,586	21.0



### Key Highlights

#### IFC loan facility

- On December 6, 2022, Airtel Africa announced the signing of a new \$194 Mn facility with the International Finance Corporation (IFC), a sister organisation of the World Bank and a member of the World Bank Group. The new financing facility is in line with Airtel Africa's strategy to increase debt within its operating companies.
- The facility has a tenor of eight years, it is largely in local currency, and will be used to support our operations and investments in the Democratic Republic of Congo, Kenya, Madagascar, Niger, Republic of the Congo and Zambia, providing a more diversified access to local funding.

- As part of IFC's loan facility, Airtel Africa committed to complying with the applicable requirements of IFC performance standards on social and environmental sustainability and has put in place a dedicated environmental and social action plan.

### **First sustainability-linked loan facility**

- On August 10, 2022, the Group announced the signing of a \$125 Mn revolving credit facility with Citi through its branch offices/subsidiaries in sub-Saharan Africa. This facility is in line with its strategy to raise debt in our local operating companies and will include both local currency and US dollar-denominated debt. The facility has a tenor up to September 2024 and will be used to support operations and investments in four subsidiaries. The facility provides potential interest rate savings in exchange for achieving social impact milestones relating to digital inclusion and gender diversity, with a focus on rural areas and women, and aligning with the Group's sustainability strategy, launched in October 2021.

### **Launch of inaugural Sustainability Report**

- The publication of Airtel Africa's inaugural Sustainability Report on October 27, 2022 follows the launch of the Group's sustainability strategy in October 2021. The report reflects the Group's firm commitment to sustainability and details the business' progress against the goals outlined in the sustainability strategy. The report adheres to international best-practice ESG reporting standards, including the Global Reporting Initiative (GRI) Standards and TCFD recommendations.
- The publication of the report constitutes an important step forward in enhancing the non-financial information transparency of the Group. The report provides accurate and verified Scope 1, 2 and 3 baseline emissions and total energy consumption.

### **Reducing Scope 1 and 2 emissions in the near-term and committing to net zero by 2050**

- Airtel Africa is committed to achieving net zero GHG emissions by 2050. Following the publication of its Scope 1, 2 and 3 emissions in the Sustainability Report in October 2022, the Group has identified a detailed range of initiatives that will enable the reduction of Scope 1 and 2 emissions intensity by over 60% by 2032 and enable a net zero ambition by 2050. It is undertaking a detailed technical and feasibility study to accurately define the optimal deployment schedule for Scope 1 and 2 decarbonisation initiatives. This work is led by a cross-functional taskforce which reports to the Sustainability Committee and is advised by the Carbon Trust, the leading environmental agency.

### **Nigeria mobile money operationalisation**

- On April 29, 2022, Airtel Africa announced that the Central Bank of Nigeria (CBN) had confirmed that SmartCash Payment Service Bank Limited (SmartCash), had received final approval for a full Payment Service Bank (PSB) licence, affording the Group the opportunity to deliver a full suite of mobile money services in Nigeria. This news followed our announcement of April 26, 2022 that the CBN had also awarded our subsidiary, Airtel Mobile Commerce Nigeria Ltd, with a full super-agent licence, allowing the business to create an agency network that can service the customers of licensed Nigerian banks, payment service banks and licenced mobile money operators in Nigeria.
- During the period Airtel Africa launched SmartCash, our Nigerian mobile money offering, initially in Lagos, before rolling out further across the country. One of the key commitments is to guarantee data privacy and security controls across the business to build trust and confidence in the brand. In that light, it focussed our investments on the IT infrastructure and business systems and processes to ensure this commitment is met. This investment, combined with the continued focus on the expansion of the distribution network, will drive increased access to financial services for underserved communities in Nigeria.

### **\$450 Mn early bond redemption**

- On July 8, 2022, Airtel Africa announced the settlement of a cash tender offer, redeeming \$450 Mn of the \$1 Bn of 5.35% guaranteed senior notes due 2024 (Notes). An aggregate principal amount of \$450 Mn of notes was accepted for purchase for a total of \$463 Mn. All Notes accepted for purchase were cancelled ahead of their maturity in May 2024. This early redemption was made out of the Group's cash reserves and is in line with the strategy of reducing external foreign currency debt at a Group level.

### **South Asia**

#### **Overview**

Full-year revenue of South Asia was at ₹2,944 Mn as compared to ₹3,869 Mn in the previous year. EBIT losses for the year were reported at ₹1,782 Mn as compared to a loss of ₹2,422 Mn in the previous year. Capex for the year was ₹979 Mn as compared to ₹3,292 Mn in the previous year.

Particulars	FY 2022-23 ₹ Mn	FY 2021-22 ₹ Mn	Y-o-Y Growth %
Gross Revenues	2,944	3,869	-24.0
EBIT	(1,782)	(2,422)	26.0

## Management Discussion & Analysis

### Share of Associates/Joint Ventures



#### Airtel Payments Bank Limited

Airtel Payments 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			
		March 2023	December 2022	September 2022	June 2022
<b>Operational Performance</b>					
Monthly Transacting Users (MTU)	000's	54,702	47,790	50,072	44,414
Total Customers	000's	163,690	156,788	151,385	139,191
GMV	₹ Mn	579,556	500,065	502,037	433,872
<b>Financial Highlights</b>					
Total revenues	₹ Mn	3,790	3,189	3,083	2,848
EBITDA	₹ Mn	333	189	146	119
EBITDA / Total revenues	%	8.8	5.9	4.7	4.2
Net Income (Proportionate share of Airtel)	₹ Mn	84	35	21	15



#### Robi Axiata Limited

Robi Axiata Limited is a joint venture between Axiata Group Berhad of Malaysia and Bharti Airtel Limited. Key operational and financial performance:

Robi Axiata Limited	Unit	Quarter ended			
		March 2023	December 2022	September 2022	June 2022
<b>Operational Performance</b>					
Customer Base	000's	55,572	54,404	54,361	54,530
Data Customer as % of customer base	%	75.8	75.5	75.5	74.2
ARPU	BDT	138	133	129	124
<b>Financial Highlights</b>					
Total revenues	₹ Mn	18,214	17,992	18,429	18,449
EBITDA	₹ Mn	8,158	8,511	8,096	8,474
EBITDA / Total revenues	%	44.8	47.3	43.9	45.9
Net Income (proportionate share of Airtel)	₹ Mn	92	283	69	-30



## Indus Towers Limited

Bharti Airtel holds a 47.95% stake in Indus Towers Limited Key operational and financial performance:

Indus Towers Limited	Unit	Quarter ended			
		March 2023	December 2022	September 2022	June 2022
<b>Operational Performance</b>					
Total Towers	Nos	192,874	189,392	187,926	186,474
Total Co-locations	Nos	342,831	339,435	338,128	336,382
Average Sharing Factor	Times	1.78	1.80	1.80	1.81
<b>Financial Highlights</b>					
Total revenues	₹ Mn	67,529	67,650	79,666	68,973
EBITDA	₹ Mn	34,466	11,858	28,124	23,222
EBITDA/Total revenues	%	51.0	17.5	35.3	33.7
Net Income (Proportionate Share of Airtel)	₹ Mn	6,709	(3,396)	4,180	2,236



## Management Discussion & Analysis

### SCOT Analysis

#### Strengths

- **Dominant player:** Among the leading telecom players in India and among Top 3 globally in terms of consolidated mobile connections; holding leadership position (#1 and #2) in 13 out of 14 African countries.
- **Premium brand:** Leading and well-known recognised brand across the geographies the Company operates in, with the ability to drive segmentation and premiumisation.
- **Full gamut of services:** Serving in multiple segments including mobile services, home broadband, digital TV, enterprise business, digital services and mobile money which caters to 500 million+ customers across 17 countries. In India, the company has 200 million+ MAUs on digital assets and ~55 million MTU in Airtel Payments Bank. Mobile Money in Africa recorded customer base of 31.5 million as of FY 2022-23.
- **Suite of digital offerings:** Industry-leading digital services comprising Wynk Music, Airtel IQ, Airtel Ads, Airtel Financial Services, Airtel Payments Bank, Nxtra Data Center.
- **Convergence play:** Service provider with the potential to offer a full range of bundled services to high-value homes: mobile, fixed voice, broadband, OTT and DTH.
- **Future-ready network:** Future-proof and 5G network. The digital infrastructure built over the years is now getting enhanced with One Airtel transport strategy to leverage it across the business and drive efficiency. Rated for the best quality of experience while streaming videos, playing multiplayer mobile games and using OTT voice services on mobile voice apps with 5G (Opensignal Mobile Network Experience Report dated April 2023).
- **Robust partnerships:** Leveraging the Airtel platform to deliver an array of consumer and enterprise services by developing strategic partnerships with several companies across the globe.
- **Omnichannel capabilities:** Redefined organisation structure with a Mass Retail channel, D2C channel, Digital channel, Home Delivery organisation and B2B channel which helped in unlocking its omni-channel presence.
- **Strong balance sheet:** The Company is generating strong operating free cashflow amid accelerated 5G and rural rollout. Crisil affirmed the long term credit rating at AA+ (Stable).

#### Opportunities

- **Industry structure:** Favourable prospects in the industry relook driven by consolidation and tariff revision.
- **ARPU improvement:** India's ARPU remains among the lowest in the world due to the intense competition in the past with the entry of new players. Potential tariff hikes going forward can translate into substantial improvement in return ratios for the industry and create shareholders value.
- **Postpaid penetration opportunity:** Post-paid continues to be a massive opportunity with only ~4% share of total mobile customer base in India. Bundling and converged offerings play a critical role to attract high quality consumers.
- **Smartphone Penetration:** India still has large opportunity arising from feature phone users upgrading to smartphones, resulting in incremental revenue potential.
- **Home broadband landscape:** Wired broadband provides immense growth opportunities with rising data needs, concurrent device usage and under-penetration. India is one of the lowest-penetrated markets among the peers.
- **B2B – Moving from connectivity to products and solutions:** Expanding portfolio of solutions and investing in adjacent revenue streams to future-proof growth. Incremental industry growth is emerging from the solutions, services, and adjacent streams. Renewed focus on GTM re-tooling will provide better inroads with existing and new customers.
- **Leveraging digital capabilities:** Over the years, Airtel has built a large suite of digital offerings and it continues to grow. Along with the existing ecosystem of services including Adtech, CPaaS, entertainment, music, digital marketplace, and Payments Bank. In FY 2022-23, under its financial services portfolio, the company launched a co-branded credit card in partnership with Axis Bank.

## Challenges

- **Operation integration:** Consolidating operations and making use of a common platform across geographically and demographically diverse regions such as India, South Asia and Africa.
- **Supply chain and cost inflation:** Global supply chain shocks and cost inflation are detrimental for the business as it delays network rollout and impacts cash flows, given the limitations to passing it on to consumers.
- **Low return ratios:** Return ratios continue to be a challenge for the industry given depressed ARPUs at the industry level.

## Threats

- **Heightened competition:** Increased price competition or entry of potential disruptive players where the Company operates can be detrimental.
- **Regulatory framework:** Change in regulatory policies adversely impacting operations. Any political instability and economic uncertainties resulting in unfavourable decisions impacting business.
- **Currency exposures:** Global macroeconomic uncertainties, global trade tensions and commodity headwinds can lead to sharp currency movements for developing economies.
- **Pandemic/Disaster/War:** Any pandemic or natural disaster like the COVID-19 health crisis or war-related disturbances in the geographies the Company runs operations.



# Management Discussion & Analysis

## Material developments in HR

Sectors across the board in India saw a surge in the pace of technological developments this year. For Airtel, be it the rollout of 5G or uptick in cloud solutions, or solving the need for data centers, the velocity of innovation and change was at its peak. Uncertainty also plagued the talent market in India, which was highly competitive in the first half of the year but severely restrained in the second half. The human resources team played a pivotal role in bracing the organisation for this variability by institutionalising sustainable solutions across the employee lifecycle.

To be nimble with the increasing complexity of technological delivery, building a reusable, configurable core was essential. This would also be key to ensuring consistent experience on all our digital channels. To deliver this, we reorganised our teams to key platform charters, each of which focused on a stream to provide the best-in-class customer experience.

Airtel has surpassed 10 million unique customers on its 5G network. In lieu of the 5G rollout, we adopted a hybrid strategy concentrating on hiring new talent as well as upskilling our existing talent through programmes like the 5G Academy and IP (Internet Protocol) Academy.

The training curriculum covers fundamentals of IP (Internet Protocol), Cisco Certified Network Associate (CCNA), Cisco Certified Network Professional (CCNP) & Cisco Certified Internetwork Expert (CCIE) certifications. As we step into the next year, the 5G rollout will grow stronger and the need for 5G tech capabilities will continue to be a key area of delivery.

Customer obsession is at the heart of innovation at Airtel. To unlock the power of customer experience, our talent strategy in the year has focused disproportionately on cross-functional breadth of experiences. With an increasingly omni-channel customer, it is critical for us to build talent who understand nuances across products, businesses, channels and geographies. An internal talent marketplace was set up to foster interdisciplinary experiences followed by opportunities for learning, job shadowing and cross-functional movement. Careers and building leadership capabilities will continue to be a key focus area going into the next year with personalised career journeys.

All this work comes with a bedrock of delivering superior employee experience through holistic policies, intuitive processes, and a diverse and inclusive environment.



## Internal control

- The Company's philosophy towards internal controls is based on the principle of healthy growth and proactive approach to risk management. Aligned with this philosophy, the Company has deployed a robust framework of internal controls that facilitates efficient conduct of business operations in compliance with the Company policy; fair presentation of Airtel's financial results in a manner that is complete, reliable and understandable; ensures adherence to regulatory and statutory compliances that safeguard investor interest by ensuring the highest level of governance. The Internal Control framework has been set up across the Company and is followed at the circle and country levels. This framework is assessed periodically, and the performance of circles and countries is measured via objective metrics and defined scorecards.
- Accounting hygiene and audit scores are driven centrally through the central financial reporting team and Airtel Centre of Excellence (ACE), both teams being responsible for the accuracy of books of accounts, preparation of financial statements and reporting the same as per the Company's accounting policies. Regulatory and legal requirements, accounting standards, and other pronouncements are evaluated regularly to assess applicability and impact on financial reporting. The relevant financial reporting requirements, documented in the Group Accounting Manuals, are communicated to relevant units and enforced throughout the Group. This, together with the financial reporting calendar evidencing the tasks and timelines, forms the basis of the financial reporting process.
- Deloitte Haskins & Sells LLP, the Statutory Auditors, have done an independent evaluation of key internal controls over financial reporting (ICOFR) and expressed an unqualified opinion stating that the Company has, in all material respects, adequate ICOFR and such ICOFR was operating effectively as on March 31, 2023.
- The Company has in place an Internal Assurance (IA) function headed by the Chief Internal Auditor. EY and ANB & Co (ANB) are the Internal Assurance Partners of the Company and conduct financial, compliance and process improvement audits on a periodic basis. The internal assurance plan for the year is derived from a bottoms-up risk assessment and directional inputs from the Audit

Committee. The Audit Committee oversees the scope and coverage of the IA plan and evaluates the overall results of these audits during the quarterly Audit Committee meetings. Additionally, separate quarterly Audit Committee meetings if required are also held to review the progress made on previous gaps identified by Internal Assurance. During these meetings, functional Directors are invited from time to time to provide updates on improvements in controls and compliance within their respective functions and updates on the progress of any transformational projects undertaken. Internal Assurance also assesses the effectiveness of Internal Financial Controls (IFC). It assured that no material weaknesses in the design or operation were observed for the current financial year.

- A CEO and CFO Certificate, forming part of the Corporate Governance Report, confirms the existence and effectiveness of internal controls and reiterate their responsibilities to report deficiencies to the Audit Committee and rectify the same. The Company's Code of Conduct requires adherence to the applicable laws and Company's policies and also covers matters such as financial integrity, avoiding conflicts of interest, workplace behaviour, dealings with external parties and responsibilities to the community.
- The Airtel Centre of Excellence (ACE), based in Gurugram, Bengaluru and Chennai, is the captive shared service for financial accounting. Digitisation of ACE is being aimed as a part of the transformation agenda and includes initiatives such as system-based reconciliation, and reporting processes with vividly defined segregation of duties. The Company operates on a single instance of Oracle across all operating units, which ensures uniformity and standardisation in ERP configurations, charts of accounts and finance processes across countries. The Company continuously examines its governance practices to enhance investor trust. Initiatives such as a virtual desktop interface for ultimate data security, self-validation checks, desktop reviews and regular physical verification are producing measurable outcomes through substantial improvement in control scores across India and Africa. Oracle Governance Risk & Compliance (GRC) module has been implemented for India and Africa to strengthen existing controls pertaining to access rights for various ERPs, ensuring segregation of duties and preventing possibilities of access conflicts.

# Risk and Mitigation Framework

Bharti Airtel has achieved global success through a culture of innovation and high performance. As we explore new markets, embrace emerging technologies, forge strategic partnerships, and introduce innovative products, we recognise the accompanying risks and uncertainties. At Airtel, our Board and leadership team proactively addresses potential disruptions to ensure smooth business operations. Our robust risk management framework encompasses strategic, legal, financial, operational, and climatic risks. We employ a rigorous process to identify critical risks across the organisation and develop relevant action plans for mitigation, fostering a reliable and secure business environment.

## Responsibility and accountability

- **Board of Directors** – An annual evaluation of the Company's risk management framework is conducted by the Board of Directors along with periodic evaluation and assessment by the Risk Management Committee. The Risk Management Committee formulates a detailed risk management policy and monitors the implementation of the same. The Chief Risk Officer works closely with the Risk Management Committee on an independent basis and conducts a complete review of the risk assessments and associated management action plans. The Board of Directors is the apex body that reviews critical risks and deliberates and approves action plans which can effectively mitigate those risks.
- **Airtel's Management** – The CEOs of Airtel businesses in India, South Asia (AMB) are responsible for managing the strategic risks that may impact their operations. These risks are generally identified by their Circle teams, the national level leadership and teams from the international

operating companies. The management team draws on internal audit reports for the identification of risks and scans internal and external environments to ascertain developments that could pose material risks for the Company. Internal audit reports are also considered for the identification of key risks.

- **Operational Teams** – The Executive Committees (EC) of Circles in India and operating companies from international operations manage risks at the ground level. The EC has local representation from all functions, including central functions like Finance, SCM, Legal & Regulatory and customer-facing functions, such as Customer Service, Sales & Distribution and Networks. It is the responsibility of the Circle CEO or Country Managing Director to engage functions and partners to manage the risks. They are also responsible for the identification of risks and escalating them to the central teams for agreement on mitigation plans.

### Risk identification process

- a. Scanning the entire business environment - internal and external, for identifying potential risks.
- b. Classifying the various risks in terms of probability, impact and nature.
- c. Developing objective measurement methodology for such risks.
- d. Fixing accountability of people and positions to implement the mitigating action plans.
- e. Agreeing on detailed action plans to manage key risks.
- f. Listing and prioritising the key risks to be addressed and managed.
- g. Approving resources, including budgets for risk management.
- h. Reviewing the progress of action plans, taking stock of gross and net exposures and mandating corrective actions.
- i. Reporting progress to the Board and Risk Management Committee.
- j. Reporting on specific issues to the Risk Management Committee.

The key risks that may impact the Company are:

Potential risks	Risk definition
1. <b>Regulatory and Political Uncertainties</b>	The macro-environment in India, Sri Lanka, and 14 African countries is marked by volatility, uncertainty, and geopolitical tensions.
2. <b>Economic Uncertainties</b>	Business operations in our countries of operations may be affected by economic instability, which can be attributed to factors such as inflation, interest rates, capital controls, and currency fluctuations.
3. <b>Poor quality of networks and information technology including redundancies and disaster recoveries</b>	Network infrastructure costs are susceptible to risks arising from technical failures, human errors, and natural disasters. Additionally, the ever-evolving IT landscape necessitates continuous technology upgrades.
4. <b>Fiercely competitive battleground</b>	The business faces the possibility of unprecedented disruption and unfair pricing, which could result in increased competition and a decline in revenue along with customer attrition. Furthermore, evolving customer expectations concerning quality, variety, features, and pricing pose a significant threat to the long-term sustainability of the business.
5. <b>Data Loss Prevention</b>	The risk of data loss may result in the inadvertent exposure of confidential information on all endpoint devices.
6. <b>Increase in cost structures ahead of revenues thereby impacting liquidity</b>	The business may experience an increase in operating expenses due to factors such as new site rollouts and capacity expansion. Additionally, rate increases caused by inflation, foreign exchange impacts, wage hikes, energy costs, and other factors could also contribute to higher expenses.
7. <b>Inability to provide high quality network experience with exponential growth in data demand</b>	Telecom companies must invest in innovation to align with the evolving industrial landscape. This is crucial to deliver a high-quality customer experience and meet the rising demand for stronger and more reliable network connectivity.
8. <b>Gaps in internal controls</b>	Failure to maintain adequate internal controls and process compliances can result in wastages, fraud, and financial losses. Moreover, it has the potential to negatively affect the reputation of the Airtel brand.
9. <b>Lack of Digitisation and Innovations</b>	The rapid evolution of technology can influence business functionality and potentially cause a slowdown in operations.
10. <b>Climate Change</b>	The escalating carbon footprint poses a significant concern that raises questions about the long-term credibility and sustainability of the business.

## Risk and mitigation framework

At Bharti Airtel, we have achieved global success by fostering a culture of innovation and high performance. Our Company continually explores new markets and business models worldwide, seeking fresh ways to engage with customers and stakeholders. We establish strategic partnerships, embrace new technologies, and enhance efficiencies in existing systems to unlock a wealth of possibilities. However, we also recognise that such endeavors come with potential risks and uncertainties in the ever-changing business landscape. It is essential to swiftly identify and address any distress signals to ensure smooth operations. To mitigate these risks, we have developed a robust risk management framework that covers strategic, legal, financial, operational, and climatic risks in our operating landscape. This framework enables us to handle challenges with urgency, safeguarding our business and ensuring its sustained growth.

► Read more on detailed definitions and mitigation actions on [Page 52 of the Risk Management chapter in the Integrated Report](#).

# Business Responsibility & Sustainability Reporting

## SECTION A

### GENERAL DISCLOSURES

#### I. Details of the listed entity

1. **Corporate Identity Number (CIN) of the Listed Entity** – L74899HR1995PLC095967
2. **Name of the Listed Entity** – Bharti Airtel Limited
3. **Year of Incorporation** – 1995
4. **Registered office address** – Airtel Center, Plot No. 16, Udyog Vihar, Phase-IV, Gurugram, Haryana – 122015, India
5. **Corporate address** – Bharti Crescent, 1 Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi: 110070, India
6. **E-mail** – [compliance.officer@bharti.in](mailto:compliance.officer@bharti.in)
7. **Telephone** – +91-0124-4222222, +91-011-4666 6100
8. **Website** – [www.airtel.in](http://www.airtel.in)
9. **Financial year for which reporting is being done** – FY 2022-23
10. **Name of the Stock Exchange(s) where shares are listed** – BSE Limited (BSE), National Stock Exchange of India Limited (NSE)
11. **Paid-up Capital** – ₹28,366 Mn
12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR Report** – Compliance Officer, Rohit Krishan Puri, Telephone Number: +91-11-4666 6100, Email id: [compliance.officer@bharti.in](mailto:compliance.officer@bharti.in)
13. **Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together)**: Standalone basis - Bharti Airtel Limited, unless otherwise specified.

#### II. Products/services

##### 14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1.	Information and Communication	Wired, wireless or satellite Telecommunication activities	100%

##### 15. Products/Services sold by the entity (accounting for 90% of the entity's turnover):

S. No.	Product/Service	NIC Code	% of total Turnover Contributed
1.	<b>Wireless Telecommunication Activities</b> <ul style="list-style-type: none"><li>• Activities of Internet access by the operator of the wireless infrastructure (61201)</li><li>• Activities of maintaining and operating cellular and other telecommunication networks (61202)</li><li>• Activities of other wireless telecommunications activities (61209)</li></ul>	612	88.24%
2.	<b>Wired Telecommunication Activities</b> <ul style="list-style-type: none"><li>• Activities of basic telecom services: telephone, telex and telegraph (includes the activities of STD/ISD booths) (61101)</li><li>• Activities of providing internet access by the operator of the wired infrastructure (61104)</li></ul>	611	11.76%

#### III. Operations

##### 16. Number of locations where plants and/or operations/offices of the entity are situated

Location	Number of plants	Number of offices	Total
National	NA <sup>i</sup>	190	190
International*	NA <sup>i</sup>	NA	NA

<sup>i</sup>(International telecom operations in 17 countries are served by group companies)

## 17. Markets served by the entity:

### a. Number of locations:

Locations	Number
National (No. of States)	28 States+8 UTs
International (No. of Countries)*	NA

\*(International telecom operations in 17 countries are served by group companies).

### b. What is the contribution of exports as a percentage of the total turnover of the entity? 4.31 %

### c. A brief on types of customers: End Consumers (B2C), Business Customers (B2B)

## IV. Employees

### 18. Details as at the end of financial year i.e.

#### a. Employees and workers (including differently abled):

S. No. Particulars	Total (A)	Male		Female	
		No. (B)	% (B / A)	No. (C)	% (C / A)
<b>Employees</b>					
1. Permanent (D)	13,708	12,115	88%	1,593	12%
2. Other than Permanent (E)	-	-	-	-	-
<b>3. Total employees (D + E)</b>	<b>13,708</b>	<b>12,115</b>	<b>88%</b>	<b>1,593</b>	<b>12%</b>
<b>Workers</b>					
4. Permanent (F)	-	-	-	-	-
5. Other than Permanent (G)	50,699	46,903	93%	3,796	7%
<b>6. Total workers (F + G)</b>	<b>50,699</b>	<b>46,903</b>	<b>93%</b>	<b>3,796</b>	<b>7%</b>

#### b. Differently abled employees:

S. No. Particulars	Total (A)	Male		Female	
		No. (B)	% (B / A)	No. (C)	% (C / A)
<b>Differently abled employees</b>					
1. Permanent (D)	38	35	92%	3	8%
<b>2. Total differently abled employees (D)</b>	<b>38</b>	<b>35</b>	<b>92%</b>	<b>3</b>	<b>8%</b>
<b>Workers</b>					
3. Other than permanent (G)	0	0	0	0	0
<b>4. Total differently abled workers (G)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

### 19. Participation/inclusion/representation of women:

	Total (A)	No. and percentage of females	
		No. (B)	% (B/A)
Board of Directors	11	3	27%
Key Management Personnel	3	0	0%

### 20. Turnover rate for permanent employees and workers: (Disclose trends for the past 3 years)

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	24%	26%	24%	30%	31%	30%	19%	21%	19%

### V. Holding, subsidiary and associate companies (including joint venture)

#### 21. a. Name of the holding / subsidiary / associate companies / joint ventures (A)

Name of the holding/subsidiary/ associate companies/joint ventures (A)	Indicate whether holding/ subsidiary/Associate/ Joint Venture	% Of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
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Please refer to "Salient features of the financial statement of subsidiaries, associates and joint ventures for the year ended March 31, 2023, pursuant to Section 129 (3) of the Companies Act, 2013" forming part of this Annual Report

(Nearly all subsidiary companies, either directly themselves or jointly with Bharti Airtel Limited, participate in the Business Responsibility initiatives).

## VI. CSR details

22. i. Whether CSR is applicable as per Section 135 of Companies Act, 2013: Yes <sup>ii</sup>  
 ii. Turnover: ₹847,201 Mn  
 iii. Net worth: ₹824,194 Mn

## VII. Transparency and Disclosures Compliances

### 23. Complaints/grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC)

Stakeholder group from whom complaint is received	Grievance Redressal Mechanisms in Place (Yes/No) (If yes, then provide web-link for grievance redressal policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities & NGOs	Yes, <u>Communities &amp; NGOs Grievance Redressal Policy</u>	0	0	-	0	0	-
Shareholders	Yes, <u>Investors and Shareholders</u>	23	0	-	45	0	-
Employees and workers	Yes, <u>Ombudsperson Policy</u>	17	0	-	9	0	-
Customers	Yes, <u>Telecom Customer Charter</u>	Customer complaints are resolved as per applicable legislations, including sector specific regulatory provisions under the Telecom Consumers Complaint Redressal Regulation, 2012 issued by TRAI and to the extent applicable, are also reported to the regulator as per the reporting requirement prescribed thereunder.					
Value Chain Partner – Suppliers	Yes, <u>Airtel Partner World</u>	12	1* (Pending complaint was closed subsequent to the closure of FY 2022-23)	-	15	4* (Pending complaints were closed subsequent to closure of FY 2021-22)	-
Others (Channel partners)	Yes, <u>Anmol Ratna Portal</u>	83	0	-	101	0	-

(For the details mentioned above, the term shareholders include investors).

## 24. Overview of the entity's material responsible business conduct issues:

**Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk, as per the following format:**

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Environment: Climate change, energy efficiency and emission reduction	Risk	<ul style="list-style-type: none"> <li>Sudden climate and extreme weather events expose the network to disruption, revenue loss, asset damage and delayed response.</li> <li>Working telecommunication is critical for any disaster management, including early warning, response, recovery, and rehabilitation.</li> </ul>	<p>Airtel is building climate resilience through:</p> <ul style="list-style-type: none"> <li>Implementing geographical redundancies.</li> <li>Deploying multiple fiber paths for critical sites.</li> <li>Reinforcing tower infrastructure in regions prone to cyclones and floods.</li> <li>Focus on greening the network via solarisation of network towers, data centers and MSCs. Building energy efficient solutions to reduce energy consumption.</li> </ul>	Negative
2.	Governance: Information security and customer data privacy	Risk	<ul style="list-style-type: none"> <li>Risk of data loss can lead to accidental exposure of confidential information.</li> </ul>	<ul style="list-style-type: none"> <li>Strict processes and relevant technologies are implemented to ensure the privacy of personal information throughout its lifecycle.</li> <li>Our endpoints are equipped with specialised software to monitor multiple channels for any potential violations, generating alerts for real-time action.</li> <li>Centralised team reviews alerts, initiate investigations and take necessary actions.</li> <li>All incidents are tracked and resolved within specified timelines.</li> <li>Ensuring closures and monthly reviews.</li> </ul>	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3.	Societal: Network quality, expansion, and transformation	Risk	<ul style="list-style-type: none"> <li>Dynamic changes in IT landscape require constant upgradation of technologies.</li> <li>Network failures can result from equipment delays, spare shortages, energy/fuel shortages, etc. potentially leading to negative financial.</li> </ul>	<ul style="list-style-type: none"> <li>Eliminate systemic congestion.</li> <li>Removes causes of technical failures through a quality improvement program.</li> <li>Carry out internal checks to ensure all preventive and corrective actions to ensure Network availability and quality to end users.</li> </ul>	Negative
4.	Diversity and Inclusion	Opportunity	<p>The Board of Directors recognises the value of diversity and inclusion and firmly believes that having individuals with diverse backgrounds, geographical regions, expertise, knowledge, perspectives, and genders contributes to more effective and balanced decision-making. Our company takes pride in having an exceptional and diverse board, with 27% of directors being women.</p> <p>Embracing workforce diversity is crucial as it enhances our performance by bringing together individuals with different types of knowledge, viewpoints, perspectives, and cultural awareness. This variety of ideas and perspectives fosters innovation, as teams become more adaptable to meet the evolving needs of our customers. By promoting a diverse and inclusive workforce, we aim to expand our customer base and ensure greater customer satisfaction.</p>		Positive

**SECTION B MANAGEMENT AND PROCESS DISCLOSURES**

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements

Disclosure questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1. Policy and management processes									
a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web link of the policies, if available.							Refer Table 1 below		
2. Whether the entity has translated the policy into procedures. (Yes /No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	N	Y	Y	Y	N	Y
4. Name the national and international codes/certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.							Refer Table 2 below		
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.							Refer Table 3 below		
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.							Refer Table 3 below		

**Governance, leadership, and oversight**

7. Statement by director responsible for the business responsibility report, highlighting ESG-related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure).

Part of message from Managing Director & CEO Mr. Gopal Vittal. Please refer [page 14](#) of IR.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Yes ESG Committee, comprising of following directors:
9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details.	<ul style="list-style-type: none"> <li>• Nisaba Godrej, DIN: 00591503, Independent Director and Chairperson of ESG Committee</li> <li>• Dinesh Kumar Mittal, DIN: 00040000, Lead Independent Director</li> <li>• Gopal Vittal, DIN: 02291778, Managing Director &amp; CEO</li> <li>• Rakesh Bharti Mittal, DIN: 00042494, Non-Executive Director</li> <li>• Pradeep Kumar Sinha, DIN: 00145126, Independent Director</li> <li>• Kimsuka Narasimhan, DIN: 02102783, Independent Director</li> </ul>
10. Details of Review of NGRBCs by the Company:	

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board / Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action.	Y	Y	Y	Y	Y	Y	Y	Y	Y									Annually
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances.	Y	Y	Y	Y	Y	Y	Y	Y	Y									Quarterly

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9	The Company has in place a robust Internal Assurance Group, led by the Chief Internal Auditor and ably supported by reputed independent firms as the Internal Assurance Partners, that serves as a mechanism for assessment/evaluation of the working of all its key policies.
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12. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:

**Questions**

The entity does not consider the principles material to its business (Yes/No)

P1 P2 P3 P4 P5 P6 P7 P8 P9

Not Applicable

The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)

The entity does not have the financial or/human and technical resources available for the task (Yes/No)

It is planned to be done in the next financial year (Yes/No)

Any other reason (please specify)

**Table 1 NGBRC principle wise policy mapping-**

Principle	Principle description	Airtel Policy
P1	Ethics, Transparency and Accountability: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable	<u>Code of Conduct</u> <u>Ombudsperson Policy and Process</u> <u>Code of Conduct for Business Associates</u> <u>Tax Policy</u>
P2	Product Lifecycle Sustainability: Businesses should provide goods and services in a manner that is sustainable and safe	<u>Bharti Airtel Limited Environment, Health and Safety Policy</u> <u>Code of Conduct for Business Associates</u>
P3	Employee Well-being: Businesses should respect and promote the well-being of all employees, including those in their value chains	<u>Human Rights Policy</u> <u>Bharti Airtel Infrastructure and Safety Policy [Intranet]</u> <u>Ombudsperson Policy and Process</u> <u>Bharti Airtel Limited Environment, Health and Safety Policy</u> <u>POSH [Intranet]</u>
P4	Stakeholder Engagement: Businesses should respect the interests of and be responsive to all its stakeholders	<u>Stakeholder Engagement Framework</u> <u>Ombudsperson Policy and Process</u>
P5	Promoting Human Rights: Businesses should respect and promote human rights	<u>Human Rights Policy</u> <u>Code of Conduct for Business Associates</u> <u>Ombudsperson Policy and Process</u>
P6	Protection of Environment: Businesses should respect and make efforts to protect and restore the environment	<u>Bharti Airtel Limited Environment, Health and Safety Policy</u> <u>Code of Conduct for Business Associates</u>
P7	Responsible Policy Advocacy: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	<u>Code of Conduct</u>
P8	Support Inclusive Growth: Businesses should promote inclusive growth and equitable development	<u>Code of Conduct</u> <u>Corporate Social Responsibility Policy</u> <u>Stakeholder Engagement Framework</u>
P9	Providing Customer Value: Businesses should engage with and provide value to their consumers in a responsible manner	<u>Code of Conduct</u> <u>Bharti Airtel Limited Environment, Health and Safety Policy</u> <u>Online Privacy Policy</u> <u>Stakeholder Engagement Framework</u>

**Table 2 National and International standards-**

Principle	Principle description	Name of the national and international codes/certifications/labels/standards
P1	<b>Ethics, Transparency and Accountability:</b> Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable	<ul style="list-style-type: none"> <li>Reporting in reference to GRI standards and International Integrated Reporting Framework</li> <li>Independent Assurance of non-financial information as per [AA1000 Assurance Standard]</li> <li>Signatory to United Nations Global Compact</li> </ul>
P2	<b>Product Lifecycle Sustainability:</b> Businesses should provide goods and services in a manner that is sustainable and safe	<ul style="list-style-type: none"> <li>Science Based Targets</li> <li>Compliance with EMF guidelines as per local regulations and ICNIRP (International Commission on Non-Ionizing Radiation Protection),</li> <li>ISO 14001 (for core data centers): 2015 Environment Management System</li> </ul>

Principle	Principle description	Name of the national and international codes/certifications/labels/ standards
P3	<b>Employee Well-being:</b> Businesses should respect and promote the well-being of all employees, including those in their value chains	<ul style="list-style-type: none"> <li>Signatory to United Nations Global Compact</li> </ul>
P4	<b>Stakeholder Engagement:</b> Businesses should respect the interests of and be responsive to all its stakeholders	<ul style="list-style-type: none"> <li>Materiality Assessment and Stakeholder Engagement in reference to GRI Standards and Accountability AA1000 principles</li> </ul>
P5	<b>Promoting Human Rights:</b> Businesses should respect and promote human rights	<ul style="list-style-type: none"> <li>Signatory to United Nations Global Compact</li> </ul>
P6	<b>Protection of Environment:</b> Businesses should respect and make efforts to protect and restore the environment	<ul style="list-style-type: none"> <li>Science Based Targets</li> <li>Compliance with EMF guidelines as per local regulations and ICNIRP (International Commission on Non-Ionizing Radiation Protection)</li> <li>ISO 14001 (for core data centers): 2015 Environment Management System</li> <li>Signatory to United Nations Global Compact</li> </ul>
P7	<b>Responsible Policy Advocacy:</b> Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	<ul style="list-style-type: none"> <li>Board Member of GSMA – Leading international Telecom Association</li> </ul>
P8	<b>Support Inclusive Growth:</b> Businesses should promote inclusive growth and equitable development	<ul style="list-style-type: none"> <li>CSR disclosures pursuant to Section 135 of the Companies Act, 2013</li> </ul>
P9	<b>Providing Customer Value:</b> Businesses should engage with and provide value to their consumers in a responsible manner	<ul style="list-style-type: none"> <li>ISO 27001 certified Information Security Management System</li> <li>ISO 22301 certified Business Continuity Management System</li> <li>TL9000 Quality Management System</li> </ul>

**Table 3 – Specific commitments, goals, and targets**

Status legend	— Target achieved	▲ Over-achieved	▶ In-Progress	▼ Not achieved	
Specific commitments, goals and targets set by the entity	Performance			Mapped NGRBC Principle	Status
<b>Environment: Green Organisation</b>					
<b>Greening the Network</b>					
<ul style="list-style-type: none"> <li>To reduce our carbon emissions (scope 1 and scope 2) by 50.2% by FY ending March 2031, using FY 2021-22 as baseline as per science-based targets initiative and GSMA pact.</li> <li>To reduce our absolute scope 3 GHG emissions by 42% by FY ending 2031, using FY 2020-21 as baseline, as per science-based targets initiative.</li> <li>In line with target set by GSMA under Carbon Action Plan for telecom industry, achieve net zero carbon emissions by 2050.</li> </ul>	503,569 tCO <sub>2</sub> e carbon emissions (scope 1 and scope 2) in FY 2022-23	P2, P6	▶		
	5,458,819 tCO <sub>2</sub> e Scope 3 emissions in FY 2022-23	P2, P6	▶		
	503,569 tCO <sub>2</sub> e carbon emissions (scope 1 and scope 2) in FY 2022-23	P2, P6	▶		
<b>Resource Efficiency</b>					
<ul style="list-style-type: none"> <li>Ensuring e-waste is sold to authorised recyclers/ refurbisher to ensure environmentally sound waste management.</li> <li>Implementing ISO 14001 (EMS) Environment Management System by FY ending March 2024.</li> </ul>	E-waste is sold to authorised recyclers/refurbishers	P2, P6	—		
	On-going as per target	P6	▶		
<b>Digital Inclusion &amp; Access to ICT</b>					
<ul style="list-style-type: none"> <li>Bharti Airtel Limited is committed to positively impact 150 million lives by 2025 by promoting digital inclusivity through extending high-speed 4G data connectivity to data-starved regions and accelerating upgradation of feature phone users to smart phones, making device ownership affordable for low-income groups.</li> </ul>	During FY ending 31 March 2023: Airtel enabled 4G Network connections	P8	▶		

Specific commitments, goals and targets set by the entity	Performance	Mapped NGRBC Principle	Status
<b>Social: Empowering People</b>			
<b>Diversity and Inclusion</b>	In FY 2022-23 › Ensuring at least 20% women employees by FY ending March 2025. › 27% female directors on the Board › 11.1% women employees in workforce <sup>#</sup>	P3, P5	▶
<b>Health &amp; Safety</b>	Safety trainings were conducted for nearly 100% of locations in FY 2022-23 covering all eligible employees On-going as per target	P3, P5	▶
› Conducting safety training for all employees by FY ending March 2023.			
› Implementing of ISO 45001 (OH&S MS) Occupational Health and Safety Management System by FY ending March 2024.			
<b>Talent attraction and Human Capital development</b>	12.2 hours of training per employee <sup>#</sup>	P3	▲
› To increase average training hours per employee by 20% by FY ending March 2023, using FY 2019-20 as baseline.			
› To increase the number of training interventions by 15% by FY ending March 2023, using FY 2019-20 as baseline.	4,197 training interventions <sup>#</sup>	P3	▶
<b>Promoting Human Rights</b>	99.4% employees were provided with training on Code of Conduct (which includes Human Rights related aspects) <sup>#</sup>	P5	▶
› Ensuring human rights training for employees by FY ending March 2023.			
<b>Community Stewardship</b>	₹21.18 Mn contributed to CSR and social development activities in FY 2022-23	P8	▶
› To contribute 2% of the average net profit of preceding three financial years, in CSR and social development activities each year.			
<b>Governance: Sustainable Development &amp; Corporate Governance</b>			
<b>Corporate Governance</b>	Airtel periodically conducts materiality assessment. Last assessment was undertaken in 2021	P1, P4	▶
› Periodically conduct materiality assessment through formal stakeholder engagement to prioritise ESG focus areas.			
<b>Enhancing Customer Experience and Satisfaction</b>	For all the base stations audited by DoT in FY 2022-23, we were compliant with EMF radiation levels	P2, P6, P9	—
› Maintain compliance with EMF radiation levels set by local regulations and ICNIRP (International Commission on Non-Ionizing Radiation Protection).			
<b>Enhancing Customer Experience &amp; Satisfaction</b>	15.4% reduction in FY 2022-23 using FY 2021-22 as baseline <sup>#</sup>	P9	▶
› To reduce customer call and complaint volume by 50% by FY ending March 2025, using FY ending March 22 as baseline.			

<sup>#</sup> At India operations level.

**SECTION C PRINCIPLE-WISE PERFORMANCE DISCLOSURE**
**PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**
**ESSENTIAL INDICATOR**

- 1. Percentage coverage by training and awareness programmes on any of the principles during the financial year.**

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes*
Board of Directors		Please refer to page 200 of the Corporate Governance Report of our Integrated Annual Report FY 2022-23	
Key Managerial Personnel (KMP)			
Employees other than Board of Directors or KMPs	17	<p>Trainings conducted on company policies include:</p> <ul style="list-style-type: none"> <li>&gt; Code of Conduct including guidelines for ensuring ethical business conduct and sustainability</li> <li>&gt; Prevention of Sexual Harassment (POSH)</li> <li>&gt; Health and safety</li> <li>&gt; Data security and privacy</li> </ul>	100%
Workers	4	<ul style="list-style-type: none"> <li>&gt; Code of Conduct including guidelines for ensuring ethical business conduct and sustainability</li> <li>&gt; Prevention of Sexual Harassment (POSH)</li> <li>&gt; Conflict of Interest (COI)</li> <li>&gt; Insurance benefits on Insurance</li> </ul>	100%

\*Percentage indicates details of trainings extended.

- 2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: The entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

There are no such fines, settlement, and compounding fees on the Company or its directors/KMPs with regulators/law enforcement agencies/judicial institutions, in the financial year.

- 3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.**

Not Applicable.

- 4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, Airtel has an anti-bribery and corruption policy (ABAC) that is uploaded on Airtel's Intranet and is accessible to all its employees. The ABAC Policy extends to all employees of Bharti Airtel Limited and its subsidiaries and associate companies. The policy is subject to all local legal/ regulatory requirements and amendments from time to time. The Company has a zero-tolerance approach towards bribery and corruption and is committed towards acting transparently, ethically and with integrity in all our business dealings and relationships wherever we operate.

In addition, Airtel's Code of conduct comprises of an Anti-bribery and corruption clause. The coverage of policy extends to all employees, board of directors, subsidiaries, and business associates of the Company.

- 5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:**

NIL

- 6. Details of complaints with regard to conflict-of-interest:**

NIL

- 7. Provide details of any corrective action taken or under way on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable

## LEADERSHIP INDICATORS

### 1. Awareness programmes conducted for value chain partners on any of the principles during the financial year.

Total number of awareness programmes held	Topics / principles covered under the training	% Age of value chain partners covered (by value of business done with such partners) under the awareness programmes
7	Sustainability definition, NGRBC Principles, Bharti Airtel Code of Conduct for business associates, Bharti Airtel Human Rights Policy, and Airtel ESG Goals/Commitments	93%

### 2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the board? (Yes/No) If yes, provide details of the same.

Yes, Airtel has implemented strict policies and processes to prevent any conflicts of interest involving board members and other employees. The Company requires submission of a written notice (changes from time to time) from its Board members and KMP on the concern & interest in the other entities. On the basis of applicable laws and declarations received from the Board and KMPs, a list of related parties is compiled. Relevant provisions have been included in Airtel's policy- Code of Conduct and Related Party Transactions.

## PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

### ESSENTIAL INDICATOR

### 1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R&D	92.75%	91.48%	<p><b>Social impacts</b></p> <p>This is related to developing and building ecosystem for Open RAN based 5G network. Open RAN (also called ORAN) is promoting supplier diversity and a more resilient supply chain which is important in view of Geo-Political challenges. Airtel carried out trials of the ORAN solution in Punjab LSA with the trial 5G spectrum from DoT in FY 2022-23. Airtel has also invested in augmenting testing and validation capabilities at its LAB so that these solutions can be verified for end to end functionality, performance and efficiency. Open RAN based networks are expected to promote more innovation, agility along with higher competition thus leading to resilient supply chain.</p> <p>Apart from above, company spends on R&amp;D infrastructure, Devices &amp; Lab Testing.</p>
Capex	0.38%	0.18%	<p><b>Improve Energy efficiency</b></p> <p>Replacement of Aged assets : Aged Servers with high power consumption replaced with new smart servers. This will enable the lower Carbon Emissions from by 71% (0.45 kg/hour to 0.13 kg/hour).</p> <p>Upgradation of VC Device : With change in scenario from bridge based (IP Based Call) to link based call (zoom, teams, google meet).</p> <p>Deployment of : Airtel Installed the Battery Banks , Solar Power &amp; DC Aircon which reduce the Diesel consumptions which reduced the emission of CO<sub>2</sub> and contribute towards environmental and social welfare.</p> <p><b>Social Causes</b></p> <p>Centralisation of resource : CLM &amp; Darts centralisation.</p> <p>ESIM : ESIM helps the environment is by eliminating the need for extra resources. This cuts down harmful waste and reduce the need for plastic because they are soldered directly into the device.</p>

### 2. A. Does the entity have procedures in place for sustainable sourcing? (Yes/No)- Yes

B. If yes, what percentage of inputs were sourced sustainably? 88%

### 3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for: (a) Plastics (including packaging), (b) E-waste, (c) Hazardous waste, and (d) other waste.

We are conscious and sensitive regarding importance of reusing; reducing and recycling of waste generated during our business operations and to the extent applicable, we have adequate processes in place for:

- Reuse /Redeployment/Repair of network equipment, Customer premises equipment's etc.
- Recycling of waste generated including e-waste, battery waste, plastic waste etc. only through approved recyclers.

### 4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, EPR registration is applied by the Company as an Importer under the Plastic Waste Management Rules. Company is recycling the plastic waste as per the applicable rules.

**PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains**

**ESSENTIAL INDICATOR**

**1. a. Details of measures for the well-being of employees:**

% Of employees covered by											
Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>Permanent employees</b>											
Male	12,115	12,115	100%	12,115	100%	NA	NA	12,115	100%	12,115	100%
Female	1,593	1,593	100%	1,593	100%	1,593	100%	NA	NA	1,593	100%
<b>Total</b>	<b>13,708</b>	<b>13,708</b>	<b>100%</b>	<b>13,708</b>	<b>100%</b>	<b>1,593</b>	<b>100%</b>	<b>12,115</b>	<b>100%</b>	<b>13,708</b>	<b>100%</b>

**b. Details of measures for the well-being of workers:**

% Of employees covered by											
Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
<b>Other than Permanent workers</b>											
Male	46,903	46,903	100%	46,903	100%	NA	NA	46,903	100%	-	-
Female	3,796	3,796	100%	3,796	100%	3,796	100%	NA	NA	-	-
<b>Total</b>	<b>50,699</b>	<b>50,699</b>	<b>100%</b>	<b>50,699</b>	<b>100%</b>	<b>3,796</b>	<b>7%</b>	<b>46,903</b>	<b>93%</b>		

**2. Details of retirement benefits for the current and previous financial year.**

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	As and when applicable	100%	100%	NA
ESI	1.5%	62%	Y	2%	100%	Y
Others – please specify			NA			

(All statutory dues were provided to employees and workers as per applicable legislations)

**3. Accessibility of workplaces Are the premises/offices accessible to differently abled employees as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

We have assistive devices and accessibility support which are made available to differently abled employees.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes, the policy is available via the Company's intranet.

**5. Return to work and retention rates of permanent employees that took parental leave.**

Gender	Permanent Employees	
	Return to work rate	Retention rate
Male	100%	87.9%
Female	100%	97.4%
<b>Total</b>	<b>100%</b>	<b>89.6%</b>

**6. Is there a mechanism available to receive and redress grievances for the Permanent and Non-permanent employees' categories of employees? If yes, give details of the mechanism in brief.**

<b>Yes/No (If yes, then give details of the mechanism in brief)</b>	
Permanent Employees	Yes, Airtel is committed to provide a safe and positive work environment. Airtel has a code of conduct policy, a consequent management policy and an Ombudsperson Policy that allows employees, including contractual workers, to report concerns with reference to code of conduct and daily operations without any fear of retaliation.  The Ombudsperson's office is the vigil mechanism that allows employees as well as other stakeholders of the Company to report any threat or actual breach of the code of conduct. It reports to the audit committee of the Board and investigates complaints Suo motto on the basis of information received or on complaints that are reported to it.
Other than Permanent Workers	Grievances can be raised by reaching out to Ombudsperson either <ul style="list-style-type: none"> <li>• In person with the office of the Ombudsperson</li> <li>• Through telephone (secure hotline)</li> <li>• Through email at <a href="mailto:ombudsperson@bharti.in">ombudsperson@bharti.in</a></li> <li>• In writing (hard copy) to: The Ombudsperson, Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi –110 070</li> <li>• Stakeholders may, if they wish to escalate any complaint directly to the Chairman of the Audit Committee of the Board, write in to <a href="mailto:auditcommittee.chair@bharti.in">auditcommittee.chair@bharti.in</a></li> </ul> Matters such as service conditions, organisational policies, appraisals, and other operational issues should be taken up through Human Resources or departmental heads or an employee's immediate supervisor.

**7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees						
Male	12,115	0	0%	8,924	0	0%
Female	1,593	0	0%	1,218	0	0%

**8. Details of training given to employees:**

Category	FY 2022-23				FY 2021-22			
	Total (A)	On Health and safety measures*		On Skill upgradation^		Total (D)	On Health and safety measures	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)
<b>Employees</b>								
Male	12,115	12,115	100%	12,012	99%	8,924	8,478	95%
Female	1,593	1,593	100%	1,581	99%	1,218	1,157	95%
<b>Total</b>	<b>13,708</b>	<b>13,708</b>	<b>100%</b>	<b>13,683</b>	<b>99%</b>	<b>10,142</b>	<b>9,635</b>	<b>95%</b>
<b>Workers</b>								
Male	46,903	46,903	100%	NA	NA	Not Reported		
Female	3,796	3,796	100%	NA	NA			
<b>Total</b>	<b>50,699</b>	<b>50,699</b>	<b>100%</b>	<b>NA</b>	<b>NA</b>			

\*Percentage indicates details of trainings extended.

^Percentage indicates details on attendance basis.

**9. Details of performance and career development reviews of employees:**

	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	12,115	12,115	100%	8,924	8,924	100%
Female	1,593	1,593	100%	1,218	1,218	100%
<b>Total</b>	<b>13,708</b>	<b>13,708</b>	<b>100%</b>	<b>10,142</b>	<b>10,142</b>	<b>100%</b>
<b>Workers</b>						
Male	46,903	12,820	27%	Not Reported		
Female	3,796	735	19%			
<b>Total</b>	<b>50,699</b>	<b>13,555</b>	<b>27%</b>			

(100% of eligible employees have undergone performance and career development reviews).

## **10. Health and safety management system:**

**a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such a system?**

Yes, Airtel has a comprehensive occupational health and safety management system covering all operations, including a safety charter called 'Airtel Suraksha Programme'. Health and safety committees are established at both central and local levels, and strict policies are in place to ensure a safe workplace. Airtel has various policies and manuals, including Bharti Airtel Workplace Safety Policy, Infrastructure and Safety Policy, HSE Process Manual, Women Safety Policy, and Physical Security SOPs. Regular training and awareness programs are conducted to ensure safety. [EHS Policy](#)

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Airtel recognises and accords highest priority to safety and well-being of its employees and other stakeholders. To identify work-related hazards, Airtel has implemented a robust Hazard Identification and Risk Assessment System(HIRA) to undertake safety audits and identify work related hazards in our operations.

- **Health and Safety Audit:**

- Conducting annual review of Occupational Health and Safety management system at Airtel.
- Stakeholder consultation to understand and evaluate current operating procedures and identifying any gaps in the system.
- Offering control-focused recommendations to define management action plans, including responsibilities and timelines for implementation.

- **Health and Safety Performance Review:**

- Monthly review of health and safety performance by management on pre-defined KPIs.
- Review of reported incidents, audit findings, progress on HSE goals, and changes to service line and operations.
- Based on the above review, improvement areas are identified followed by strengthening of internal controls for health and safety risk management.

- **Incident investigation and risk analysis:**

- Airtel conducts health and safety risk assessment for reported incidents.
- Uses a Risk Assessment Matrix (RAM) to evaluate incident severity.
- Identifies work-related hazards and implements corrective actions based on the assessment.

**c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.**

Yes, Airtel has implemented procedures that allow its workers to report work-related hazards and be cautious of potential risks. Workers and employees can utilise the available channels to report any work-related hazards.

- Toll-Free Number on ID Card to report Risks/Hazards.
- Central Generic Email ID to report Risks/Hazards.
- Local Email ID to report Risks/Hazards.
- Incident reporting app (To report safety incidents and violation of safety policy).

**d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services?**

Yes, Airtel provides access to non-occupational medical and healthcare services to employees and workers.

For more details on our health and safety practices and related initiatives, please refer to [Page 96](#) in the Human Capital section of our Integrated Report.

**11. Details of safety-related incidents:**

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.32	
Total recordable work-related injuries	Workers	0.21	
No. of fatalities (safety incident)	Employees	9	
	Workers	29	Did not Record
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	
	Workers	3	
	Employees	0	
	Workers	0	

**12. Describe the measures taken by the entity to ensure a safe and healthy workplace.**

- Bharti Airtel prioritises occupational health and safety through their 'Airtel Suraksha Programme'.
- A comprehensive health and safety policy and manual have been established to ensure a safe and incident-free workplace, including health promotion and disease prevention.
- A dedicated Safety Committee led by a Safety officer has been setup up at central level to monitor safety performance.
- Regular risk assessments and safety trainings for employees to identify any work-related hazards are undertaken followed by implementation of any corrective actions.
- Fire evacuation drills are conducted quarterly, and security policies are in place to drive uniform security systems and processes across all Airtel businesses and to protect company assets.
- Safety incidents are promptly reported and investigated to prevent recurrence.
- Airtel has taken several other measures to promote employee health and well-being, such as: On-site doctors; free diagnostics; gym facilities and road safety awareness.
- Vendors have been onboarded to spread awareness related to OH&S and lead a mindset alignment program called 'Safe by Choice'.
- Regular induction and refresher training are provided to all employees and associates/partners.
- Airtel celebrated National Safety week during March 2023.
- An employee perception survey was conducted to assess employee satisfaction with existing safety practices and identify any areas for improvement.

**13. Number of complaints on the following made by employees:**

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	NIL	NIL	-	NIL	NIL	-
Health and safety	NIL	NIL	-	NIL	NIL	-

**14. Assessments for the year:**

% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)		
Health and safety practices	100%	
Working Conditions	100%	

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health and safety practices and working conditions.**

Airtel has implemented the following measures to address safety-related risks and hazards:

- Strengthened its occupational health and safety policy and protocols.
- Rolled out Consequence Management Policy to prevent recurrence of safety incidents.
- Defined detailed safety protocols.
- Circulated interactive modules to employees and workers on various safety topics.
- Rolled out 8 golden rules of safety to promote behavioral change.
- Conducted awareness generation and sensitisation through sharing case studies and lessons learnt.
- Conducted detailed investigation and root cause analysis of each safety incident, and communicated learnings from each incident across all operations.
- An employee perception survey was conducted to assess employee satisfaction with existing safety practices and identify any areas for improvement.
- Safety Awareness Campaign-Safe by Choice duly linked with #AirtelSuraksha.
- Launched SWAT 'Safety Within and Together' for employee and associates' engagement on safety programs.

### **LEADERSHIP INDICATORS**

**1. Does the entity extend any life insurance or any compensatory package in the event of death of:**

(Yes/No)	
Employees	Yes
Workers	Yes

**2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

Airtel has defined guidelines for value chain partners as part of its Code of Conduct for Business Associates to pay remuneration to their employees in compliance with the applicable laws and regulations which includes minimum wages, deduction from wages, overtime hours and associated applicable benefits. Further, Airtel uses self-assessment surveys to ensure timely deduction and deposit of statutory dues by its crucial value chain partners. 91% of Partners by value are assessed and all Partners take adequate measures to ensure compliance with the Statutory dues requirement.

In addition, Airtel has framework in place to validate regulatory compliance of Manpower Partners related to Minimum Wages, PF, ESIC, Gratuity, Maternity Benefits etc.

**3. Details on assessment of value chain partners:**

	% Of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	91%
Working Conditions	91%

(As per value).

## PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

### ESSENTIAL INDICATORS

#### 1. Describe the processes for identifying key stakeholder groups of the entity.

Airtel follows the below mentioned process to identify key stakeholders who are directly or indirectly dependent on Airtel's activities, products or services and associated performance, or on whom Airtel is dependent in order to operate, or to whom Airtel has, or in the future may have, legal, commercial, operational, or ethical/moral responsibilities or who can influence or have impact on Airtel's strategic or operational decision-making.

- Analysis of business processes.
- For each process, identification of all interested, and impacted groups.
- Classification of stakeholders in homogenous categories (according to relevance to the Company or to the stake they hold).
- Identification of priority groups within each category.

This process is aligned with [Stakeholder Engagement Framework](#), guided by the leading AA1000 Stakeholder Engagement Standards.

#### 2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Key Stakeholders	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	Frequency of engagement (Annually/Half Yearly/Quarterly /Others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	<ul style="list-style-type: none"> <li>• Airtel Stores and contact centers across operational cities</li> <li>• Email, SMS communication and Company website</li> <li>• Social media engagement</li> <li>• Airtel Thanks App</li> </ul>	On-going	<ul style="list-style-type: none"> <li>• Seeking consumer feedback on our services</li> <li>• Delivering customer service and resolving customer queries</li> </ul>
Investors	No	<ul style="list-style-type: none"> <li>• Annual General Meeting</li> <li>• Electronic correspondence</li> <li>• Press briefings</li> <li>• Analyst meets</li> <li>• Earning calls</li> </ul>	Quarterly/ Annually/ On going	<ul style="list-style-type: none"> <li>• To answer to queries of investors on operations of the Company</li> <li>• To bring transparency with the community of existing and potential investors</li> </ul>
Employees	No	<ul style="list-style-type: none"> <li>• Company intranet portal</li> <li>• Regular employee communication forums</li> <li>• Email</li> <li>• Annual Employee surveys</li> </ul>	On-going	<ul style="list-style-type: none"> <li>• Learning and development</li> <li>• Employee recognition and engagement activities</li> <li>• Employee performance review and career development</li> <li>• Employee safety and well-being</li> </ul>
Suppliers and Network Partners	No	<ul style="list-style-type: none"> <li>• Electronic correspondence</li> <li>• Partner Portal</li> <li>• Company Website</li> <li>• Annual Confluence</li> <li>• Meetings/Governance/Review</li> <li>• Sustainability Awareness session</li> </ul>	On-going	<ul style="list-style-type: none"> <li>• New Product /Technology development</li> <li>• Material requirement planning</li> <li>• Regulatory compliances including NSDTS</li> <li>• Assessing supplier performance</li> <li>• Commercial and Contract discussion</li> <li>• Supplier recognition and engagement activities</li> <li>• Engagement on Sustainability Parameters</li> </ul>
Channel Partners	No	<ul style="list-style-type: none"> <li>• Email, SMS communication and Company website</li> <li>• Channel Partner Portal</li> </ul>	On-going	<ul style="list-style-type: none"> <li>• Resolving channel partner queries and operational challenges</li> <li>• Commission and reward scheme</li> <li>• Sustained marketing support</li> </ul>
Regulatory Bodies	No	<ul style="list-style-type: none"> <li>• Electronic and physical correspondence</li> <li>• Face to face meetings</li> </ul>	Need basis and on-going	<ul style="list-style-type: none"> <li>• Deliberations and inputs on regulations, policies that have bearing on our operations and businesses</li> <li>• TRAI Consultations</li> <li>• DoT Directives, Policies</li> <li>• Public policy – Advocacy</li> </ul>
Community/ NGOs*	Yes	<ul style="list-style-type: none"> <li>• Field visits and community meetings undertaken by Bharti Foundation during the implementation and program operations</li> </ul>	On-Going	<ul style="list-style-type: none"> <li>• Education status of students enrolled</li> <li>• Community based issues such as hygiene, sanitation, girl-child education, etc.</li> <li>• Community participation in schools' activities and programs to build students' connect with communities</li> <li>• Sharing local art and craft and vocational options with students to generate awareness</li> </ul>

\* Bharti Foundation is the implementation agency for carrying out CSR initiatives on behalf of Bharti Airtel Ltd.

## LEADERSHIP INDICATORS

**1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

The management represented by ESG council has been entrusted by the Board's ESG Committee to conduct stakeholder consultations, with the Sustainability team at Airtel updating the Committee on the results of these consultations. The ESG council is chaired by the Managing Director and CEO. It identifies ESG priorities, goals and targets. Develops processes, systems, controls and standard operating procedures to achieve ESG targets.

- Airtel conducts a materiality assessment and stakeholder engagement exercise to identify and reassess economic, environmental, and social (ESG) topics that are significant to its business.
- During the exercise, Airtel engages with key internal and external stakeholders to gather their concerns and views, which are incorporated into the materiality assessment process to prioritise ESG topics.
- Insights obtained from the stakeholder engagement are analysed to develop the materiality matrix, which helps finalise the list of ESG topics for Airtel.
- The Sustainability function presents the results of this assessment to the ESG Council and ESG Committee of the Board.
- The identified ESG topics are considered while defining the ESG targets and initiatives of the Company.

The ESG committee meeting provides us with an opportunity to share feedback with the Board on these consultations. For more details on our stakeholder consultation process, please refer to [page 42](#) of the Materiality Assessment & Stakeholder Engagement section of our Integrated Report (IR).

**2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes, Airtel engages in consultation with key stakeholders as a component of its materiality assessment exercise, aiming to identify and prioritise environmental and social concerns.

Based on the stakeholder feedback received, Airtel has implemented various policy and process reforms and defined ESG objectives in the last two years.

- Airtel has set science-based targets for reducing carbon emissions and is working on a decarbonisation and climate resilience plan.
- The Company has reviewed and reinforced its long-term ESG targets, with a focus on important topics such as resource efficiency, talent development, community development, network quality, and customer satisfaction.
- Airtel has introduced a Diversity & Inclusion Charter and has set goals to increase diversity in its workforce.
- The Company is conducting training and awareness sessions for its suppliers to improve ESG practices in its value chain and has strengthened its ESG guidelines for suppliers and business partners as part of its sustainable procurement process.

**3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalised stakeholder groups.**

Airtel, through its CSR implementing agency Bharti Foundation, has undertaken various initiatives to engage with and address the issues of marginalised communities, which are highlighted below:

- Under the Satya Bharti School Program, Bharti Foundation provides free quality school education to nearly 39,000 students (50% girls and 76% from socially marginalised communities) through 173 schools across five states. The majority of the teaching staff, support staff, and mid-day meal vendors in the school are also from similar socio-economic communities. Bharti Foundation is also providing scholarship support for higher education and meritorious passing out from the Satya Bharti Sr. Secondary Schools.
- Replicating the learnings and best practices of the Satya Bharti School Program, Bharti Foundation is transforming government schools across 11 states/UTs through Quality Support Program (QSP). QSP has covered 1,256 government schools since its inception and the majority of them are located in rural areas. The focus of the program is to enhance the schooling experience through various co-scholastic and life-skill activities. The program is currently working with 808 schools and impacting over 3 lakh students (50% girls and 56% from socially marginalised communities).
- Community campaigns are an integral part of both Satya Bharti School Program and QSP. Students undertake awareness campaigns on the issues such as water, sanitation & hygiene, environment, girl child, anti-tobacco, and alcohol, etc.

For more details on our development programs for vulnerable/marginalised communities, please refer to [page 62](#) of our Integrated Report.

## PRINCIPLE 5: Businesses should respect and promote human rights

### ESSENTIAL INDICATORS

- 1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees / workers covered (B)	% (B/A)*	Total (C)	No. of employees / workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	13,708	13,708	100%	10,142	10,142	100%
<b>Total Employees</b>	<b>13,708</b>	<b>13,708</b>	<b>100%</b>	<b>10,142</b>	<b>10,142</b>	<b>100%</b>
<b>Workers</b>						
Other than permanent	50,699	50,699	100%	26,613	17,548	66%
<b>Total Workers</b>	<b>50,699</b>	<b>50,699</b>	<b>100%</b>	<b>26,613</b>	<b>17,548</b>	<b>66%</b>

All employees and workers are provided with annual training on Code of Conduct of the Company which covers human rights related aspects.

\*Percentage indicates details of trainings extended.

- 2. Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 2022-23				FY 2021-22					
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Permanent	13,708	0	0	13,708	100%	10,142	0	0	10,142	100%
Male	12,115	0	0	12,115	100%	8,924	0	0	8,924	100%
Female	1,593	0	0	1,593	100%	1,218	0	0	1,218	100%
<b>Workers</b>										
Other than Permanent	50,699	13,285	26%	37,414	74%	26,613	5,202	20%	21,411	80%
Male	46,903	12,110	26%	34,793	74%	24,413	4,903	20%	19,510	80%
Female	3,796	1,175	31%	2,621	69%	2,200	299	14%	1,901	86%

- 3. Details of remuneration/salary:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category in ₹	Number	Median remuneration/ salary/ wages of respective category in ₹
Board of Directors (BoD)				
Key Managerial Personnel (other than BoD)			Refer to Annexure F of Board's Report	
Employees other than BoD and KMP*	12,115	67,900	1,593	87,500
Workers	46,903	22,274	3,796	21,618

\*Based on Monthly salary.

- 4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impact or issues caused or contributed to by the business? Yes.**

- 5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

Our ombudsman policy and process with relevant provisions for the whistleblower facilitate the reporting and resolution of any cases of breach of the code of conduct relating to human rights violations, ensuring that all employees, contractors, and suppliers have the means to raise concerns regarding human rights. Any other human rights violations that are legal in nature are dealt with by the Legal department of the Company.

Any actual violations are addressed with the utmost seriousness, and appropriate remediation actions are taken based on the severity of the infraction, including the possibility of employee termination and the termination of business contracts.

Moreover, Airtel has implemented a Prevention of Sexual Harassment (POSH) policy, which outlines the process for reporting incidents to the POSH Committee. Each allegation is given due consideration and handled with confidentiality.

## 6. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	17	0	NA	9	0	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child labour	0	0	NA	0	0	NA
Forced labour /Involuntary labour	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other human rights related issues	0	0	NA	0	0	NA

## 7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Airtel guarantees protection to complainants (employees and business associates) against any form of retaliation, punishment, intimidation, coercion, dismissal, or victimisation as per the Ombudsperson Policy and Prevention of Sexual Harassment (POSH) policy. This protection extends to those who report genuine concerns in good faith, regardless of whether their claims are proven. Anyone who attempts to victimise any person who complains, co-operates, or provides information/data relating to an investigation or complaint, is liable to face punitive action.

All matters and proceedings relating to the Complaint including the identity of the Complainant and Respondent remain strictly confidential and is not be disclosed except to a competent court or a governmental agency that has the right under the law and regulation to obtain such information. Any person who breaches the confidentiality requirement is be penalised.

## 8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes. Human rights requirements form part of the business agreements and contracts with suppliers.

## 9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	100%

For own operations Company internally monitors compliance with all relevant laws and policies pertaining to these issues.

## 10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

No significant risks or concerns were identified in own operations.

## PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

### ESSENTIAL INDICATORS

#### 1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	Units	FY 2022-23	FY 2021-22
Total electricity consumption (A)	GJ	2,396,489	1,827,555 <sup>iii</sup>
Total fuel consumption (B)	GJ	375,992	356,838
Energy consumption through other sources (C)	GJ	0	0
Total energy consumption (A+B+C)	GJ	2,772,481	2,184,393
Energy intensity per rupee of turnover (Total energy consumption/ (per rupee of turnover)	GJ/₹ Mn	3.27	3.09

Note: The boundary has been revised to include only standalone entity details and reflects data from meter reading for direct consumption of electricity and diesel at our facilities. Previous year figures are accordingly revised.

**Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.** Yes, BDO India LLP.

- 2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

Not applicable for telecommunication sector.

**3. Provide details of the following disclosures related to water:**

Parameter	FY 2022-23	FY 2021-22
<b>Water withdrawal by source (in kiloliters)</b>		
(i) Surface water	0	0
(ii) Groundwater	26,255*	1,953
(iii) Third party water	117,897*	70,662
(iv) Seawater/ desalinated water	0	0
(v) Others	1,309	0
<b>Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)</b>	<b>145,460</b>	<b>72,615</b>
<b>Total volume of water consumption (in kiloliters)</b>	<b>17,496</b>	
Water intensity per rupee of turnover (Water consumed / turnover) (KL/₹ Mn)	0.021	

**Note:** \* The boundary has been revised to include water from warehouses and non-metered facilities (by taking average water withdrawal as per National Building Code, 2016 and consumption by domestic water supply, WHO).

**Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.** Yes, BDO India LLP.

**4. Has the entity implemented a mechanism for Zero Liquid Discharge (ZLD)? If yes, provide details of its coverage and implementation.**

Airtel has enabled ZLD at few of its sites and is striving to implement it for its own facilities through various water efficiency measures including wastewater recycling and reuse.

**5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2022-23*	FY 2021-22**
NOx	Metric Tonnes	163	180
SOx	Metric Tonnes	6	9
Particulate matter (PM)	Metric Tonnes	15	19
Persistent organic pollutants (POP)		NA	NA
Volatile organic compounds (VOC)		NA	NA
Hazardous air pollutants (HAP)		NA	NA
Carbon Monoxide (CO)	Metric Tonnes	87	92

**Note:** \* Computation is done based on activity level data and standard emission norms by Department of Telecommunication.

\*\* FY 2021-22 data has been revised as per updated activity level data.

**Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.** Yes, BDO India LLP.

**6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity in the following format:**

Parameter	Units	FY 2022-23	FY 2021-22*
Total Scope 1 emissions – Metric tonnes of CO <sub>2</sub> equivalent (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO <sub>2</sub> equivalent	31,259	29,470
Total Scope 2 emissions – Metric tonnes of CO <sub>2</sub> equivalent (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO <sub>2</sub> equivalent	472,309	400,962
Total Scope 1 and Scope 2 emissions (per rupee of turnover) tCO <sub>2</sub> e	tCO <sub>2</sub> e/ ₹ Mn	0.59	0.61

**Note:** \* The boundary has been revised to include only standalone entity details, inclusion of fugitive emissions and reflect data from accurate meter reading for electricity and diesel consumption at some facilities. Previous year figures are accordingly revised.

**Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.** Yes, BDO India LLP.

**7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details:**

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative
1.	Solarisation of Network towers	Onsite installation of solar technology to produce renewable energy	Resulting in renewable energy generation of 344,498 kWh
2.	Network site sharing	Site sharing with partners to optimise our resource consumption	Reduction of carbon emissions and waste significantly through higher utilisation of passive infrastructure
3.	Advance battery bank solutions	Installation of advanced VRLA (Valve-Regulated Lead-Acid) batteries and lithium-ion batteries	Optimisation of energy consumption and reduction of our reliance on diesel
4.	Green Sites	Consuming less than 100 L of diesel per quarter	Reduction of emissions
5.	DC Air conditioners	Installation of DC air conditioners to maintain temperatures without DG by running on DC batteries	Reduction of emissions
6.	Power saving feature	Optimisation of RRU through AI/ML	Power saving as per traffic utilisation to effectively reduce GHG emissions
7.	Outdoor Base Transceiver Station (BTS)	Converting 2,496 indoor sites outdoor in FY 2022-23	Reduces BTS energy usage by less consumption of electricity
8.	Electric Commutator (EC) fan installation	We have installed EC fans in our DG/LT rooms in replacement of exhaust system and air washer	Resulting in an estimated annual saving of 64,800 kWh
9.	UPS optimisation	Optimisation of UPS to save electricity	Resulting in an estimated annual saving of 727,945 kWh
10.	Lighting optimisation	Replacement of linear lighting with more efficient LED lighting at some location	Resulting to an estimated 10,965 kWh reduction in energy use
11.	Value chain initiatives	<ul style="list-style-type: none"> <li>Airtel has undertaken science-based target to reduce our absolute scope 3 GHG emissions by 42% by 2031</li> <li>Introduced guidelines for our suppliers to implement measures for energy efficiency and carbon emission reduction, as part of our Code of Conduct for Business Associates</li> <li>Airtel is engaging with suppliers including equipment manufacturers to drive initiatives for enhancing energy efficiency of supplied equipment through innovative solutions</li> </ul>	Enhanced focus on ESG impact across the value chain

In addition to the above initiatives, Nxta by Airtel has undertaken various initiatives at its Data Centers (DCs) and Main Switching Centres (MSCs). They are as follows:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the initiative
1.	Procurement of Open access renewable energy	Procurement of renewable energy from independent energy providers	Procurement of 154,383,578 kWh renewable energy of use in operations
2.	Solarisation of operations	Onsite installation of solar technology to produce renewable energy	Resulting in renewable energy generation of 1,763,018 kWh
3.	Optimum lighting	Lighting optimisation through LED lights and motion sensors across various data centres	Resulting in an estimated annual saving of 88,464 kWh
4.	Optimum cooling	Cooling optimisation through the installation of active tiles, set points management, and air diverters	Resulting in an estimated annual saving of 1,984,494 kWh
5.	Cold aisle/Hot aisle containment	Cold aisle/hot aisle containment at different locations	Resulting in an estimated annual saving of 562,070 kWh
6.	UPS optimisation & Power Factor (PF) improvement	UPS and Switched Mode Power Supply (SMPS) optimisation along with PF improvement at various locations	Resulting in an estimated annual saving of 1,648,465 kWh
7.	Other Main Switching Centre initiatives	LED lights, motion sensors, air diverters, active tiles, and blanking panels in our Main Switching Centre sites. In addition, installed solutions for temperature, rack, UPS and SMPS optimisation, cold aisle containment and natural cooling to reduce energy consumption	Resulting in an estimated annual saving of 9,010,672 kWh

**8. Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2022-23 (In MT)*	FY 2021-22 (In MT)
Plastic waste (A)	87	21
E-waste (B)	2,235	2,951
Battery Waste (C)	1,940	808
Biomedical Waste (D)	0	0
Radioactive waste (E)	0	0
Other Hazardous waste. Please specify, if any. (G) (Lube Oil)	1	1
Other Non-hazardous waste generated (H). Please specify, if any.	2,378	1,450
(Paper waste, organic waste and other miscellaneous waste)		
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>6,641*</b>	<b>5,232</b>
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled	7,083**	2,951
(ii) Re-used	0	0
(iii) Other recovery operations	0	2,271
<b>Total</b>	<b>7,083</b>	<b>5,222</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration	0	0
(ii) Landfilling	0	1
(iii) Other disposal operations (landlord or municipal waste collection)	13	0
<b>Total</b>	<b>13</b>	<b>1</b>

**Note:** \* Calculations are based on approximate weight of sample lot items.

\*\* Actual weight of waste sent to authorised recycler(s).

Due to above reasons and closing stock of waste at FY closing which will be processed in due course, waste generated does not tally with waste recycled and disposed.

**Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N)**  
**If yes, name of the external agency.** Yes, BDO India LLP.

**9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Airtel works towards reducing the negative environmental impact of its operations by focusing on managing waste responsibly and optimising resources. Airtel deploy the 3 R strategy i.e. (1) Reduce resource utilisation, (2) Reuse resources and (3) Recycle waste, supported by appropriate technology solutions to effectively manage all types of waste produced in our operations. All the E-waste, Hazardous waste and other waste generated in the operations are responsibly recycled through authorised recyclers. Further, our guidelines require suppliers to include packaging materials that is safe, hygienic, recyclable, efficient and protective for transport of goods.

**10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details.**

Airtel does not have any offices in protected areas.<sup>iv</sup>

**11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year.**

Not Applicable.<sup>v</sup>

**12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment Protection Act and Rules thereunder (Y/N). If not, provide details of all such non-compliances.**

Yes, we have implemented a compliance framework. No notices were received from competent authorities nor were any instance of non-compliance reported during the year in this regard.

## LEADERSHIP INDICATOR

- 1. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.**

Not Applicable.

- 2. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives.**

Already covered under the essential indicator 7.

- 3. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web-link.**

Yes.

### Business Continuity Plan

Airtel's business continuity plan effectively enables all its employees to work remotely providing necessary infrastructure and technology. Airtel is ISO 22301-2019 certified/compliant for 23 circle offices, MSCs, network warehouses and operational sites according DoT requirement

### Disaster Management Plan

Telecom networks are subject to risks of technical/partner failure, human errors/willful acts or natural disasters.

- Airtel has Network Operations Centre to monitor real-time network activity and conservative insurance cover policy for asset protection from risks e.g., fire, floods.
- Disaster management guidelines shared with stakeholders for disaster preparedness.
- Guidelines cover risk identification, resource allocation, emergency response/reporting and disaster recovery.

- 4. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

NIL

- 5. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

91% value chain partners (by value of business done with such partners) were self-assessed for environmental impacts in FY 2022-23.

## PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

### ESSENTIAL INDICATORS

- 1. a. Number of affiliations with trade and industry chambers/associations:**

Bharti Airtel Limited has affiliations with 12 trade and industry chambers/associations.

- b. List the top 10 trade and industry chambers/associations (determined based on the total members of such a body) the entity is a member of/affiliated to**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Cellular Operators Association of India (COAI)	National
2	Internet and Mobile Association of India (IAMAI)	National
3	Confederation of Indian Industry (CII)	National
4	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
5	The Associated Chambers of Commerce of India (ASSOCHAM)	National
6	Internet Service Providers Association of India (ISPAI)	National
7	Telecom Equipment and Services Export Promotion Council (TEPC)	National
8	International Telecommunication Union (ITU)	International
9	GSM Association (GSMA)	International
10	The Open RAN Policy Coalition (ORPC)	International

- 2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

NIL

## LEADERSHIP INDICATORS

### 1. Details of public policy positions advocated by the entity

S. No.	Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of review by Board (Annually/ Half yearly/ Quarterly / Others – Please specify)	Web Link, if available
1.	<b>Spectrum:</b> Efficient allocation, assignment methods to agencies like NCRTC; for use of data Comms between Aircraft and Ground Stations to entities other than AAI; Sharing & Leasing practices	<ul style="list-style-type: none"> <li>a. TRAI CP on "Telecommunication Infrastructure Sharing, Spectrum Sharing, and Spectrum Leasing"</li> <li>b. TRAI CP on Spectrum Requirements of National Capital Region Transport Corporation (NCRTC) for Train Control System for RRTS Corridors</li> <li>c. TRAI CP on Data Communication Services Between Aircraft and Ground Stations Provided by Organisations Other Than Airports Authority of India</li> <li>d. Department of Telecom's Consultation on The Draft Indian Telecommunications Bill 2022</li> <li>e. Airtel positions and inputs were also shared with other chambers/ associations, who incorporated points in their submissions to public consultations</li> </ul>	Yes	Others – as required	<a href="#">Link 1</a>
2.	<b>Electricity and Solar Open Access:</b> Electricity for Telecom towers at industrial rates (required to keep 99.95% uptime) and easing deployment of solar / renewable energy through Open Access policies	<ul style="list-style-type: none"> <li>a. Department of Telecom's Consultation on The Draft Indian Telecommunications Bill 2022</li> <li>b. Some of the associations also took some these inputs independently and wrote to policymakers/ stakeholders like regulators</li> </ul>	No	Others – as required	
3.	<b>Rights of Way (RoW):</b> Simplified, timebound permissions for RoW to establish Telecom infrastructure including for 5G network rollout	<ul style="list-style-type: none"> <li>a. TRAI CP on Introduction of Digital Connectivity Infrastructure Provider (DCIP) Authorisation under Unified License (UL)</li> <li>b. Submissions made and meetings held by other associations (e.g., COAI), representing to relevant government departments, agencies including in States</li> </ul>	Yes	Others – as required	<a href="#">Link 1</a>
4.	<b>Ease of doing business:</b> Simplification of procedures related to regulatory process and approvals	<ul style="list-style-type: none"> <li>a. TRAI CP on Rationalisation of Entry Fee and Bank Guarantees</li> <li>b. TRAI CP on Leveraging Artificial Intelligence and Big Data in Telecommunication Sector</li> <li>c. TRAI CP on Licensing Framework and Regulatory Mechanism for Submarine Cable Landing in India</li> <li>d. TRAI CP on Regulating Converged Digital Technologies and Services – Enabling Convergence of Carriage of Broadcasting and Telecommunication services</li> <li>e. TRAI CP on Rating of Buildings or Areas for Digital Connectivity</li> <li>f. Participation in public consultation process on corporate governance matters.</li> <li>g. Airtel positions and inputs were also shared with other chambers/associations, who incorporated points in their submissions to public consultations</li> </ul>	Yes	Others – as required	<a href="#">Link 1</a>
				-	<a href="#">Link 2</a>
					<a href="#">Link 3</a>
					<a href="#">Link 4</a>
					<a href="#">Link 3</a>

S. No.	Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of review by Board (Annually/ Half yearly/ Quarterly / Others – Please specify)	Web Link, if available
5.	<b>Broadcasting:</b> technological convergence, DTH Consumer impact, need to review regulatory and policy framework	<ul style="list-style-type: none"> <li>a. TRAI CP on Regulating Converged Digital Technologies and Services – Enabling Convergence of Carriage of Broadcasting and Telecom Services</li> <li>b. TRAI CP on Issues related to New Regulatory Framework for Broadcasting and Cable services</li> <li>c. TRAI CP on Renewal of Multi-System Operators (MSOs) Registration</li> <li>d. TRAI CP on License Fee and Policy Matters of DTH Services</li> <li>e. TRAI CP on Issues relating to Media Ownership</li> <li>f. Our positions and inputs were shared with other chambers/ associations, some of whom independently incorporated some inputs in their submissions</li> </ul>	Yes	Others – as required	<a href="#">Link 1</a>
6.	<b>Privacy, Security of Customers</b>	<ul style="list-style-type: none"> <li>a. TRAI CP Introduction of Calling Name Presentation (CNAP) in Telecommunication Networks</li> <li>b. TRAI CP on Embedded SIM for M2M communications</li> <li>c. Inputs on MeitY's Draft Digital Data Protection Bill, 2022</li> </ul>	Yes	Others – as required	<a href="#">Link 1</a> <a href="#">Link 2</a>
			No		

## PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

### ESSENTIAL INDICATORS

**1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

NIL<sup>vi</sup>

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.**

Not Applicable.

**3. Describe the mechanisms to receive and redress grievances of the community.**

Airtel has Community Grievance Redressal Policy which enables communities to express their concerns and grievances. This policy is transparent, just, fair, and timely, providing a mechanism for resolving grievances of community members.

The Community members can send any concerns or grievances at the dedicated email: [Community.Grievance@Airtel.com](mailto:Community.Grievance@Airtel.com). Airtel strives to proactively communicate the grievance redressal procedure to its external stakeholders, in the course of its community and stakeholder engagement activities, to raise awareness and promote accessibility for communities to voice their concerns.

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers.**

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producer <sup>vii</sup>	7.25%	7.39%
Sourced directly from within the district and neighboring districts	NA	NA

(The majority of Airtel procurement is of technical nature, procured in bulk and managed centrally. Hence district level data is not tracked).

**PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner**  
**ESSENTIAL INDICATORS**

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

Airtel offers various channels for customers to raise complaints and provide feedback

- Customers can contact the dedicated customer care service through tele calling or Airtel Thanks App
- Complaints can also be made through the toll-free complaint center number, email channel, or Airtel Thanks App
- Airtel Relationship centers are available for customers to reach out to with any queries or complaints
- Customers can also visit Airtel offices in person
- Each complaint/feedback is assigned a unique identification number and addressed within a pre-defined turnaround time
- Customers are notified of the resolution of the complaint through SMS and/or tele calling

For more details on the mechanism to receive and respond to customer complaints, please refer to our [Telecom Charter](#)

**2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:**

		<b>As a percentage to total turnover</b>
Environmental and social parameters relevant to the product		
Safe and responsible usage		Not Applicable <sup>viii</sup>
Recycling and/or safe disposal		

**3. Number of consumer complaints in respect of the following:**

	FY 2022-23		<b>Remarks</b>	FY 2021-22		<b>Remarks</b>
	<b>Received during the year</b>	<b>Pending resolution at end of year</b>		<b>Received during the year</b>	<b>Pending resolution at end of year</b>	
Data privacy	0	0	-	0	0	-
Advertising	5	0	-	2	0	-
Cyber-security	0	0	-	0	0	-
Restrictive Trade Practices <sup>ix</sup>	0	0	-	0	0	-
Unfair Trade Practices <sup>ix</sup>	0	0	-	0	0	-
Delivery of essential services	Customer complaints are resolved as per applicable legislations, including sector specific regulatory provisions under The Telecom Consumers Complaint Redressal Regulation, 2012 issued by TRAI and to the extent applicable, are also reported to the regulator as per the reporting requirement prescribed thereunder.					

**4. Details of instances of product recalls on account of safety issues:**

Not Applicable. <sup>viii</sup>

**5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, Airtel has measures to safeguard data security and maintain the privacy of personal information. This includes

- The implementation of internal controls.
- The development of the Bharti Airtel Information Security Policy (BISP), which outlines specific guidelines for information security and cybersecurity. The BISP is readily accessible on our intranet portal.
- Additionally, we have an Information Security Risk assessment and recovery strategy in place that aligns with the ISO 27001 and ISO 22301 standards.
- To ensure the protection and confidentiality of customers' personal information, Airtel has also established the Bharti Airtel Information Privacy Policy (BIPP). Our [Online Privacy Policy](#) serves to inform customers about the nature of information collected and their rights in relation to their data.

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

Airtel follows the guidelines issued by the Advertising Standards Council of India (ASCI) and the Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022. Any specific complaints warranting any corrective measures are promptly addressed to resolve any possibility of miscommunication through advertisement.

Refer [page 78](#) for network related initiatives.

### **LEADERSHIP INDICATORS**

**1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Refer to: <https://www.airtel.com/>.

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

Airtel abides by TRAI's clause 17 of the Telecom Consumers Complaint Redressal Regulation, 2012 by releasing the Telecom Consumers Charter, which intends to enlighten customers about their entitlements, duties, quality benchmarks established by the Authority, and methods of addressing conflicts.

Furthermore, Airtel adopts preventive measures to educate and offer general guidance to mobile/landline users on ways to protect themselves against fraudulent activities such as telephonic or cyber scams.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

Ensuring consistent network coverage for customers is a crucial aspect of our service, which we strive to maintain even during catastrophic events. We take proactive measures to keep our customers informed about the launch of new sites and any mass outages in the Radio Access Network (RAN) through SMS.

**4. Provide the following information relating to data breaches:**

a. **Number of instances of data breaches along-with impact:** 0

b. **Percentage of data breaches involving personally identifiable information of customers:** 0%

### **Endnotes**

- i For the purpose of present report, mobile towers are not included.
- ii Please note CSR provision is applicable but requirement to contribute 2% of average net profit of immediately preceding 3 years is not applicable. The Company had made voluntary CSR contribution during the FY 2022-23.
- iii This includes electricity from grid, green wheeling and captive solar power generation.
- iv Airtel offices are not located within ecologically sensitive areas. This is based on assessment of our facilities against the protected sites as identified by [Protected Planet](#).
- v Environmental Impact Assessment (EIA) is not applicable for the Company for the current financial year as per applicability defined in EIA Notification, 2020.
- vi During the financial year, the Company has not acquired any land that would require SIA as per Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013.
- vii This data pertains to procurement of goods only and does not include services.
- viii Airtel provides telecom services and does not manufacture any physical products. In mobile services, no equipment is provided to customers except SIM card. In fixed line services, Customer Premises Equipment (CPE) is supplied (not sold) to customers for rendering the services. The ownership and effective control over the SIM/CPE always remain with Airtel. Customer is required to return the SIM/CPE immediately upon termination of the Relationship Period or at the end of life.
- ix No complaint was received under The Competition Act, 2002.

# Board's Report

## Dear Members,

Your Directors are pleased to present the 28<sup>th</sup> Board's Report on the business and operations of Bharti Airtel Limited (Bharti Airtel/ Airtel/ Company) along with audited financial statements for the financial year ended March 31, 2023.

### Company Overview

Bharti Airtel is a global communications solutions provider with more than 500 Mn customers in 17 countries across South Asia and Africa. It is one of the top three mobile operators globally with its networks covering more than two billion people. Airtel is India's largest integrated communications solutions provider and the second largest mobile operator in Africa. The Company offers a wide array

of solutions to its retail customers including high-speed 4G/5G mobile broadband, Airtel Xstream Fiber offering speeds up to 1 Gbps with convergence across linear and on-demand entertainment, streaming services spanning music and video, digital payments, and financial services. For enterprise customers, Airtel provides secure connectivity, cloud and data center services, cyber security, IoT, Ad Tech and CPaaS (Airtel IQ), among others. The Company also has investments in tower infrastructure pertaining to telecom operations through its joint venture entity viz. Indus Towers Limited ('Indus'). During FY 2022-23, the Company acquired an additional stake of 1.46% and accordingly, its shareholding in Indus stood at 47.95% as on March 31, 2023.

### Financial Results

In terms of the provisions of the Companies Act, 2013 ('Act'), and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Company has prepared its standalone and consolidated financial statements as per Indian Accounting Standards ('Ind AS') for FY 2022-23. The financial highlights of the Company's operations for FY 2022-23 on standalone and consolidated basis, are as follows:

### Standalone Financial Highlights

Particulars	FY 2022-23		FY 2021-22 (Restated) <sup>#</sup>	
	₹ Mn	USD Mn*	₹ Mn	USD Mn**
Gross revenue	847,201	10,541	707,950	9,521
EBITDA before exceptional items	441,477	5,493	351,943	4,733
Cash profit from operations	318,432	3,962	231,421	3,112
Profit/(Loss) before tax	12,963	158	(42,557)	(572)
Net income/(Loss)	(896)	(11)	(38,637)	(520)

(\*1 USD = ₹80.37 Exchange Rate for financial year ended March 31, 2023).

(\*\*1 USD = ₹74.36 Exchange Rate for financial year ended March 31, 2022).

#The composite scheme of arrangement between Nettle Infrastructure Investments Limited, Telesonic Networks Limited and their respective shareholders and the Company, under Sections 230 to 232 along with other applicable provisions of the Act ('Scheme') has become effective from February 1, 2023 with an appointed date of April 1, 2022. Consequently, the Audited Standalone Financial Statements have been restated in accordance with the accounting treatment mentioned in the Scheme.

### Consolidated Financial Highlights

Particulars	FY 2022-23		FY 2021-22	
	₹ Mn	USD Mn*	₹ Mn	USD Mn**
Gross revenue	1,391,448	17,313	1,165,469	15,673
EBITDA before exceptional items	717,330	8,925	581,103	7,815
Cash profit from operations	553,596	6,888	423,645	5,697
Profit/(Loss)before tax	165,607	2,061	124,831	1,679
Net income/(Loss)	83,459	1,038	42,549	572

(\*1 USD = ₹80.37 Exchange Rate for financial year ended March 31, 2023).

(\*\*1 USD = ₹74.36 exchange Rate for financial year ended March 31, 2022).

The financial results and the results of operations, including major developments, have been further discussed in detail in the Management Discussion and Analysis Report.

## Reserves

During the year, the Company has not transferred any amount to General Reserve. As on March 31, 2023, the Reserves and Surplus comprising General Reserve, Retained Earnings and Securities Premium Account stood at ₹790,684 Mn.

## Change in the Nature of Business

There was no change in nature of the business of the Company during the financial year ended on March 31, 2023.

## Dividend

In terms of Regulation 43A of the Listing Regulations, the Board of Directors of the Company had adopted the Dividend Distribution Policy, which sets out the parameters and circumstances to be considered by the Board in determining the distribution of dividend to its shareholders and/or the utilization of the retained profits earned by the Company. The Dividend Distribution Policy is available on the Company's website at <https://assets.airtel.in/teams/simplycms/web/docs/Dividend-Distribution-Policy-18052022.pdf>.

In line with the above policy, your Directors have recommended a final dividend of ₹4/- per fully paid-up equity share of face value of ₹5/- each and a pro-rata final dividend of ₹1/- per partly paid-up equity share of face value of ₹5/- each with paid-up value of ₹1.25/- each i.e. 80% of the paid-up value for FY 2022-23. The proposed final dividend payout will amount to approx. ₹22,696.20 Mn. The payment of final dividend is subject to the approval of shareholders at the 28<sup>th</sup> Annual General Meeting (AGM).

The record date for the purpose of payment of final dividend for the FY 2022-23, will be Friday, August 11, 2023.

In view of the applicable provisions of Income Tax Act, 1961, dividend paid or distributed by the Company shall be taxable in the hands of the shareholders. Your Company shall, accordingly make the payment of the final dividend after deduction of tax at source.

## Transfer of Amount to Investor Education and Protection Fund

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, is liable to be transferred to IEPF.

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to Unpaid Dividend Account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In light of the aforesaid provisions, the Company during FY 2022-23 has transferred the unpaid/ unclaimed dividend amount of ₹1.25 Mn, pertaining to final dividend for FY 2014-15, to the Investor Education and Protection Fund ("IEPF") established by the Central Government. The details of unpaid and unclaimed dividend amounts lying with the Company as on August 12, 2022 (date of last Annual General Meeting) are available on the Company's website at <https://www.airtel.in/about-bharti/equity/shares/unpaid-dividend>.

Further, 25,697 equity shares of the Company, in respect of which dividend has not been claimed for seven consecutive years or more from the date of transfer to unpaid dividend account, have also been transferred to the demat account of IEPF Authority during FY 2022-23. The relevant details of equity shares transferred to IEPF are also available on the Company's website at <https://www.airtel.in/about-bharti/equity/shares/unpaid-dividend>.

The shareholders whose unpaid dividend and/or shares have been transferred to IEPF may reach out to the Company/ Registrar and Transfer Agent, to lodge their claim for refund of the unpaid dividend/shares (as applicable) out of the IEPF. The process for claiming the unpaid dividend/shares out of the IEPF, is also available on the Company's website at <https://www.airtel.in/about-bharti/equity/shares>.

## Significant Developments

### Amalgamation of Nettle Infrastructure Investments Limited ('Nettle') and Telesonic Networks Limited ('Telesonic'), wholly-owned subsidiaries with the Company

During FY 2022-23, the Hon'ble National Company Law Tribunal, Chandigarh Bench, vide its order dated January 16, 2023 ("NCLT order"), sanctioned the composite scheme of arrangement between Nettle, Telesonic and their respective shareholders and the Company, under Sections 230 to 232 and other applicable provisions of the Act for amalgamation of Nettle and Telesonic, wholly-owned subsidiaries with the Company ('Scheme'). The Scheme has become effective from February 1, 2023.

Upon the Scheme becoming effective:

- a) 30,000 Rated, Listed, Unsecured, Guaranteed, Redeemable 5.35% Non-Convertible Debentures of the face value of ₹1,00,000 each of an aggregate principal amount of ₹30,000 Mn (NCDs) and 17,500, 5.35% Listed Commercial papers of ₹500,000 each (CPs) of an aggregate principal amount of ₹8,750 Mn issued by Telesonic, have been transferred in the name of the Company.

The aforesaid NCDs and CPs were redeemed by the Company on April 28, 2023 and February 7, 2023 respectively. Accordingly, there are no outstanding NCDs and CPs as on the date of this report.

- b) The authorized share capital of Nettle and Telesonic is deemed to be added to the authorized share capital of the Company. Accordingly, the authorized share capital of the Company has been increased to ₹148,730,500,000/- divided into 29,746,080,000 equity shares of face value of ₹5/- each and 1,000 preference shares of face value of ₹100/- each.

### Allotment of Securities

During the FY 2022-23, the Company has made the following allotments:

- 71,176,839 fully paid-up equity shares of face value of ₹5/- each at an issue price of ₹734/- per share (including a premium of ₹729/- per share) on preferential basis to Google International LLC on July 14, 2022.
- 11,930,543 fully paid-up equity shares of face value of ₹5/- each at the applicable conversion price pursuant to conversion of foreign currency convertible bonds ('FCCBs') of principal value of USD 86,300,000 in multiple tranches.

Consequent to the aforesaid allotment(s), the paid-up share capital of the Company has increased to ₹28,366,032,827.50/- divided into 5,575,134,650 equity shares of face value of ₹5/- each fully paid-up and 392,287,662 partly paid-up equity shares of face value of ₹5/- each (₹1.25 per share paid-up) as on March 31, 2023.

### Deposits

The Company did not accept any deposits during the financial year, including from public and, as such, no amount of principal or interest was outstanding as on the balance sheet closure date.

### Capital Market Ratings

During the year ended March 31, 2023, the Company was rated by two domestic rating agencies namely CRISIL and India Ratings & Research Private Limited and three international rating agencies namely Fitch Ratings, Moody's and S&P which are as under:

- a) CRISIL maintained the long term ratings at CRISIL AA+(Stable) and short-term ratings maintained at CRISIL A1+.
- b) India Ratings & Research Private Limited maintained Short-term ratings at IND A1+.
- c) Fitch Ratings revised the Outlook to BBB- (Stable).
- d) Moody's upgraded the rating to Baa3 (Stable).
- e) S&P maintained the rating at BBB- (Stable).

### Employee Stock Option Plans

As on March 31, 2023, the Company has two Employee Stock Options ('ESOP') schemes namely 'Employee Stock Option Scheme – 2001' and 'Employee Stock Option Scheme – 2005' (collectively referred as 'Schemes'). The ESOP schemes help in attracting and retaining talent and aligning

long-term interest for the organisation. The HR & Nomination Committee administers and monitors the Company's ESOP schemes. Both the ESOP schemes are currently administered through Bharti Airtel Employees Welfare Trust (ESOP Trust), whereby shares held by the ESOP Trust are transferred to employees, upon exercise of stock options as per the terms of the Schemes.

Pursuant to the provisions of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ('ESOP Regulations'), a disclosure with respect to ESOP Schemes of the Company as on March 31, 2023, is available on the Company's website at <https://www.airtel.in/about-bharti/equity/results>.

The members, at their previous AGM held in 2022, had approved the increase in total number of options of Employee Stock Option Scheme, 2005 by 27,460,136 options. Apart from this, there were no other material changes in the aforementioned Schemes of the Company and the ESOP Schemes are in compliance with ESOP Regulations. The certificate from Chandrasekaran Associates, Company Secretaries, certifying that the schemes are implemented in accordance with the ESOP Regulations and the resolutions passed by the members, is available for inspection by the members in electronic mode.

### Material changes and commitments affecting the financial position between the end of financial year and the date of report

There were no material changes and commitments affecting the financial position of the Company between the end of financial year and the date of this report.

### Directors and Key Managerial Personnel

#### Appointments, Re-appointments, Retirements and Resignations

##### i. Retirement by rotation and subsequent re-appointment

Pursuant to the provisions of the Act, Mr. Gopal Vittal (DIN: 02291778), Director of the Company (designated as Managing Director & CEO), will retire by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment. The Board, on the recommendation of the HR & Nomination Committee, recommended his re-appointment at the ensuing AGM.

##### ii. Appointment and re-appointment of Independent Director

Ms. Kimsuka Narasimhan (DIN: 02102783) will be completing her present term as Independent Director of the Company on March 29, 2024. On the recommendation of the HR & Nomination Committee and subject to the approval of the shareholders, the Board has approved her re-appointment as Independent Director for a further term of five consecutive years w.e.f. March 30, 2024 upto March 29, 2029.

Ms. Kimsuka Narasimhan fulfils the conditions specified under the Act and the Listing Regulations and is independent of the management. Accordingly, the Board recommends her re-appointment, for the approval of the members.

During the FY 2022-23, Mr. Pradeep Kumar Sinha (DIN: 00145126) and Mr. Shyamal Mukherjee (DIN: 03024803) were appointed as Independent Directors on the Board with effect from May 18, 2022 to hold office for a term of five consecutive years i.e. upto May 17, 2027. Their appointment was approved by the members in the 27<sup>th</sup> AGM of the Company held on August 12, 2022.

In the opinion of the Board, all the directors, including the directors appointed/ re-appointed during the year, possess the requisite qualifications, experience, expertise, proficiency and hold high standards of integrity.

Brief resume, nature of expertise, disclosure of relationship between directors inter-se, details of directorships and committee memberships held in other companies of the directors proposed to be appointed/ re-appointed, along with their shareholding in the Company, as stipulated under Secretarial Standard 2 and Regulation 36 of the Listing Regulations, are appended as an Annexure to the Notice of the 28<sup>th</sup> AGM.

### **iii. Retirements and resignations of Independent Director(s)**

Mr. Shishir Priyadarshi tendered his resignation as Independent Director w.e.f. the close of business hours on October 31, 2022, to devote time towards new full time professional responsibilities. He further confirmed that there was no material reason for his resignation other than the one mentioned above.

Mr. Manish Kejriwal retired from the Board w.e.f. the close of business hours on September 25, 2022, upon completion of his second term as Independent Director of the Company.

The Board places on record its sincere appreciation for the valuable contribution made by Mr. Priyadarshi and Mr. Kejriwal.

Save and except the above, there was no change in the Directors or KMPs of the Company during the year under review.

### **Declaration by Independent Directors**

Pursuant to Section 149(7) of the Act, the Company has received declarations from all Independent Directors confirming that they meet the criteria of independence as specified in Section 149(6) of the Act, as amended, read with Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which

exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence and that they are independent of the Management.

The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct and that they are registered on the databank of Independent Directors maintained by the Indian Institute of Corporate Affairs. The Directors have further confirmed that they are not debarred from holding the office of director under any SEBI order or any other such authority.

The Board of Directors of the Company have taken on record the aforesaid declaration and confirmation submitted by the Independent Directors.

### **Board Diversity and Policy on Director's Appointment and Remuneration**

The Board of Directors values the significance of diversity and firmly believes that diversity of background, gender, geography, expertise, knowledge and perspectives, leads to sharper and balanced decision-making and sustainable development. At Airtel, we recognize the importance of diversity and inclusion in our boardroom, and we strive to maintain a diverse composition that reflects the richness of the global community we serve. The Company has an eminent, high-performing and diverse board – comprising ~27% Women Directors.

In terms of the requirement of Section 178 of the Companies Act and Listing Regulations, the Board of Directors has adopted 'Policy on Nomination, Remuneration and Board Diversity' on appointment and remuneration of Directors, Key Managerial Personnel & Senior Management. The Policy includes, inter-alia, criteria for appointment of Directors, KMPs, Senior Management Personnel (KMP) and other covered employees, their remuneration structure and disclosures in relation thereto, total rewards package for Managing Director & CEO and relevant members of Senior Management which is linked with sustainability targets and long term performance of the Company. The deferred/ variable remuneration (including Long Term incentive) of KMPs and members of Senior Management is subject to malus/clawback arrangements.

The policy is available on the Company's website at <https://assets.airtel.in/teams/simplycms/web/docs/BAL-policy-on-nomination-remuneration-and-board-diversity.pdf>.

### **Annual Board Evaluation**

The Board works with HR & Nomination Committee and lays down a structured framework – process, format, attributes, criteria and questionnaires for the performance evaluation of the Board, its Committees and individual directors including the Chairman and MD & CEO, keeping in view the Board priorities and best practices. The evaluation process at Bharti Airtel is facilitated online by a leading independent consulting firm.

A detailed disclosure on the framework of Board Evaluation including outcome and action plan has been provided in the Report on Corporate Governance, which forms a part of the Integrated Report.

### **Familiarization Programme for Board members**

The Company has adopted a well-structured induction programme for orientation and training of Directors at the time of their joining so as to provide them with an opportunity to familiarize themselves with the Company, Board, its management, its operations including its products and services, business model, values and Company's culture and the industry in which the Company operates.

A detailed note on the familiarization programme adopted by the Company for orientation and training of the Directors, is provided in the Report on Corporate Governance which forms a part of the Integrated Report.

### **Board Committees and Meetings of the Board and Board Committees**

In compliance with the statutory requirements, the Company has constituted mandatory Committees viz. Audit Committee, Environmental, Social and Governance (ESG) Committee, HR & Nomination Committee, Corporate Social Responsibility Committee, Risk Management Committee and Stakeholders' Relationship Committee.

Apart from the above Committees, the Company has also established operating Committees viz. Committee of Directors and Airtel Corporate Council. Additionally, other special committees have been constituted for special purposes/ transactions.

During the year under review, all the recommendations made by the Committees of the Board, including the Audit Committee, were accepted by the Board.

The Board of Directors met five times during the previous year. A detailed update on the Board, its composition, governance of committees including detailed charters, terms and reference of various Board Committees, number of Board and Committee meetings held during FY 2022-23 and attendance of the Directors thereat, is provided in the Report on Corporate Governance, which forms part of the Integrated Report.

### **Subsidiary, Associate and Joint Venture Companies**

As on March 31, 2023, your Company has 138 subsidiaries, 9 associates and 7 joint ventures.

During the year under review, the following became subsidiaries of the Company: Airtel Congo Telesonic Holdings (UK) Limited, Airtel DRC Telesonic Holdings (UK) Limited, Airtel Gabon Telesonic Holdings (UK) Limited, Airtel Kenya Telesonic Holdings (UK) Limited, Airtel Madagascar Telesonic Holdings (UK) Limited, Airtel (M) Telesonic Holdings (UK) Limited (formerly known as Airtel Malawi Telesonic Holdings (UK) Limited), Airtel Niger Telesonic Holdings (UK) Limited,

Airtel Nigeria Telesonic Holdings (UK) Limited, Airtel Rwanda Telesonic Holdings (UK) Limited, Airtel Seychelles Telesonic Holdings (UK) Limited, Airtel Tanzania Telesonic Holdings (UK) Limited, Airtel Uganda Telesonic Holdings (UK) Limited, Airtel Zambia Telesonic Holdings (UK) Limited, Airtel Tchad Telesonic Holdings (UK) Limited, Airtel (M) Telesonic Limited, Airtel Kenya Telesonic Limited, Airtel Nigeria Telesonic Limited, Airtel Rwanda Telesonic Limited, Airtel Telesonic Uganda Limited, Airtel Zambia Telesonic Limited, Airtel (Seychelles) Telesonic Limited, Airtel Mobile Commerce Tanzania B.V., Nxtra Africa Data Holdings Limited (formerly known as Airtel Africa Data Center Holdings Limited), Nxtra Nigeria Data Holdings (UK) Limited (formerly known as Airtel Nigeria Data Center Holdings (UK) Limited), Nxtra Kenya Data Holdings (UK) Limited (formerly known as Airtel Kenya Data Center Holdings (UK) Limited), Nxtra DRC Data Holdings (UK) Limited (formerly known as Airtel DRC Data Center Holdings (UK) Limited), Nxtra Gabon Data Holdings (UK) Limited (formerly known as Airtel Gabon Data Center Holdings (UK) Limited), Nxtra Congo Data Holdings (UK) Limited (formerly known as Airtel Congo Data Center Holdings (UK) Limited), Airtel Congo RDC Telesonic S.A.U. and Nxtra Africa Data (Nigeria) Limited.

During the year under review, Mawezi RDC S.A. became joint venture of the Company.

During the year, Telesonic and Nettle ceased to be the wholly owned subsidiaries of the Company and Aban Green Power Private Limited ceased to be the associate company.

Pursuant to Section 129(3) of the Act, read with Rule 5 of Companies (Accounts) Rules, 2014, a statement containing salient features of financial statements of subsidiary, associate and joint venture companies in prescribed form AOC-1, is annexed to the consolidated financial statements of the Company which forms part of this Integrated Report. The said statement also provides the details of performance and financial position of each subsidiary, associate and joint venture and their contribution to the overall performance of the Company.

In terms of the requirement of Section 136 of the Act, the financial statements of each of the subsidiary company are available on the Company's website at <https://www.airtel.in/about-bharti/equity/results/annual-results> and the same will also be available electronically for inspection by the members during the AGM.

The audited financial statements of each subsidiary, associate and joint venture company are available for inspection at the Company's registered office. The physical copies of annual financial statements of the subsidiary, associate and joint venture companies will also be made available to the members of the Company upon request.

The Policy for determining material subsidiaries of the Company is also provided on the Company's website at [https://s3-ap-southeast-1.amazonaws.com/bsy/iportal/images/Policy-for-determining-Material-Subsidiaries-1\\_3C3DACC6AC67BF355A2231C3D434D64.pdf](https://s3-ap-southeast-1.amazonaws.com/bsy/iportal/images/Policy-for-determining-Material-Subsidiaries-1_3C3DACC6AC67BF355A2231C3D434D64.pdf).

## Auditors and Auditors' Report

### Statutory Auditors

In terms of the provisions of Section 139 of the Act, Deloitte Haskins & Sells LLP ('Deloitte') were re-appointed as the Statutory Auditors by the shareholders in the 27<sup>th</sup> AGM held on August 12, 2022, for a period of five years i.e. till the conclusion of 32nd AGM. The said re-appointment of Deloitte was duly recommended by the Audit Committee and Board of Directors after considering Deloitte's expertise, competence and experience in statutory audit, advisory services, due diligence etc. of various multinational and large companies particularly telecom sector companies.

Deloitte Haskins & Sells LLP have confirmed that they are not disqualified from continuing as Statutory Auditors of the Company and satisfy the independence criteria in terms of the applicable provisions of the Act and Code of Ethics issued by the Institute of Chartered Accountants of India.

The Board has duly examined the Statutory Auditors' Report to the financial statements, which is self-explanatory. The clarifications, wherever necessary, have been included in the Notes to financial statements section of the Integrated Report.

As regards the comments under para i(a) of the Annexure B to the Independent Auditors' Report regarding updation of quantitative and situation details relating to certain fixed assets, the Company as per the program of physical verification of fixed assets to cover all the items over a period of three years, conducted physical verification of fixed assets during the quarter ended March 31, 2023. The Company is in the process of updating quantitative and situation details relating to certain fixed assets which were identified during the physical verification exercise. This same is expected to be completed by December 2023.

As regards the comments under para i(b) of the Annexure B to the Independent Auditors' Report regarding no physical verification of customer premises equipment, bandwidth and certain assets due to their nature or location; the customer premises equipment are located at subscriber's premises and physical check of the equipment is generally not possible.

As regards the comments under para i(c) of the Annexure B to the Independent Auditors' Report regarding transfer of title deed in the name of the Company, the ownership of these properties is transferred and vested in the name of the Company through merger scheme. The Company is in the process of getting the title deeds transferred in name of the Company.

As regards to the comments under para ix(d) of the Annexure B to the Independent Auditors' Report regarding fund raised on short term basis used for long term purpose, the Company has used such funds as bridge financing and is able to generate sufficient funds from long term sources to meet the working capital requirement.

Further, during the year under review, the auditors have not reported any fraud under Section 143(12) of the Act, and therefore, no details are required to be disclosed under Section 134(3)(ca) of the Act.

### Internal Auditors and Internal Assurance Partners

The Company has in place a robust Internal Assurance Group (IAG), which is led by the Chief Internal Auditor and ably supported by reputed independent firms i.e. Ernst & Young LLP, Chartered Accountants and ANB & Co., Chartered Accountants as the Internal Assurance Partners.

The audits are based on an internal audit plan, which is derived from a bottoms-up risk assessment and directional inputs from the Audit Committee in consultation with the IAG. The Audit Committee oversees the scope and coverage of the audit plan and evaluates the overall results of these audits during the quarterly Audit Committee meetings. These audit are based on risk based methodology and, inter-alia, involve the review of internal controls and governance processes, adherence to management policies and review of statutory compliances. The Internal Assurance Partners share their findings on an ongoing basis for corrective action.

The work of Internal Assurance Partners is coordinated by the internal team led by Chief Internal Auditor. The combination of internal team and expertise of reputed independent professional firms ensures independence as well as effective value addition and protection.

The Board, on the recommendation of the Audit Committee, has re-appointed Ernst & Young LLP, Chartered Accountants and ANB & Co. Chartered Accountants as the Internal Assurance Partners for FY 2023-24.

### Cost Records

The Company has maintained the cost records as prescribed by the Central Government under Section 148(1) of the Act.

### Cost Auditors

The Board, on the recommendation of the Audit Committee had appointed Sanjay Gupta & Associates, Cost Accountants, as Cost Auditors, for the financial year ending March 31, 2023. The Cost Auditors will submit their report for FY 2022-23 within the timeframe prescribed under the Act.

Cost Audit report for the FY 2021-22 did not contain any qualification, reservation, disclaimer or adverse remark.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders. Accordingly, the Board recommends the same for approval by shareholders at the ensuing AGM.

The Board, on the recommendation of Audit Committee, has re-appointed Sanjay Gupta & Associates, Cost Accountants, as Cost Auditors of the Company for FY 2023-24.

### Secretarial Auditors

Pursuant to the provisions of Section 204 of the Act and rules made there under, the Board of Directors had appointed Chandrasekaran Associates, Company Secretaries, as Secretarial Auditors for the financial year ended March 31, 2023. The Secretarial Auditor has submitted their report, confirming, inter-alia, compliance by the Company of all the

provisions of applicable corporate laws and does not contain any qualification, reservation, disclaimer or adverse remark.

The Secretarial Audit Report is annexed as **Annexure A** of this Report.

The Board, on the recommendation of Audit Committee, has re-appointed Chandrasekaran Associates, Company Secretaries as Secretarial Auditors of the Company for FY 2023-24.

### Sustainability Journey

The Board continues to have a sharp focus on Environmental, Social and Governance (ESG) agenda to ensure long-term value creation for all stakeholders through sustainable business practices.

The ESG Committee of the Company provides strategic guidance on ESG Targets and strategy. It keeps an oversight on implementation of adopted ESG priorities and ensures they are aligned with best industry standards. The Committee reviews and approves ESG Targets, strategy, monitors performance of the Company and provides guidance on ESG improvement areas, ratings etc. and keeps an oversight over material ESG risks (including climate change risk), opportunities, mitigation strategies and provides strategic guidance.

At Airtel, we are committed to digitally connect the entire nation and roll out 5G on pan-India basis by March 2024. As of now, our network (with 759,310 BTS installed) covers 95.7% of the population in 7,913 Census towns as well as 795,126 Non-Census towns and villages.

Airtel, in all its capacity supports the agenda to limit global temperature increase to less than 1.5°C, as outlined in the Paris Accords. To achieve this, we have adopted Science Based Targets to reduce emissions by 50.2% from our own operations and 42% in our value chain.

During the year, the Company continued to prioritise Greening the Network and building Climate Resilience. Out of the total electricity consumed in our data centers, 33% comes from renewable sources. Our 5G Towers will generate 85% lesser carbon emissions for every GB compared to what 4G Towers would consume. The company continues to focus on safety, employee well-being and improving diversity.

We continue to ramp up our 5G roll out and expect to connect all major towns and key villages by the end of this year. The Company has joined the WEF initiative alliance of the CEO Climate Leaders of India. This alliance enables to serve with a higher-level platform for business leaders to step India's climate action and green transition efforts and is committed to enable 4G Net Adds to enable digital inclusion.

During the year, our ESG initiatives were recognised by multiple forums, which is detailed at [Page 35](#) of this Integrated Report.

### Corporate Social Responsibility

Airtel is committed to long-term sustainable value creation by aligning its social activities with its business objectives. Giving back to the very community that helps our business thrive and sustain, has been our priority since inception. As a good corporate citizen, we have been actively undertaking community development and nation building initiatives towards creation of a prosperous society by collaborating with diverse stakeholders. We believe in pursuing wider socio-economic and cultural objectives and have always endeavoured to not just meet, but try and exceed the expectations of the communities in which we operate.

Airtel has been an early adopter of CSR initiatives. Bharti Foundation, the philanthropic arm of Bharti Enterprises, was established in the year 2000, with the objective of transforming the lives of children and youth to help them achieve their potential by proactively implementing and supporting programs for quality education and skill development. Bharti Foundation is a key partner for undertaking development programs for Airtel and its subsidiaries/joint ventures. It acts as an institutionalized body towards uplifting communities by supporting holistic education programs, with an enhanced focus on digital inclusion.

In terms of applicable provisions of Section 135 of the Companies Act, 2013, the Company was not obligated to contribute towards CSR activities during the FY 2022-23. However, the Company has made voluntary CSR contribution of ₹6.48 Mn during the financial year 2022-23. Additionally, the Company has also contributed ₹14.70 Mn to various other charitable institutions.

The direct subsidiaries of the Company have contributed ₹225 Mn and associates / joint venture entities have contributed ₹976.80 Mn (totalling to ₹1,201.80 Mn) towards various CSR activities, which is in addition to the voluntary CSR contribution of the Company under Section 135 of Companies Act, 2013.

The above voluntary contribution reflects the Company's commitment to pursue socio-economic and cultural objectives for benefit of the society at large.

A detailed update on the CSR initiatives of the Company is provided in the Corporate Social Responsibility Report, which forms part of this Integrated Report.

The CSR Committee is in place in terms of Section 135 of the Companies Act, 2013. The details of CSR Committee including composition, terms of reference etc. are provided in the Report on Corporate Governance, which forms part of this Integrated Report. The CSR Committee has formulated and recommended to the Board, a CSR Policy outlining, inter-alia, CSR philosophy of the Company. The said policy is available on the Company's website at [https://assets.airtel.in/teams/simplycms/web/docs/Bharti\\_Airtel-Updated\\_CSR\\_Policy\\_June2021.pdf](https://assets.airtel.in/teams/simplycms/web/docs/Bharti_Airtel-Updated_CSR_Policy_June2021.pdf)

The annual report on Corporate Social Responsibility u/s 135 of the Companies Act, 2013 is annexed as **Annexure B** to this Report.

### **Integrated Reporting**

The Company continues with its integrated reporting journey in the current Fiscal Year, aligning with its philosophy of being a highly transparent and responsible corporate citizen. Our 6<sup>th</sup> Integrated Report is guided by the principles of International Integrated Reporting Framework developed by the International Integrated Reporting Council (now consolidated into IFRS Foundation) and reflects the key actions taken by the Company towards long-term sustainability and stakeholder value creation. The Board acknowledges its responsibility for the integrity of the report and the information contained therein.

### **Business Responsibility & Sustainability Report**

Pursuant to Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility and Sustainability Report ('BRSR') on initiatives taken from an environmental, social and governance perspective, in the prescribed format is available as a separate section of this Integrated Report and is also available on the Company's website at [www.airtel.in](http://www.airtel.in).

### **Management Discussion and Analysis Report**

Pursuant to Regulation 34 of the Listing Regulations, the Management Discussion and Analysis Report for the year under review, is presented in a separate section forming part of this Integrated Report.

### **Corporate Governance Report**

A detailed Report on Corporate Governance, pursuant to the requirements of Regulation 34 of the Listing Regulations, forms part of this Integrated Report. A certificate from Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of the Company, confirming compliance of conditions of Corporate Governance during FY 2022-23, as stipulated under the Listing Regulations, is annexed as **Annexure C** of this Report.

### **Risk Management**

Risk management is embedded in Bharti Airtel's operating framework. The Company believes that risk resilience is the key to achieve long term sustainable growth. To this effect, there is a robust framework in place to identify key risks across the group and prioritise relevant action plans to mitigate these risks.

To have a sharper focus, the Company has constituted a Risk Management Committee to focus on risk management including determination of Company's risk appetite, risk tolerance, regular risk assessments and risk mitigation strategies (risk identification, risk quantification and risk evaluation) etc.

The Chief Risk Officer is responsible for assisting the Risk Management Committee on an independent basis with a complete review of the risk assessments and associated management action plans.

The Risk Management Framework is reviewed periodically by the Risk Management Committee, which includes discussing the management's submissions on risks, prioritising key risks and approving mitigation plans.

The Company has duly approved Enterprise-wide Risk Management Framework. The objective of this framework is to have a well-defined approach towards risk and lays down broad guidelines for timely identification, assessment and prioritisation of risks affecting the Company in the short term and in the foreseeable future. The framework suggests developing a response action for the key risks identified, so as to make sure that the risks are adequately addressed or mitigated.

Operationally, risk is being managed at the top level by the Management Boards in India and South Asia and at the operating level by Executive Committees of Circles in India and operating companies in the international operations.

Detailed update on risk management framework has been covered under the risk section, forming a part of the Integrated Report. At present, in the opinion of the Board of Directors, there are no risks which may threaten the existence of the Company.

### **Internal Financial Controls and their Adequacy**

The Company has established a robust framework for internal financial controls. It has in place adequate controls, procedures and policies, ensuring orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

Your Board periodically reviews the internal processes, systems and the internal financial controls and accordingly, the Directors' Responsibility Statement contains a confirmation as regards adequacy of the internal financial controls. Assurance on the effectiveness of Internal Financial Controls is obtained through management reviews, self-assessment, continuous monitoring by functional heads as well as testing of the internal financial control systems during the course of audits. We believe that these systems provide reasonable assurance that our internal financial controls are designed adequately and are operating as intended.

### **Compliance Management**

The Company has a structured and digitised compliance framework based on a comprehensive inventory, which are regularly monitored and updated basis the changing requirements of law. Proactive automated alerts are sent to compliance owners to ensure compliance within stipulated timelines.

The compliance owners certify the compliance status which is reviewed by compliance approvers and a consolidated dashboard is presented to the respective Business Leaders and the Managing Director & CEO. A certificate of compliance with all applicable laws and regulations along with the

summary of material litigations and mitigation plan, if any, is placed before the Audit Committee and Board of Directors on a quarterly basis. Additionally, the Company has centralised automated tool in place viz. Notice Management System to regularly monitor and update the regulatory notices.

Compliance requirements are independently reviewed during periodic internal audits.

### **Other Statutory Disclosures**

#### **Vigil Mechanism**

The Company has adopted a Vigil Mechanism/Whistle Blower Policy which forms part of Code of Conduct of the Company. It outlines the method and process for stakeholders to voice their genuine concerns about unethical conduct that may be actual or threatened breach with the Company's Code of Conduct. The Policy is available on the Company's website at <https://assets.airtel.in/teams/simplycms/web/docs/Code-of-Conduct-2022.pdf>.

A brief note on the highlights of the Whistle Blower Policy and compliance with Code of Conduct, is also provided in the Report on Corporate Governance, which forms part of this Integrated Report.

#### **Prevention of Sexual Harassment at Workplace**

In compliance with Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act, 2013), the Company has adopted a policy which is in compliance with the provisions of the POSH Act, 2013 and constituted an Internal Complaints Committee for providing a redressal mechanism pertaining to sexual harassment of employees at workplace and any such incident can be reported to the Internal Complaints Committee. Details regarding the policy, including the details of the complaints received and disposed off, are provided in the Report on Corporate Governance and Business Responsibility & Sustainability Report, which form part of this Integrated Report.

#### **Annual Return**

In terms of Section 92(3) read with Section 134(3(a) of the Act and rules thereto, the Annual Return of the Company in Form MGT – 7 for the financial year ended on March 31, 2023 is available on the Company's website at <https://www.airtel.in/about-bharti/equity/results>. The Annual Return will be electronically submitted to the Registrar of Companies within the timelines prescribed under the Act.

#### **Significant and Material Orders**

During the FY 2022-23, there were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in the future.

#### **Proceeding under Insolvency and Bankruptcy Code, 2016**

There were no proceedings, either filed by the Company or against the Company, pending under the Insolvency and Bankruptcy Code, 2016 as amended, before the National Company Law Tribunal or other Courts as on March 31, 2023.

#### **Particulars of Loans, Guarantees and Investments**

In compliance with the provisions of the Act and Listing Regulations, the Company extends financial assistance in the form of investment, loan, guarantee etc. to its subsidiaries, from time to time in order to meet their business requirements. Further, the Company or any of its subsidiary has not extended any financial assistance to promoter or promoter group entities which has been written off during last 3 years.

Particulars of loans, guarantees and investments form part of Note no. 9, 22 and 7 respectively to the standalone financial statements provided in this Integrated Report.

The Company is in the business of providing telecom services (wireless telecommunications activities) and accordingly is covered under the definition of 'infrastructure facilities' in terms of Section 186 read with Schedule VI of the Act.

#### **Related Party Transactions**

The Company has a well-defined and structured governance process for related party transactions undertaken by the Company. The related party transactions are undertaken after review and certification by leading Independent global valuation/ accounting firms confirming that the proposed pricing mechanism for a particular transaction meets the arm's length criteria. In certain cases, the external valuers from the said leading Independent global valuation/ accounting firm(s) also present the valuation report to the Audit Committee. The Audit Committee considers the certifications of leading Independent global valuation/ accounting firm and conducts a review before granting approval to any related party transaction. A detailed note on the procedure adopted by the Company in dealing with contracts and arrangements with related parties is provided in the Report on Corporate Governance, which forms part of this Integrated Report.

During the FY 2022-23, the Company had entered into material related party transaction with Indus Towers Limited (Joint Venture Company) and necessary disclosure in form AOC-2 in this regard is given in **Annexure D** of this Report. Further, all arrangements/transactions entered into by the Company with its related parties during the year under review, were in the ordinary course of business and on an arm's length compliant terms.

In compliance with the requirement of Listing Regulations, names of related parties and details of transactions with them have been included in Note 34 to the financial statements provided in this Integrated Report.

The Policy on the Related Party Transactions is available on the Company's website at [https://assets.airtel.in/teams/simplycms/web/docs/RPT\\_Policy.pdf](https://assets.airtel.in/teams/simplycms/web/docs/RPT_Policy.pdf).

### **Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo**

The details of energy conservation, technology absorption and foreign exchange earnings and outgo as required under Section 134(3) of the Act read with the Rule 8 of the Companies (Accounts) Rules, 2014 is annexed as **Annexure E** of this Report.

### **Particulars of Employees**

Disclosures relating to remuneration of Directors u/s 197(12) of the Act read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure F** of this Report.

Particulars of employee remuneration, as required under Section 197 (12) of the Act and read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Integrated Report. In terms of the provisions of the first proviso to Section 136(1) of the Act, the Integrated Report is being sent to the shareholders, excluding the aforementioned information. The information will be available on the Company's website at <https://www.airtel.in/about-bharti/equity/results> and will also be available for inspection at the registered office of the Company on all working days (Monday to Friday) between 11.00 a.m. and 1.00 p.m. upto the date of AGM and a copy of the same will also be available electronically for inspection by the members during the AGM. Any member interested in obtaining such information may write to the Company Secretary of the Company.

### **Directors' Responsibility Statement**

Pursuant to Section 134 of the Act, the Directors, to the best of their knowledge and belief, confirm that:

- a) in preparation of the annual accounts, the applicable accounting standards had been followed, along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d) the Directors had prepared the annual accounts on a going concern basis;
- e) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **Key initiatives with respect to stakeholder relationship, customer relationship, environment, sustainability, health, safety and welfare of employees**

The key initiatives taken by the Company with respect to stakeholder relationship, customer relationship, environment, sustainability, health and safety are provided separately under various Capitals and Business Responsibility and Sustainability Report, as a part of the Integrated Report. The Environment, Health and Safety Policy and Human Rights Policy are available on the website of the Company at <https://www.airtel.in/sustainability-file/embedding-sustainability>.

### **Compliance of Secretarial Standards**

Pursuant to the provisions of Section 118 of the Act, during FY 2022-23 the Company has complied with the applicable provisions of the Secretarial Standards (SS-1 and SS-2) relating to 'Meetings of the Board of Directors' and 'General Meetings' issued by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

### **Acknowledgements**

The Board wishes to place on record their appreciation to the Department of Telecommunications ('DoT'), the Central Government and State Governments in India, Government of Bangladesh and Governments in the 14 countries in Africa, Company's bankers and business associates, for the assistance, co-operation and encouragement extended to the Company.

The Directors also extend their deep appreciation to the employees for their continuing support and unstinting efforts in ensuring an excellent all-round operational performance. The Directors would like to thank Bharti Telecom Limited, Singapore Telecommunications Ltd. and other shareholders for their support and contribution. We look forward to their continued support in future.

For and on behalf of the Board

Date: May 16, 2023  
Place: New Delhi

**Sunil Bharti Mittal**  
Chairman  
DIN: 00042491

# Annexure A

## Secretarial Audit Report

for the financial year ended March 31, 2023

To,  
The Members,  
**Bharti Airtel Limited**  
Airtel Center, Plot No. 16,  
Udyog Vihar, Phase-IV,  
Gurugram-122015, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bharti Airtel Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 ("period under review") according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 to the extent applicable;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent applicable;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 to the extent applicable;

- d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 to the extent applicable;
- e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 to the extent applicable;
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 to the extent of the Companies Act and dealing with client to the extent of securities issued;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable during the period under review**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable during the period under review**.

(vi) The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their Sectors/ Businesses are:

- a) The Indian Telegraph Act, 1885
- b) The Telecom Regulatory Authority of India Act, 1997 and Rules and Regulations made thereunder
- c) The Indian Wireless Telegraphy Act, 1933

We have also examined compliance with the applicable clauses and regulations of the following:

- a) Secretarial Standards issued by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.
- b) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent least seven days in advance (except in cases where meetings were convened at a shorter notice for

which necessary approvals obtained as per applicable provisions), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period following major events have happened which are deemed to have major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc:

- (i) In accordance with the approval of the members of the Company the Board of Directors has approved the allotment 71,176,839 (Seventy-One Million One Hundred and Seventy Six Thousand Eight Hundred and Thirty Nine) equity shares of the face value of ₹5/- (Rupees Five) each fully paid up, on preferential basis to Google International LLC at a price of ₹734/- (Rupees Seven Hundred and Thirty Four) per equity share including a premium of ₹729/- (Rupees Seven Hundred and Twenty Nine) per equity share.
- (ii) During the year the Committee of Directors of the Board has approved the following allotments:
  - 27,543 equity shares of face value ₹5/- each (fully paid up) at a conversion price of ₹523/- per equity share;
  - 11,903,000 equity shares of face value ₹5/- each (fully paid up) at a conversion price of ₹521/- per equity share.

The prices have been adjusted in accordance with the terms of the offering circular issued to such holder of FCCBs.

- (iii) Upon approval of Hon'ble National Company Law Tribunal, Chandigarh Bench, vide its order ("NCL T order") received on January 25, 2023 in certified copy, the Composite scheme of arrangement between Nettle Infrastructure Investments Limited ('Nettle'), Telesonic Networks Limited ('Telesonic') and their respective shareholders and Bharti Airtel Limited ('Company'), under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 for amalgamation of Nettle

and Telesonic, wholly-owned subsidiaries with the Company ('Scheme'), has become effective from February 1, 2023. Upon the Scheme becoming effective:

- (a) both Nettle and Telesonic stand dissolved and amalgamated with the Company w.e.f. February 1, 2023 and all assets, liabilities, contracts, deeds, bonds and other Instruments etc. of Nettle and Telesonic stand transferred to the Company in accordance with the Scheme. Accordingly, 30,000 Rated, Listed, Unsecured, Guaranteed, Redeemable 5.35% Non-Convertible Debentures of the face value of ₹10,00,000 per Debenture of an aggregate principal amount of ₹3,000 crores (ISIN: INE308O08015) and 17,500, 5.35% Listed Commercial papers of 5,00,000 each (ISIN: INE308O14021) of an aggregate principal amount of ₹875 crores issued by Telesonic, also stand transferred in the name of Bharti Airtel Limited; and
- (b) The authorized share capital of Nettle and Telesonic has been added to the authorized share capital of the Company and clause V of Memorandum of Association of the Company has been amended accordingly.
- (iv) The Company has no outstanding balance of unsecured commercial papers at the end of period under review.
- (v) The members of the Company have granted their approval to increase in total number of options of Employee Stock Option Scheme, 2005 of the Company.
- (vi) The members of the Company have granted their approval to authorise Bharti Airtel Employee Welfare Trust to acquire equity shares of the Company by way of secondary market acquisition for administration of Employees Stock Option Scheme, 2005.

For **Chandrasekaran Associates**

Company Secretaries  
FRN: P1988DE002500  
Peer Review Certificate No.: 1428/2021

**Dr. S. Chandrasekaran**

Senior Partner

Membership No. FCS No.: 1644  
Certificate of Practice No: 715  
UDIN: F001644E000285323

Note:

- i. This report is to be read with our letter of even date which is annexed as Annexure-A to this report and forms an integral part of this report.

## Annexure-A to the Secretarial Audit Report

The Members

**Bharti Airtel Limited**

Airtel Center, Plot No. 16,  
Udyog Vihar, Phase-IV,  
Gurugram -122015, India

Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on the random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Chandrasekaran Associates**

Company Secretaries

FRN: P1988DE002500

Peer Review Certificate No.: 1428/2021

**Dr. S. Chandrasekaran**

Senior Partner

Membership No. FCS No.: 1644

Certificate of Practice No: 715

UDIN: F001644E000285323

Date: May 16, 2023

Place: Delhi

# Annexure B

## Annual Report on Corporate Social Responsibility (CSR) Activities

### 1. Brief outline of the Company's CSR policy:

#### (i) Key Objectives

Airtel is committed to long-term sustainable value creation by aligning its social activities with its business objectives. Giving back to the very community that helps our business thrive and sustain, has been our priority since inception. As a good corporate citizen, we have been actively undertaking community development and nation building initiatives towards creation of a prosperous society by collaborating with diverse stakeholders. We believe in pursuing wider socio-economic and cultural objectives and have always endeavoured to not just meet, but try and exceed the expectations of the communities in which we operate.

#### (ii) Focus Areas

Bharti Airtel's CSR and welfare activities center around the following areas but are not limited to:

- Promoting education including special education, employment enhancing vocation skills especially among children and livelihood enhancement projects;
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically marginalised groups;
- Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation; and
- Supporting technology incubators located within academic institutions.

For detailed overview, please refer the CSR policy of the Company available at: <https://www.airtel.in/about-bharti/equity/corporate-governance/policies>.

#### (iii) CSR Activities

Airtel has been an early adopter of CSR initiatives. Bharti Foundation, the philanthropic arm of Bharti Enterprises, was established in the year 2000, with the objective of transforming the lives of children and youth to help them achieve their potential by proactively implementing and supporting programs for quality education and skill development. Bharti Foundation is a key partner for undertaking development programs for Airtel and its subsidiaries/joint ventures. It acts as an institutionalized body towards uplifting communities by supporting holistic education programs, with an enhanced focus on digital inclusion.

The programs of Bharti Foundation are aligned with Sustainable Development Goals - Quality Education, Gender Equality, Clean Water and Sanitation and Partnership for the Goals. The initiatives of Bharti Foundation synergize with National Programs and Government Missions such as Sarva Shiksha Abhiyan, National Education Policy, Beti Bachao Beti Padhao Yojana, National Nutrition Mission and Swachh Bharat Abhiyan.

Its flagship initiative, the Satya Bharti School program provides quality education to disadvantaged children, free of cost, with special focus on the girl child. Learnings from the Satya Bharti Schools have empowered Bharti Foundation to undertake partnerships with government schools at a large scale. Through its programs, Bharti Foundation aims to create a lasting and sustainable impact on the communities. Bharti Foundation is constantly working towards finding innovative solutions through its primary, elementary and senior secondary schools, to create replicable and scalable initiatives.

#### IMPACT ON COMMUNITY BY BHARTI FOUNDATION SINCE INCEPTION

**2.8 Mn+**

Community members impacted

**~3 Mn**

Students impacted

**1.50 Lakhs+**

Teachers impacted

**27,000+**

Schools impacted

**18,500+**

Villages impacted

## 2. Composition of CSR Committee:

S. No. Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1. Mr. Rakesh Bharti Mittal	Chairperson (Non-Executive Director)	2	2
2. Mr. Dinesh Kumar Mittal	Member (Non-Executive, Independent Director)	2	2
3. Mr. Gopal Vittal	Member (Managing Director & CEO)	2	2

## 3. Web-link(s) to access the Composition of CSR committee, CSR Policy and CSR Projects approved by the board:

- Composition of CSR Committee is available at:  
<https://www.airtel.in/about-bharti/equity/corporate-governance>
- CSR Policy is available at:  
[https://assets.airtel.in/teams/simplycms/web/docs/Bharti\\_Airtel-Updated\\_CSR\\_Policy\\_June2021.pdf](https://assets.airtel.in/teams/simplycms/web/docs/Bharti_Airtel-Updated_CSR_Policy_June2021.pdf)
- CSR Annual Action Plan for FY 2022-23 is available at:  
<https://assets.airtel.in/teams/simplycms/web/docs/Equity-Annual-Action-Plan-01122021.pdf>
- Charter of CSR Committee is available at:  
<https://assets.airtel.in/teams/simplycms/web/docs/Charter-Document-CSR-Committee.pdf>

## 4. Executive Summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable:

Provisions of Rule 8(3) of the Companies (CSR Policy) Rules, 2014 w.r.t. Impact Assessment are not applicable on the CSR projects undertaken by the Company during the FY 2022-23.

S. No. Particulars	Amount (in ₹ Million)
(a) Average net profit of the company as per sub-section (5) of section 135	(63,544)
(b) Two percent of average net profit of the company as per sub-section (5) of section 135	Nil
(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	102.53*
(d) Amount required to be set off for the financial year, if any	Nil**
(e) Total CSR obligation for the financial year (5b+5c- 5d)	Nil

\*In terms of Rule 7(3) of Companies (CSR) Rules, 2014, a company is entitled to avail set-off of excess CSR contribution made in immediate preceding three financial years (commencing from financial year 2020-21) against the CSR obligation of the Company in current financial year. During the financial years 2020-21 and 2021-22, the Company had voluntarily spent ₹86.10 Mn and ₹16.43 Mn respectively, which is available for set-off.

\*\*In terms of applicable provisions of Section 135 of Companies Act, 2013, the Company was not required to make any CSR contribution during the FY 2022-23. Hence, the Company had not availed set-off during the FY 2022-23.

## 6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹6.48 Mn#

(b) Amount spent in Administrative Overheads: Nil

(c) Amount spent on Impact Assessment, if applicable: Not applicable for the FY 2022-23

(d) Total amount spent for the financial year (6a+6b+6c): ₹6.48 Mn

## (e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the financial year (in ₹ Mn)	Amount Unspent (in ₹ Mn)					
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)			
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer	
6.48#	Not applicable			Not applicable		

# The direct subsidiaries of the Company have contributed ₹225 Mn and associates/ joint venture entities have contributed ₹976.80 Mn towards various CSR activities, which is in addition to the voluntary CSR contribution of ₹6.48 Mn by the Company under (Section 135 of Companies Act, 2013) and a contribution of ₹14.70 Mn made by the Company to various other charitable institutions during the FY 2022-23.

**(f) Excess amount for set off, if any**

S. No.	Particulars	Amount (in ₹ Mn)
(i)	Two percent of average net profit of the company as per section 135(5)	Nil
(ii)	Total amount spent for the financial year	6.48*
(iii)	Excess amount spent for the financial year [(ii)-(i)]	6.48
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	102.53
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	109.01**

\*Owing to losses in immediate three (3) preceding financial years, the Company is not mandatorily required to spend any amount towards CSR activities in terms of Section 135 (5) of the Companies Act, 2013 for the FY 2022-23. However, the Company, on voluntary basis, has contributed ₹6.48 Mn towards CSR activities during the FY 2022-23.

\*\*In terms of Rule 7(3) of Companies (CSR) Rules, 2014, a company is entitled to avail set off of excess CSR contribution made in immediate preceding three financial years (commencing from financial year 2020-21) against the CSR obligation of the Company in current financial year. During the financial years 2020-21, 2021-22 and 2022-23, the Company has voluntarily spent ₹86.10 Mn, ₹16.43 Mn and ₹6.48 Mn respectively which shall be available for set off in succeeding financial years.

**7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)
					Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)		
1	F.Y.-1					Not applicable*		
2	F.Y.-2					Not applicable*		
3	F.Y.-3					Not applicable*		

\*Owing to losses in immediate three (3) preceding financial years, the Company was not obligated to make CSR contribution under Section 135(5) of Companies Act, 2013 for the financial year 2019-20, 2020-21 and 2021-22. However, being socially responsible, the Company had voluntary contributed ₹316.19 Mn, ₹86.10 Mn and ₹16.43 Mn in financial year 2019-20, 2020-21 and 2021-22 respectively.

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes**

If Yes, enter the number of Capital assets created/acquired: One.

During the FY 2022-23, the Company had contributed ₹3 Mn to Bharti Foundation towards construction of "School of Future Technologies" (the "School") at Anant National University, Gujarat. The said contributed amount of ₹3 Mn has been utilised towards designing the structure (Architecture Fee) of the School. The capital asset is in the initial phases of construction designing.

**Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:**

S. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
1.	School of Future Technologies Address: Anant National University, Sanskarsh Campus, Bhopal-Ghuma-Sanand Road, Ahmedabad, Gujarat-382115, India	382115	Not Applicable. The School is in the initial phases of construction	₹3 Mn	CSR00002869	Anant National University*	Sanskardham Campus, Bhopal-Ghuma-Sanand Road, Ahmedabad, Gujarat-382115

\* Sponsoring body of Anant National University is Laxman Gyanpith, a registered Trust under Gujarat Public Trusts Act, 1950.

**9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable**

In terms of applicable provisions of Section 135 of the Companies Act, 2013, the Company was not obligated to contribute towards CSR activities during FY 2022-23. However, the Company has made a voluntary contribution of ₹21.18 Mn including ₹6.48 Mn towards CSR and ₹14.70 Mn to various other charitable institutions during the year.

The direct subsidiaries and associates/ joint venture entities of the Company have contributed ₹225 Mn and ₹976.80 Mn respectively, pegging the overall CSR contribution of the Group at ₹1,201.80 Mn, which is in addition to the aforesaid voluntary contribution made by the Company.

The Group (Company along with its subsidiaries and associates/ JVs) is committed to pursuing socio economic and cultural objectives for benefit of the society at large. We believe that access to quality education is the hallmark of a great nation, and it is imperative that every child gets to learn and contribute to nation's growth. We strive to create a significant impact on society facilitating this through various programs of our philanthropic arm, Bharti Foundation viz. Satya Bharti School Program and Satya Bharti Quality Support Program. These programs of Bharti Foundation provide quality education to underprivileged children with a special focus on girl child education in the rural pockets across India. Further, the Group supports higher education through collaborations of Bharti Foundation with various prestigious institutes like IIT Delhi for the Bharti School of Telecommunication, Technology and Management; IIT Bombay for Bharti Centre For Communication; ISB Mohali for the Bharti Institute of Public Policy; Plaksha University for establishment of a block and for scholarships and Anant University for support in establishment of the School of Future Technologies.

For detailed socio economic commitments of the group in India and Africa, please refer the detailed section on Corporate Social Responsibility at [Page 62](#) of this Integrated Report.

**Place:** New Delhi  
**Date:** May 16, 2023

**Gopal Vittal**  
(Managing Director & CEO)

**Rakesh Bharti Mittal**  
(Chairperson, CSR Committee)

# Annexure C

## Independent Auditor's Certificate on Corporate Governance

To,  
The Members,  
**Bharti Airtel Limited**

This certificate is issued in accordance with the terms of our engagement letter dated October 12, 2022.

We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of Bharti Airtel Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2023, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

### Management's Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

### Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the

Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information and Other Assurance and Related Services Engagements.

### Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2023.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **DELOTTE HASKINS & SELLS LLP**

Chartered Accountants

FRN: P1988DE002500

(Firm's Registration No. 117366W / W-100018)

**Nilesh H. Lahoti**

Partner

Date: May 16, 2023

(Membership No. 130054)

Place: New Delhi

(UDIN: 23130054BGYYXW5296)

# Annexure D

## Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

### Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

#### 1. Details of contracts or arrangements or transactions not at arm's length basis

Not applicable. All the contracts, arrangements or transactions entered into by the Company with related parties during the financial year ended March 31, 2023, were at arm's length basis, in ordinary course of business and were approved by the Audit Committee.

#### 2. Details of material contracts or arrangement or transactions at arm's length basis

S. No.	Particulars	Details
(a)	Name(s) of the related party and nature of relationship	Indus Towers Limited (Joint Venture)
(b)	Nature of contracts/ arrangements/ Transactions	Passive infrastructure services, telecommunication services, reimbursement of expenses, purchase/ sale/ exchange/ transfer/ lease of business asset(s) and/ or equipment(s) including passive infrastructure assets to meet its business objectives/ requirements, selling or otherwise disposing of or leasing, or buying property(ies) to meet its business objectives/ requirements and transfer of resources, services or obligations to meet its business objectives/ requirements
(c)	Duration of the contracts/ arrangements/ transactions	All the contracts/ arrangements/transactions are on ongoing basis unless otherwise specified under the Master Service Agreement.
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	The Company has an arrangement with Indus Towers governing the detailed terms and conditions under which the Company avails passive infrastructure and related services from Indus Towers. The arrangement prescribes material terms and conditions w.r.t. sharing of passive infrastructure at sites, provision for related operation and maintenance service, corresponding obligations of both the parties and service level schedules applicable with respect to the said obligations. The arrangement also prescribes the tower sharing process, site access, acquisition and deployment timelines, the service levels and uptime to be maintained, site electrification requirements, the governance process and applicable charges including standard charges, annual increment, various site levels, premiums and additional charges determined basis the installed active equipment of the Company etc. Please refer Note 34 to the standalone financial statements provided in this Integrated Annual Report.
(e)	Date(s) of approval by the Board, if any	N.A. The related party transactions are placed before the Audit Committee for its prior approval in compliance with the requirement of Companies Act, 2013 and Listing Regulations every year before commencement of the Financial Year and for modifications, if any.
(f)	Amount paid as advances if any	As per the terms of Master Service Agreement.

**For and on behalf of the Board**

**Sunil Bharti Mittal**

Chairman

DIN: 00042491

Date: May 16, 2023

Place: New Delhi

# Annexure E

## Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

### A. Conservation of Energy

- a. The following initiatives were taken by the Company to reduce and conserve energy:

#### i. For Networks:

- **Maximising Outdoor Base Transceiver Station (BTS):** In FY 2022-23, we moved 2,496 inside BTS sites and converted them into outdoor BTS. This initiative resulted in reducing energy demand, thereby reducing BTS energy usage.
- **Site sharing** - Through greater use of passive infrastructure, our site sharing strategy with partners has optimised our resource usage and drastically decreased carbon emissions. 39% of which newly rolled out sites are co-located.
- **"Project Green City"** - Working with our network infrastructure partners, we are transforming our sites into eco-friendly ones. 43% of our network sites, including both owned by Airtel as well as by partners, have been tagged as green sites, consuming less than 100 litres of diesel per quarter.
- **Hybrid battery bank solutions** - To optimise energy use and lessen our reliance on diesel, we have installed cutting-edge lithium-ion and VRLA (Valve-Regulated Lead-Acid) batteries. We have added additional/upgraded battery banks resulting in saving of 4,112,680 Ltrs of diesel corresponding to emission reduction of ~10,812 tCO<sub>2</sub>e.
- **Auto-shutdown in non-peak hours:** An auto-resource shutdown feature has been implemented at more than 1.6 Lacs sites, including all 4G sites, thereby reducing energy requirement during non-peak hours.
- We have installed DC Air Conditioners at our telecom shelters since they can maintain temperature without running of DG as these air conditioners run in DC batteries and hence reduce our emissions.
- AI (Artificial Intelligence) and Machine learning algorithms are implemented to put to sleep radios of less load so that other cells can take the traffic.

#### ii. Energy efficiency across Data Centers (DCs) and Main Switching Centers (MSCs):

- **Optimum lighting** – Lighting optimization through LED lights and motion sensors across various data centers saved 88,464 kWh of energy.

• **Optimum cooling** – Cooling optimization through the installation of active tiles, set points management and air diverters saved 1,984,494 kWh of energy at our data centers.

• **Cold aisle/Hot aisle containment** – Cold aisle/Hot aisle containment at different locations saved 562,070 kWh of energy

• **UPS optimization and Power Factor (PF) improvement** – UPS and Switched Mode Power Supply (SMPS) optimization along with PF improvement at various locations saved 1,648,465 kWh of energy.

• **Other Main Switching Center initiatives** – We installed LED lights, motion sensors, air diverters, active tiles and blanking panels in our Main Switching Center sites. In addition, we installed solutions for temperature, rack, UPS and SMPS optimization, cold aisle containment and natural cooling, to reduce energy consumption. These measures helped us save 9,010,672 kWh of energy in the reporting year.

#### iii. Energy efficiency at facilities:

• **Electronically Commutated (EC) fan installation:** We have installed EC fans in our DG/LT rooms in replacement of exhaust system and air washer resulting in an estimated annual saving of 64,800 kWh energy.

• **Uninterruptible Power Supply (UPS) optimisation:** In FY 2022-23, Optimization of UPS at our facilities has helped us become more energy efficient and we have optimized a saving of 10 KVA UPS which saved 727,945 kWh of electricity.

• **Lighting optimisation:** At some locations, the replacement of linear lighting with more energy-efficient LED lighting has led to an estimated 10,965 kWh reduction in energy.

iv. **Energy efficiency at AORs:** Use of energy efficient LED lighting across 440+ AORs has led to saving of ~406,552 kWh of electricity in FY 2022-23.

#### b. Utilization of Green Energy

##### i. Renewable energy sourcing at MSCs and Data Centers:

• 'Nxtra by Airtel' is continually increasing the Renewable Energy share in the overall energy mix of data centers via sourcing green energy through open access. We have increased use of green open access energy in our own operations from 89,485 MWh in FY 2021-22 to

154,384 MWh in FY 2022-23, sourced through various green power wheeling agreements.

- We have strengthened our green energy footprint with the commissioning of Solar and Wind power plants in various states. The captive units with capacity 34 MW Solar, 13 MW Wind and 1.5 MW Hybrid (Solar + Wind) were commissioned to supply clean energy in the state of Tamil Nadu, Karnataka and Gujarat respectively. The captive power units have been set up in partnership with Avaada (Tamil Nadu & Karnataka) and Continuum (Gujarat) to supply clean energy to Nxtra by Airtel's large and edge data centers.

## ii. Solarization across operations:

- Rooftop solar plants have been erected at 30 different locations in our data centers and MSCs till FY 2022-23 resulting in renewable energy generation of 1,763 MWh in FY 2022-23.
- 177 of our owned network sites have been solarised till FY 2022-23. With installed capacity of 1.2 MWp+ at telecom tower sites spread across many states and union territories of India such as Andhra Pradesh, Arunachal Pradesh, Assam, Jammu & Kashmir, Jharkhand, Manipur, Meghalaya, Mizoram, Nagaland, Rajasthan, Tripura and Telangana with the aim to cover entire India soon.

## B. Technology absorption

### 1. The efforts made towards technology absorption –

With an objective to provide best in class mobile broadband experience to our customers, Airtel added **80525** 4G Base stations and **28032** 5G Base stations in previous year. We now connect **7891** towns and **795,182** villages through high-speed broadband; Airtel covers **96.65%** of India's Population on 4G.

In FY 2022-23, in order to strengthen the network infrastructure and to increase network coverage in Urban and Rural –

- 20.2k Coverage macro sites & 15.3k Ultra lean solution were deployed in the year across geographies.
- 27.3k 5G sites deployed across circles

These initiatives enabled customers to experience better network speeds and HD quality voice.

To enhance rural customer experience, Airtel has initiated a special "**Rural Acceleration Program**" under which 30k sites are planned to be deployed in rural areas.

Till Mar'23, 10.3k sites have been deployed under this program. We have made 5G on-air in 28K sites across 700+ towns within 6 months of its launch.

5G sites are catering to 10.4% of the total network traffic in the geographies where they are live, thereby offloading the existing 4G sites too. We closely worked with smartphone manufacturers for timely testing and commercial release of the binary for 5G support in Airtel network for 100% of the 5G capable smartphones. There has been quite a few marketing intervention to enhance 5G penetration too, with the recently launched unlimited 5G data being one of those.

Airtel has been focused on simplifying the Network operations through investments in the areas of digitization, automation and innovation.

In order to improve spectrum efficiency, Airtel has taken below initiatives in the required regard:

- **Spectrum Addition:** We have Induced spectrum in FD18, FD21 and FD9 in 13 circles, Post Spectrum addition and LMS changes 26% reduction in observed in <3 Mbps cells.
- **Traffic Balancing:** For effectively use of spectrum approx. 60K Sectors per month load balancing is being done b/w layers. By continuous Traffic balancing we are able to improve <3 Mbps cells despite of increase in Data Volume by 20%.
- **ASON Module:** We have Ducting Mitigation module developed in ASON module. Ducting ASON is live in all ducting impacted circles, Furthermore, we have introduced TDD Cell Lock module where cells which are having RSSI >=-90 are getting locked during ducting period, this module has been live in 6 circles and rest are underway for launching Auto Load Balancing. We have developed module in Vision for Traffic balancing dashboard and auto FIX.

In this module sectors, which are unbalanced w.r.t User Throughput and Payload distribution these defaulter cells are being published to every circles weekly for balancing activity.

In addition, Auto Fix for these defaulter cells are underway for developing.

### Coverage and Capacity Solution: FY 2022-23

- 28032 5G deployed to enhance data experience
- 16K new 2G+4G sites deployed to improve coverage and data penetration in PAN India in FY 2022-23
- 28K Sites deployed in L900 to improve indoor coverage penetration
- 40K sites deployed in L2100 and TDD to enhance capacity to improve user experience

Total 19800 MHz, New 5G Spectrum Acquired & deployment is in WIP - in Spectrum Auction of FY 2022-23 in all 22 LSA's.

Airtel has developed a state-of-art in-house tool "Airtel Self Optimization Network" (A-SON) to predict degradation and proactively makes changes in the network to enhance customer experience greatly. Airtel was awarded "Innovative Mobile Service and Application Award" at the prestigious GTI Awards 2023 Global TD-LTE Initiative (GTI) for our in-house platform, Vision - a unified customer analytics & self-healing platform.

Airtel has brought in innovative in-house technical products in multiple lines of business.

We are first in marketplace to develop AI-ML-driven in-house, closed-loop, self-healing platform called Airtel SON (A-SON) for both mobility and broadband.

The zero-touch solution ensures 24\*7 network/router monitoring, detects anomalies and implements real-time preventive actions in the network to improve customer experience.

With future-ready architecture, the platform is currently live across PAN India and is addressing the following business critical use-cases:

#### **Broadband Use-Cases:**

1. Wi-Fi Signal Interference Detection & Mitigation – An intelligent platform has been designed which studies the KPIs of routers installed at customer location and generates series of actions after detecting anomalies. On an average ~ 70K, soft actions are executed per day, which has resulted to ~17% reduction in complaints.
2. Proactive Router Performance Improvement – This module studies the uptime of the customer's router and basis historic trends and analysis, it proactively reboots the system to improve its efficiency. This proactively handles the issues like router going to hang mode etc. that is helping us to save upcoming complaints.

#### **Mobility Use-Cases:**

1. **X2 Audit & Enforcement through ASON** – In order to improve 5G & 4G network mobility, correct X2 configurations are critical. This module automatically detects incorrect X2 network settings and rectifies it on real-time basis. ~50K corrections are made on daily basis. It has led to smooth 4G -5G transitions and improving 5G accessibility.
2. **Intelligent Load Balancing** – This module detects the imbalance between the network layers and initiates real time soft actions to optimize the traffic between the layers, thereby optimizing network resources. The module is live in all Nokia

circles, doing 40-50K per circle changes. It has led to massive improvement in throughput thereby improving customer experience.

3. **Mitigation of Ducting** – 'Ducting' this recurring atmospheric phenomenon led to experience degradation at the impact circles leading to a daily increase of 10K complaints. This scale of changes is not possible to be done manually to mitigate the impact of the Duct due to its highly variable and random occurrence patterns. OEM proposed solution had a lead-time of 6months with almost 6X the estimated cost. The digitization team took to task and built a data-driven, AI-enabled predictive model that took input from various satellite sources and internal network data to predict the impact of ducting, propose bulk actions to be performed and bring the network in the steady optimum state once the ducting ceased. The system executes ~ 0.2million changes per circle on peak ducting day at an execution success rate of ~98%.

Multiple actions involving tilt changes, load balancing, real-time cell locking and unlocking are performed to mitigate the impact.

This has resulted in remarkable customer experience management reducing the ducting complaints up to 70%. The platform is live in all high ducting circles.

4. **Energy Saving** - The energy spent on radio equipment is directly proportional to the traffic and consumption drew on a particular site. The energy expense amounts to 29% (₹7,500 crores) of our overall Network Operating expenses. Tower analyses at a micro-level show us the traffic pattern and time duration when traffic is low where we can shutdown/lock unused cells to enable a power-save mode to be energy efficient. A-SON uses pattern analysis and experience measurement to identify maximum contiguous hours for each of the 238K sites to ensure real-time locking of these underutilized but energy-consuming cells. It is not only saving Airtel Opex of ₹100 crores annually but also a huge contributor to our ESG goals of reducing carbon footprint across our network.

5. **Sleeping Cells Rectification** - The 'Sleeping Cell' problem is a particular type of cell degradation in network. This essentially means whenever a cell goes to sleep it needs to be restarted/woken up to make it usable again. This is considered a type of cell outage. It is outrageously difficult to detect when this happens, as we do not have any alarm that will intimate the NOC when a cell malfunctions. So, degradation in customer experience without any notice. This failure can be prolonged, in some cases days, before being detected by the operator, and corrective measures are taken. Although at any point in time <1% of the cells malfunction but the

impact in terms of revenue loss (because no traffic is flowing through them) and increase in customer complaints in that service region is sharp.

Now through A-SON, a novel correlation technique has been devised that analyses different network parameters (KPIs) over different intervals of time. This allows us to intelligently identify sleeping cells with an accuracy of 100% and the platform automatically recovers almost 80-90% of such correct cell/site remotely. The solution was 10X more expensive had we purchased licenses to enable this in our network.

Other major innovations include:

- Ideploy: Deployed one solution for signoff to MS2 Handover on a single platform for RAN sites deployment which includes TOCO nominal process, RFAI Survey, ATs Cell configuration for all Technology.
- MIDS: single platform for MW planning & deployment automation for end-to-end Solutioning.
- Glimpse: 1. maintaining the correct azimuth of 3.3 million cells is a huge challenge. Manual visits on sites, huge deployment activities such as 5G launch, Natural causes such as storm or wind leads to changes in azimuths. Manual surveys used to happen which resulted in huge Opex to the company. Thus, we launched Airtel's own engine [eDeviance] to auto - identify the actual azimuths basis of coverage pattern. The module was tested in various clutter and scenarios and achieved more than 80% accuracy - which resulted in commercial deployment of the Engine. This Engine also helped Airtel in planning new sites by identifying actual back spots and in geolocation accuracy - which helped in customer complaint resolution.
- Mycom Tool rollout for 5G technology with delivery of Experience Dashboard, Insight report and KPI Triggers for PAN-India Network.
- Perception Corridor (VCR/Institution/NH/Airport/Colleges/Hospitals/Railway Routes Analysis)
- Pan India Dashboards to track experience analysis.
- Detailed cell/grid analysis prepared for all hotspots to drive performance improvements.

The new platforms have enabled automatic optimization of multi-layered networks, thereby reducing drop calls, network blocking, and increasing data throughputs for setting new benchmarks in end user experience.

## 2. Efforts to increase network reliability, security, accessibility etc. to support the Digital India mission

Mobile network is an essential service and its continuity needs to be ensured during any catastrophe, unforeseen situation of any kind etc.

- Scaling of core capacities to handle unlimited 5G. Besides this, 5G plus offers easy onboarding without activation and SIM changes. Unlimited 5G can be opted with single click on Airtel Thanks application and usage of 4G and 5G is accounted separately with advanced functionalities of core and charging system. This will also help in increasing 5G adoption and offloading 4G network.
- New ILD carriers been on boarded with a manual process for Voice, ITFS & SMS services. As part of ILD Voice Digitization project, we implemented self-care portal, which interconnects, centralized billing for all the products, agreement process happens in a digital mode with no/very less manual interventions. With the integration of real time view of customer's usage and traffic reports, experience will be enhanced.
- As legacy, we have been running our fixed line and mobile on separate Core infrastructure. As part of FMC project (fix Mobile convergence), we implemented converged voice core serving both Fix line and Mobile services as part of better synergy of platforms improving cost to serve.
- Core network nodes been deployed across vertical stacks from respective OEM, As part of our Cloud and Automation journey we have mature horizontal cloud strategy integrated with Network orchestration framework deploying telecom core applications from different OEM on unified cloud stack with Automation onboarding of telecom workloads and their upgrade management .
- Service testing across circles been performed manually by network, CS and Revenue assurance teams as part of new product /new nodes roll out and their change management. As part of our Automation journey, we have deployed Call testing Automation platform hosting all circle test SIMS extending capability of emulating different network nodes and UE enabling call testing virtually instead of testing physically at respective Circles.

- Last year International roaming experience for Airtel Customers was picked as key project to improve Voice and data. For Voice, VoLTE IR implemented with top operators and default 4G for all customers for seamless latching.
- As part of network resiliency improvement, Core network nodes connectivity has been migrated to a more resilient MPLS transport network from P2P links, which improved network reliability and accessibility.
- We have added core capacities as part of BCP implementation plans.
- Airtel network Security SOC maturity improved with setup of a dedicated Network Security Operation Center managing Security Monitoring, proactive Security Risk assessment and closure management, and improving Security monitoring visibility through new cutting-edge technologies e.g. EDR deployment across telecom workloads.

### C. Foreign Exchange Earnings and Outgo

Activities relating to initiatives taken to increase exports, development of new export markets for products and services and export plans.

Total foreign exchange used and earned for the year:

- (a) Total Foreign Exchange Earnings – ₹36,515 Mn
- (b) Total Foreign Exchange Outgo – ₹106,635 Mn

### For and on behalf of the Board

**Sunil Bharti Mittal**

Chairman

DIN: 00042491

Date: May 16, 2023

Place: New Delhi

## Annexure F

### Statement of Disclosure of Remuneration under Section 197(12) of the Companies Act, 2013, read with rule 5(1) of Companies (appointment and Remuneration of Managerial Personnel) Rules, 2014

- i. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary during FY 2022-23 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for FY 2022-23 are as under:

S. No. Name of the Director	Remuneration of Director/ KMP for FY 2022-23 (In ₹)	Percentage increase in remuneration in FY 2022-23 (%)	Ratio of remuneration of each Director to median remuneration of the employees of the Company
<b>Executive Directors</b>			
1. Mr. Sunil Bharti Mittal, Chairman	167,729,002	8.92	182.71
2. Mr. Gopal Vittal, Managing Director & CEO	168,434,184	10.39	183.48
<b>Non-executive directors</b>			
3. Ms. Chua Sock Koong	5,049,339	10.86	5.50
4. Mr. Rakesh Bharti Mittal	3,000,000	Nil	3.27
5. Mr. Tao Yih Arthur Lang	5,049,339	10.86	5.50
<b>Independent Directors</b>			
6. Mr. D.K. Mittal	12,500,000	(8.76)	13.62
7. Ms. Kimsuka Narasimhan	11,892,135	17.16	12.95
8. Mr. Manish Kejriwal <sup>#</sup>	3,482,192	*	*
9. Ms. Nisaba Godrej	6,600,000	2.90	7.19
10. Mr. Pradeep Kumar Sinha <sup>#</sup>	61,91,781	*	7.64
11. Mr. Shishir Priyadarshi <sup>#</sup>	7,757,891	*	10.14
12. Mr. Shyamal Mukherjee <sup>#</sup>	5,791,781	*	*
13. Mr. V. K. Viswanathan	9,100,000	(10.78)	9.91
<b>Key Managerial Personnel other than Executive Directors</b>			
14. Mr. Pankaj Tewari, Company Secretary	16,588,050	9.78	17.95
15. Mr. Soumen Ray, CFO (India & South Asia)	50,168,723	*	30.68

\*Mr. Pradeep Kumar Sinha and Mr. Shyamal Mukherjee were appointed as Independent Directors of the Company w.e.f. May 18, 2022. Mr. Shishir Priyadarshi resigned w.e.f. October 31, 2022 as an Independent Director of the Company and Mr. Manish Kejriwal retired from the Board on September 25, 2022.

\*since the remuneration of these Directors/ KMP is only for the part of the current year/previous year hence the ratio of their remuneration to median and increase in remuneration is not comparable.

Notes:

- The value of performance linked incentive (PLI) in remuneration of Key Managerial Personnel (KMP) represents incentive @ 100% performance level. For effective comparison, the PLI component of their remuneration for FY 2022-23 has also been considered @ 100% performance level.
- Remuneration of Employees and KMPs does not include perquisite value of stock options exercised during FY 2022-23.
- There has been no change in the remuneration of Mr. Sunil Bharti Mittal, Chairman from last year. The change reflecting above is due to change in the perquisite value, which is within the limits approved by the shareholders. During FY 2022-23, he has received the remuneration of GBP 2.20 Mn from overseas subsidiary of the Company, Network i2i (UK) Limited.
- The remuneration of Mr. Gopal Vittal and Mr. Pankaj Tewari excludes perquisite value of ₹137,857,311/- and ₹3,548,276/- respectively towards exercise of stock options during FY 2022-23. The remuneration of Mr. Soumen Ray, CFO excludes the one time payout of ₹33,566,667/- during FY 2022-23.
- The remuneration paid to Independent Director also includes sitting fees of ₹100,000/- per Board/ Committee meeting attended by them during the FY 2022-23.
- Change in remuneration of Non-Executive Directors vis-à-vis previous year, if any, is due to change in their committee membership, meetings attended, sitting fee paid and change in foreign exchange rates.

**ii. The percentage increase in the median remuneration of the employees in the financial year:**

The percentage increase in the median remuneration of employees in FY 2022-23 was 7.4%.

**iii. The number of permanent employees on the roll of the Company:** There were 13,708 employees on the rolls of the Company as on March 31, 2023.**iv. Average percentage increase already made in the salaries of employees other than the managerial personnel in FY 2022-23 and its comparison with the percentage increase in the managerial remuneration and justification thereof:** The average increase in the remuneration of employees, excluding remuneration of KMPs, during FY 2022-23 was 7.4% and the average increase in the remuneration of KMPs and managerial personnel was 5.13%. The compensation structure and revision in the remuneration of the

employees and the KMPs is guided by our reward philosophy, external competitiveness and benchmarking and is as per the compensation and appraisal policy of the Company. The remuneration is within the overall limits approved by the shareholders of the Company. The increase in the remuneration of KMPs (other than executive Directors) is in line with the market practice.

**v. Affirmation that the remuneration is as per the remuneration policy of the Company:** The remuneration of Directors was as per the policy on nomination, remuneration and Board diversity of the Company.

**For and on behalf of the Board**

Date: May 16, 2023

Place: New Delhi

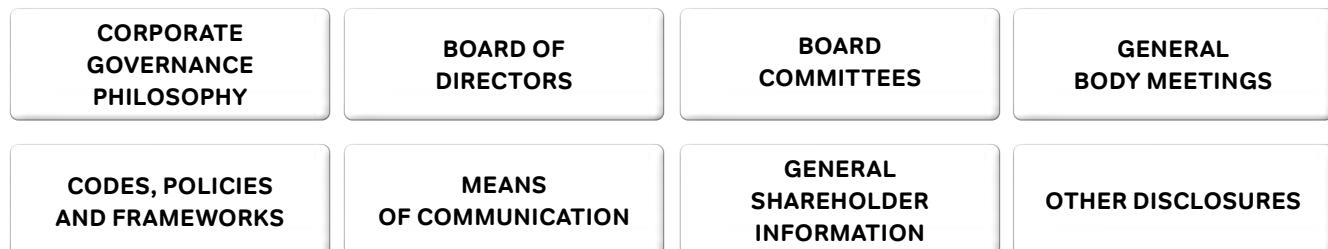
**Sunil Bharti Mittal**

Chairman

# Report on Corporate Governance

This Report on Corporate Governance reflects Company's ethically-driven business practices, aimed at sustainable value-creation for all its stakeholders. The Company believes that Corporate Governance is more than just a legal requirement. This report lays down the best practices and governance standards adopted by the Company in line with internationally recognised Corporate Governance standards.

This report is divided into following sections:



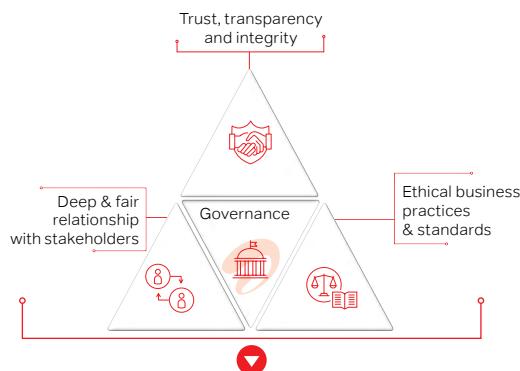
## CORPORATE GOVERNANCE PHILOSOPHY

At Airtel, we believe that Corporate Governance is means to achieve the Company's vision and objectives, in a legally compliant, transparent and ethical manner, while ensuring the best interests and long-term value creation for all the stakeholders. The Corporate Governance Philosophy of the Company is drawn from its objective of creating and enhancing long term stakeholder value and flows from its core values – being Alive, Inclusive and Respectful.

Corporate Governance is not confined to a set of processes and compliances at Airtel – it underlines the role that we see for ourselves for today, tomorrow and beyond. The

Company adheres to the highest standards of governance and continues to benchmark its practices – with not just the global 'best practices' but also 'next practices'. Your Company has been a leader in adopting globally-recognised and progressive corporate governance practices.

Corporate Governance at Airtel is reinforced through the Company's code of conduct; board governance and strong management processes; effective audits; strong internal controls and well-implemented and monitored policies and procedures.



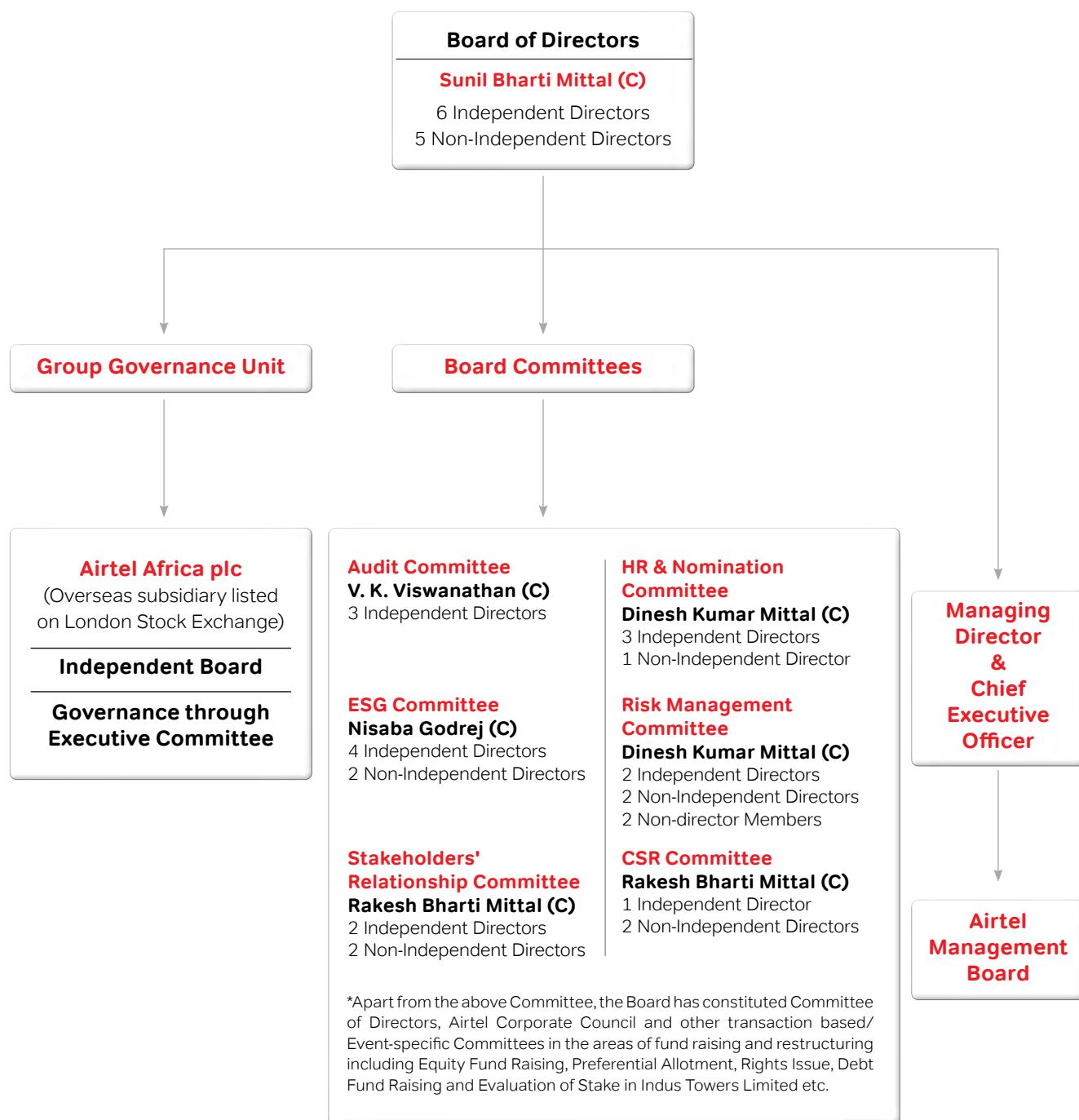
## Key pillars that underpin the Company's Corporate Governance Philosophy

- Effective and clear Governance structure with diverse Board, Board Committees and Senior Management.
- Management Governance through Airtel Corporate Council supervising the Company's business operations & major strategic decisions, robust risk management framework, strong foundation of Code of Conduct and business policies & procedures.
- Group Governance Unit spearheading an oversight process of operations of subsidiary companies.
- Compliance with all relevant laws in both form and substance.
- Complete and timely disclosure of relevant financial and operational information to enable the Board to play an effective role in guiding strategies.
- Board Governance through specialised sub-committees in the areas of Audit, Risk Management, HR & Nomination, ESG, Corporate Social Responsibility and Stakeholders' Relationship etc.
- Well-defined corporate structure that establishes checks, balances and delegates decision making to appropriate levels in the organisation.
- Transparent procedures, practices and decisions based on adequate information.
- Structured Stakeholder Engagement framework ensuring long-term value creation for all stakeholders.
- Accurate, uniform and timely dissemination of disclosures of corporate, financials and operational information to all stakeholders.
- Oversight of Board on Company's business strategy, major developments and key activities.

## Governance Structure

The Company believes that a strong, agile and resilient governance structure is a key to build organisation's capacity for wealth-creation. Therefore, at Airtel, the management, the Board and its Committees ensure that Airtel continues to remain a company of trust, transparency and integrity; and is driven towards responsible growth in line with its Corporate Governance Philosophy.

### Governance Structure at Bharti Airtel Limited as on March 31, 2023



**(C)** Chairperson

**Board of Directors:** The Board of Directors of the Company guides, oversees and monitors strategy, performance and governance. The Board establishes the governance architecture in consonance with the highest standards and owns a fiduciary responsibility to ensure that the Company's actions and objectives are aligned to sustainability, shareholder value and its growth. The Board is led by the Chairman who is responsible for encouraging and nurturing a robust Board culture.

Apart from shaping the long-term vision, the Board exercises independent judgement in overseeing management performance against defined goals and strategy on behalf of the shareholders and other stakeholders and hence, plays a vital role in the oversight and management of the Company.

**Board Committees:** The Board delegates its functioning in relevant areas to designated Board Committees to more effectively deal with complex or specialised issues and to use directors' time more efficiently. Committees brief the Board on their discussions and make recommendations for action to the full Board, which retains collective responsibility for decision making.

**Separate posts of Chairman and Managing Director & CEO:** Since 2013, the positions of the Chairman of the Board and the Managing Director & CEO at Airtel are held by separate individuals.

While the Chairman is responsible for overall strategy development, alliances, leadership development, international opportunities, corporate governance including effective functioning of the Board and Airtel's global image and reputation, the Managing Director & CEO is responsible for business strategy deployment, overall financial & operational performance and sustainability. The indicative performance criteria of Managing Director & CEO includes financial parameters such as Growth in Revenue Market Share, Gross Revenue, EBITDA margin and Operating Free Cash Flow etc. and non-financial parameters cover Digital platforms, Talent Management, Diversity and Sustainability/ESG etc.

The Company's operations in India are headed by Circle CEOs or Chief Operating Officer(s), each supported by circle level Executive Committee.

**Airtel Corporate Council:** The Airtel Corporate Council (ACC) is helmed by the Chairman and comprises the Managing Director & CEO and other select senior management members. ACC is responsible for strategic management and supervision of the Company's operations within the approved framework.

**Airtel Management Board (AMB):** The AMB provides support relating to the Company's business strategy and derive operational synergies across business units. It implements the strategy and drives company-wide business, processes, systems, policies, and function as role models for leadership development and as catalysts for imbuing customer centricity and meritocracy in the Company. The brief profile of the members of AMB comprising their qualification, experience, domain knowledge and expertise and number of years of working experience etc. are available on the website of the Company at [www.airtel.in](http://www.airtel.in).

**Group Governance Unit:** The Board, in line with the highest standards of Corporate Governance, has also constituted the Group Governance Unit which oversees the implementation of strong and effective Group Governance Policy, monitors the governance standards of Bharti Airtel and its international subsidiaries and provides need-based guidance to ensure that highest standards of corporate governance are adhered to, across the group. The Group Governance Unit acts as an institutionalised body between the Board of the Company at India and Airtel Africa plc, a subsidiary company listed on premium segment of London Stock Exchange, bestowed with a highly effective and Independent Board.

**Role of Company Secretary in Governance Process:** The role of Company Secretary at Bharti Airtel broadly encompasses around ensuring compliance, providing support and guidance to the Board of Directors and sustaining highest standards of Corporate Governance through effective development of Board and Committee processes, robust organisational governance through policy-making & controls and transparent communication with the stakeholders.

The Company Secretary ensures that the Board processes and procedures are followed and regularly reviewed. The Company Secretary also convenes and attends Board, Committee and General meetings of the Company and ensures that all relevant information is made available for effective decision-making. Important decisions of the Board/ Committee meetings are communicated to the management teams promptly for action. The Company Secretary provides the necessary guidance to the Board members with regard to their duties, responsibilities and powers and assists the Chairman in all Board development processes including Board evaluation, Board rejuvenation, succession, inductions and trainings etc. Apart from ensuring compliance with applicable statutory and regulatory requirements, the Company Secretary also acts as an institutionalised interface between the Board, management and external stakeholders.

During the year, the Company Secretary of the Company has been conferred with 'Governance Professional of the year' award by the Institute of Company Secretaries of India (ICSI).

## Corporate Governance Recognitions and Ratings

**Awards:** During the year, Airtel has been conferred with:

- Golden Peacock Global Award for Excellence in Corporate Governance, 2022, in 'Telecommunication' Category, by the Institute of Directors.
- 22<sup>nd</sup> ICSI National Award for Excellence in Corporate Governance and 'Best Governed Company' in Listed Segment – Large Category.

**CRISIL GVC 1 Grading:** CRISIL has maintained its Governance and Value Creation (GVC) grading, viz. CRISIL GVC Level 1 in Airtel. The grading indicates that Airtel's corporate governance practices and value creation for all its stakeholders, are at the highest level.

**Ratings upgrade:** Through its focused corporate governance interventions, Airtel secured following ratings upgrade during FY 2022-23:

- 'Sustainalytics' ranking from '**Medium**' to '**Low**' ESG risk.
- MSCI rating from '**BBB**' to '**A**'.

The Awards and improvements in ratings recognise the highest standards of corporate governance and values we standby as we conduct our business for long-term value creation of the stakeholders.



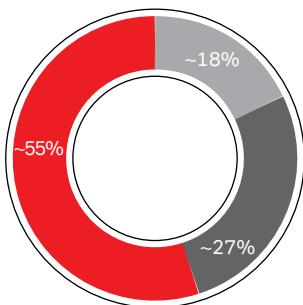
## BOARD OF DIRECTORS Size and Composition

The Company's Board is an optimum mix of Executive, Non-Executive, Independent and Women Directors and conforms to the provisions of the Companies Act, 2013, Listing Regulations, FDI guidelines, terms of shareholders' agreement and other applicable statutory provisions.

As on March 31, 2023, the Board comprised Eleven (11) members, including a Chairman, a Managing Director & CEO, three Non-Executive Non-Independent Directors and six Independent Directors including two Women Independent Directors. The shareholders of the Company periodically approve the appointment/ re-appointment of all the directors, including the rotational directors. The Company does not have any permanent Board seat.

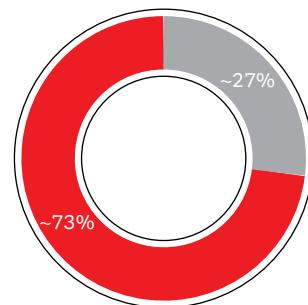
### Size and Composition of the Board as on March 31, 2023

#### Board Composition



**~82%**  
NON-EXECUTIVE  
DIRECTORS ON  
BOARD

#### Board Gender Diversity



- Executive Directors (2)
- Non-Executive Non-Independent Directors (3)
- Independent Directors (6)

- Men (8)
- Women (3)

## Average Tenure as on March 31, 2023

**~8.6 years**

**AVERAGE TENURE  
OF DIRECTORS**

**~4.3 years**

**AVERAGE TENURE  
OF INDEPENDENT  
DIRECTORS**

## Changes in the Board during the FY 2022-23

- a) Mr. Manish Kejriwal, Lead Independent Director retired with effect from the close of business hours on September 25, 2022, upon completion of his second term as an Independent Director.
- b) Mr. Shishir Priyadarshi, Independent Director, resigned with effect from the close of business hours on October 31, 2022 to devote time towards new full time professional responsibilities. He further confirmed that there was no material reason for his resignation other than mentioned above.
- c) Mr. Pradeep Kumar Sinha was appointed as an Independent Director of the Company for a period of five consecutive years w.e.f. May 18, 2022 upto May 17, 2027.
- d) Mr. Shyamal Mukherjee was appointed as an Independent Director of the Company for a period of five consecutive years from w.e.f. May 18, 2022 upto May 17, 2027.
- e) Mr. Gopal Vittal, Managing Director & CEO, was re-appointed for a further period of five years w.e.f. February 1, 2023 upto January 31, 2028.

Following skills/ expertise/ competencies have been identified by the Board for its effective functioning. The Board comprises qualified members who collectively bring in identified skills/ expertise/ competencies.



### Strategic Leadership and Management

Experience in guiding and leading management teams, strategic planning, understanding of organisational systems & processes and appreciation of long-term trends/ choices



### Technology

Background in technology and innovation, anticipation of technological trends, experience of creation of new business ideas or models



### Industry and Sector Experience

Knowledge and experience in telecom sector to provide strategic guidance to the management in fast changing environment



### Financial and Risk Management

Wide-ranging financial skills, experience of corporate accounting, internal controls and reporting and ability to monitor the effectiveness of the risk management framework and practices



### Governance

Experience in developing governance practices, protecting best interest of stakeholders, maintaining board and management accountability and oversight of compliance, corporate ethics and values



### Global Business/ International Expertise

Experience of leading large organisations having international/ global businesses including marketing, supply chain and understanding of multiple geographies and cross-cultural business environment



### Public Policy

Understanding of legal & regulatory landscape, national/ global policy developments and its impact on dynamic business environment



### Sustainability and ESG

Experience in overseeing/ leading the sustainability and ESG matters of large organisations including the matters of Corporate Social Responsibility

The Board members broadly possess the identified skills/ competencies and the core domain expertise of each director is provided in 'Board of Directors' section of this Integrated Report.

## Board Membership Criteria and Selection Process



### Designated Committee for nomination/ selection

HR and Nomination Committee is responsible for evaluating and selecting a suitable candidate for appointment as Board member.



### Well-defined and Structured process

The Committee follows a well-defined and structured process/criteria under Policy on Nomination, Remuneration & Board Diversity and makes recommendations to the Board.



### Comprehensive discussions at the Board on eligible candidates

The Board considers the recommendations of the Committee and recommends the appointment of new Board member, to the Shareholders for their approval.

#### **The HR & Nomination Committee inter-alia considers & evaluates various criteria and leverages difference in following factors while making recommendations to the Board:**

- Background including professional experience, education, culture & geography and accomplishments;
- Skills, attributes, capabilities, knowledge and thought to exercise sound judgement;
- Time commitment;
- Understanding of the sector(s) & industry(ies) in which Company operates including Telecommunication sector; and
- Expertise in marketing, technology, finance & other disciplines relevant to the Company's business.

## Independent Directors

The Independent Directors are the Board members who are required to meet baseline definition and criteria on 'independence' as set out in Regulation 16 of Listing Regulations, Section 149(6) of the Companies Act, 2013 read with rules and Schedule IV thereto and other applicable regulations. In terms of Regulation 25(8) of Listing Regulations, Independent Directors of the Company have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties.

Accordingly, based on the declarations received from all Independent Directors, the Board of Directors has confirmed that Independent Directors of the Company fulfill the conditions specified in the Companies Act, 2013 and Listing Regulations and are independent of the management. Further, the Independent Directors confirmed that they have enrolled themselves in the Independent Directors' Databank maintained by the Indian Institute of Corporate Affairs. As mentioned earlier in this report, the Board includes Six (6) Independent Directors as on March 31, 2023.

The Company issues formal letter of appointment to the Independent Directors at the time of their appointment/re-appointment. The terms and conditions of the appointment of Independent Directors are available on the Company's website at [https://s3-ap-southeast-1.amazonaws.com/bsy-iportal/images/Terms-and-conditions-of-appointment-of-Independent-Director\\_71431EDE0A09885D5A367A04374E5FB5.pdf](https://s3-ap-southeast-1.amazonaws.com/bsy-iportal/images/Terms-and-conditions-of-appointment-of-Independent-Director_71431EDE0A09885D5A367A04374E5FB5.pdf).

### Lead Independent Director

In line with its well-defined and structured Board governance process, the Company follows the practice of appointing a

Lead Independent Director. During the year ended March 31, 2023, Mr. D.K. Mittal was designated as the Lead Independent Director w.e.f. September 26, 2022 upon retirement of Mr. Manish Kejriwal as an Independent Director.

The roles and responsibilities of Lead Independent Director are as follows:

- Preside over all deliberations/ sessions/ quarterly meetings of the Independent Directors.
- Provide objective feedback of the Independent Directors as a group to the Board on various matters, including agenda and other matters relating to the Company.
- Liaise between the Chairman, Managing Director & CEO and Independent Directors for consensus building on sensitive matters.
- Help the Company in further strengthening the Board effectiveness and governance practices, including suggestions on agenda items for Board/ Committee meetings on behalf of the group of Independent Directors.
- Undertake such other assignments, as may be requested by the Board from time to time.

### Meeting of Independent Directors

The Independent Directors meet separately on a quarterly basis before the Board meeting without the presence of Non-Independent Directors or representatives of management, in order to form a fair and independent judgement on all matters related to functioning of the Board, senior management and the Company as a whole. At these meetings, the Independent Directors discuss various matters including Company's

performance; industry landscape and Company's strategy; key strategic risks faced by the Company; succession planning; governance and compliance; performance of Non-Independent Directors, the Board as a whole and the Chairman; and the quality, quantity, effectiveness and promptness of the flow of information between the Company's Management and the Board.

The Chairman and Managing Director & CEO are also invited occasionally to these meetings to generally discuss and update about strategic matters. The Lead Independent Director updates the Audit Committee/ the Board about the outcome/ proceedings of the meetings and action, if any, required to be taken by the Company.

In these meetings, the Independent Directors also engage with Statutory Auditors as well as Internal Assurance Partners at least once a year, to discuss internal audit effectiveness, control environment and their general feedback. The Independent Directors also have access to Secretarial Auditor, Cost Auditor and the management for discussions and questions, if any.

During FY 2022-23, the Independent Directors met four times i.e. on May 17, 2022, August 08, 2022, October 31, 2022 and February 07, 2023.

### **Familiarisation programme for Board members**

The Company has adopted a well-structured induction programme for orientation and training of Directors at the time of their joining so as to provide them with an opportunity to familiarise themselves with the Company, Board, its management, its operations including its products and services, business model, values and Company's culture and the industry in which the Company operates.

The induction programme includes one-to-one interactive sessions with the top management team, business and functional heads among others and generally also includes a visit to network center(s) to understand the operations and technology. They are also familiarised with Company's organisational and governance structure, Governance philosophy/ principles, Code of Conduct & key policies, Board's way of working & procedures, formal information sharing protocol between the Board and the management, Directors' roles and responsibilities and disclosure obligations.

Apart from the induction programme, the Company periodically presents updates at the Board/Committee meetings to familiarise the Directors with the Company's strategy, business performance including Company's digital ecosystem, product offerings, finance, risk management framework, human resources and other related matters. The Board members also visit Airtel outlets and meet customers/ other stakeholders for gaining first-hand experience about the products and services of the Company.

### **Highlights of Board engagements during the FY 2022-23**

- a) **Board Engagement and Industry Specific familiarisation:** The Board had a deeper engagement with the management vide quarterly sessions with the Senior Management covering areas including update on 5G implementation strategy, consumer business and overall talent management strategy including an overview of impactful career development interventions etc.
- b) **Dubai Leadership Strategy Conclave:** The Company organised a Board Strategy Meeting and Leadership Conclave for the Board and senior management in Dubai to have detailed deliberations on Company's strategy, key business priorities, strategic risks and execution challenges for the achievement of Company's long-term vision.

The Board has an active communication channel with the management, which enables Board members to raise queries and seek clarifications, enabling a good understanding of the Company and its various operations. Quarterly updates, strategic updates including press releases and mid-quarter updates are regularly shared with the Board members to keep them abreast on significant developments in the Company.

Details of the Familiarisation programme for the Independent Directors are available on the Company's website at <https://assets.airtel.in/teams/simplycms/web/docs/familiarization-programme.pdf>

### **Performance Evaluation**

#### **a) Objective**

At Airtel, we believe that Annual Board Evaluation is a key pillar of our Corporate Governance framework. The

Board firmly believes that an effective Board Evaluation helps in delivering greater value to the Company and all its stakeholders. This involves a comprehensive and transparent assessment, providing candid feedback and constructively using the outcome of the evaluation process to continuously enhance the overall effectiveness of the Board and optimise the individual strengths of the Board members.

#### **b) Overview of Evaluation process and mechanism**

The Board works with HR & Nomination Committee and lays down a structured framework - process, format, attributes, criteria and revised questionnaires for the performance evaluation of the Board, its Committees and individual directors including the Chairman and MD & CEO, keeping in view the Board priorities and best practices.

The process provides that the performance evaluation shall be carried out on an annual basis. During the year, the Directors completed the evaluation process, which included evaluation of the Board as a whole, Board Committees and individual directors including the Chairman and the MD & CEO. The evaluation process was facilitated online by a leading independent consulting firm. The consolidated reports on outcome were submitted by the consulting firm to the Board through the Company Secretary.

The results of evaluation were discussed in the Independent Director's meeting, followed by Committee meetings and Board Meeting held later during the same day. All Directors participated in the performance evaluation process.

### (c) Evaluation Criteria

#### **Board of Directors**



Evaluation by the Board on various criteria such as structure, composition, quality, diversity, experience, competencies, performance of specific duties and obligations, quality of decision-making, board practices and overall effectiveness of Board including its time devotion towards strategy, governance and compliance.

#### **Board Committees**



Evaluation by the Board and Committees after seeking inputs from the committee members on the basis of criteria such as committee composition, effectiveness of committee in terms of well-defined charters & powers and information-flow with the Board in terms of reporting and due consideration of Committees' decisions, findings and recommendations at the Board level.

#### **Individual Directors**



Evaluation by the Board on criteria such as meeting attendance, time devotion and contribution, engagement with colleagues on the Board, preparedness for meetings, quality of inputs, entrepreneurial leadership, ability to bring different perspectives/ new ideas and independent judgement, knowledge, skills, competence etc. All the directors were subject to peer-evaluation.

#### **Chairman and Managing Director & CEO**



Evaluation of Chairman on certain additional criteria such as leadership development, Board management, fairness, Corporate governance, recognition & awards and company's international positioning etc; and Managing Director & CEO on the achievement of strategic goals, clarity on vision, openness to constructive suggestions, delivery of business performance, talent and leadership management etc.

#### **Independent Directors**



Based on role of Independent Directors viz. vision and strategic guidance, governance and control, the Independent Directors were evaluated by the Board on certain additional performance indicators including (a) devotion of sufficient time and attention towards professional obligations for independent decision making and for acting in the best interests of the Company; (b) providing strategic guidance to the Company and help determine important policies with a view to ensure long-term viability and strength; and (c) bringing external expertise and independent judgement.

The recommendations arising out of the evaluation process were discussed with the Board and the Board Committees and individual feedback was provided.

### (d) Outcome of the Evaluation process and action plan

- The Board was satisfied with overall performance & effectiveness of the Board, Committee, and Individual Directors, and appreciated Company's performance during the year. The Board noted that well-defined and distinct roles of Chairman and the MD & CEO reflect a high degree of cohesiveness, thereby enhancing the image and performance of the Company. The professional and transparent way in which Board and committee meetings are conducted, allows for robust debate on strategic matters and reflects the organization's value system based on integrity and fair play.
- The Company would continue to follow a long-term approach to board succession and rejuvenation. Induction of board members with relevant expertise and skill-sets would further enhance the overall effectiveness of the Board and make it future-ready.

- Board and ESG Committee would continue to monitor and provide strategic guidance on Company's ESG initiatives, progress and reporting with evolving regulatory requirements, to ensure sustainable value creation for all stakeholders.

The evaluation demonstrated high governance standards of the Company, the resilience of the Board and the Management and the effective communication between the Board and the Management.

### **e) Action taken on outcome of last year performance evaluation**

Progress on recommendations from last year's performance evaluation were also discussed/ reviewed. The Board continued to have deep engagement with management on key strategic matters including 5G implementation and progress; overall talent management strategy and dynamic industry landscape. This served

two objectives: a) giving opportunity to the business leaders to interact with board and seek its guidance b) Enabling the board to gauge the depth of business leadership. During the year, the Board/ ESG Committee continued to have an enhanced oversight of Company's ESG journey, key interventions, improvements in ESG ratings and plans ahead.

### **Succession planning**

At Airtel, a well-governed and structured succession planning framework for the Board and top critical positions including its Senior Management, fosters organisational growth and long-term value creation.

#### **Key features of Airtel's Succession planning framework**

**Board:** HR & Nomination Committee works with the Board on plan including current tenure of Board members, outcome of performance evaluation, skill matrix including skill-gaps, Board diversity, time-commitment, statutory requirements etc. offering an additional opportunity for the Board to assess its competencies and capabilities. The Chairman works closely with the HR & Nomination Committee to put in place a multi-year succession plan, which takes into account anticipated departures/ retirements on the Board, prioritises future needs and builds a strong talent pipeline. This helps identify prospective Board members who possess the skills and experience required in the context of the Company's business and ensures a smooth transition in key Board positions.

**Top critical positions including Senior Management:** Apex Talent Council spearheads the framework and carries out detailed evaluation of each position including various criteria of identification of successors, their readiness/ development plan (which could be in the form of job rotation, exposure, coaching, mentorship, development and engagement etc). The HR & Nomination Committee of the Company then devotes its considerable time for review of succession planning framework on half-yearly basis. The Committee reviews the detailed plan including specific listing of critical jobs, successors identified and readiness timeline/ contingency plan for each position. This framework now includes a larger set of critical jobs, a proposed formalised identification, mentoring and development framework as well as a roadmap for strengthening governance on talent actions/ readiness/ risk etc (from bi-annual to quarterly). The framework involves skilling for the top leadership as well to foster successor readiness more effectively. The Board also reviews the succession planning framework for top critical positions including Senior Management.

For critical positions, the Company also follows the global best practice wherein the identified successor shadows the current incumbent for a reasonable period to allow smooth and orderly succession.

**93%**

**SUCCESSION RATE  
FOR MIDDLE AND  
TOP LEVEL MANAGEMENT**

#### **Board Meetings**

##### **Meetings Schedule and Agenda**

The schedule of the Board meetings and Board Committee meetings are finalised in consultation with the Board members and communicated to them in advance. The Board Calendar for the financial year 2023-24 has been disclosed later in this report and has also been uploaded on the Company's website. Additional meetings are called, when necessary, to consider the urgent business matters.

The Audit Committee and the HR & Nomination Committee meetings are generally held on the same dates as Board meetings. To ensure an immediate update to the Board, the Chairperson of the respective committee briefs the Board in detail about the proceedings of the respective committee meetings. All committee recommendations placed before the Board during the year under review were unanimously accepted by the Board.

As a process prior to each Board meeting, proposals are invited from Independent Directors for discussion/ deliberation at the meeting(s) and these are included in the meeting's agenda to promote objective decision making.

The Board devotes its significant time in evaluation of current and potential strategic issues and reviews Company's business plans, corporate strategy and risk management issues based on the markets it operates in and in light of global industry trends and developments to help achieve its strategic goals.

The Chief Financial Officer and other Senior Management members are invited to the Board meetings to present updates on the items being discussed at the meeting. In addition, the functional heads of various business segments/ functions are also invited at regular intervals to present updates on the respective business functions.

##### **Availability of information to the Board**

The Board has complete and unfettered access to all relevant information within the Company, to the Senior Management and all the auditors of the Company. In order to have an 'informed Board' as a collective body, there is a formal 'Information Sharing Protocol' in place for seamless and uniform exchange of information between the Board and the Senior Management.

In order to ensure highest standards of security and have technology-driven paperless board meetings, all the documents, including the agenda and explanatory notes, are notified through a web-based platform accessible to board members through ipads, laptops and hand-held devices.

The information, as required under Part A of Schedule II of the SEBI Listing Regulations, is made available to the Board. With the unanimous consent of the Board, all information which is in the nature of unpublished Price Sensitive Information, is submitted to the Board and its Committees at a shorter notice. At Board meetings, Company executives, managers

The attendance of the Board members at the Board meetings and the Annual General Meeting of the Company held during FY 2022-23, is as follows:

Name of the director	AGM held on August 12, 2022	Date of Board Meeting					Total Board meetings held during tenure	Board meetings attended	% of attendance
		May 17, 2022	August 08, 2022	October 31, 2022	February 07, 2023	March 16, 2023			
Mr. Sunil Bharti Mittal							5	5	100%
Mr. Gopal Vittal							5	5	100%
Ms. Chua Sock Koong							5	5	100%
Mr. Rakesh Bharti Mittal							5	5	100%
Mr. Tao Yih Arthur Lang							5	5	100%
Mr. Dinesh Kumar Mittal							5	5	100%
Mr. Manish Kejriwal <sup>1</sup>				Not applicable	Not applicable	Not applicable	2	2	100%
Ms. Kimsuka Narasimhan							5	5	100%
Ms. Nisaba Godrej							5	5	100%
Mr. Shishir Priyadarshi <sup>2</sup>					Not applicable	Not applicable	3	3	100%
Mr. V. K. Viswanathan							5	5	100%
Mr. Pradeep Kumar Sinha <sup>3</sup>		Not applicable					4	4	100%
Mr. Shyamal Mukherjee <sup>4</sup>		Not applicable					4	4	100%
<b>Attendance (%)</b>	<b>92.30%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>			



Attended in person



Attended through video conference



Leave of absence

### Notes:

1. Mr. Manish Kejriwal retired as an Independent Director w.e.f. the close of business hours on September 25, 2022 upon completion of his term.
2. Mr. Shishir Priyadarshi resigned as an Independent Director w.e.f. the close of business hours on October 31, 2022.
3. Mr. Pradeep Kumar Sinha was appointed as an Independent Director w.e.f. May 18, 2022.
4. Mr. Shyamal Mukherjee was appointed as an Independent Director w.e.f. May 18, 2022.

## 100%

### ATTENDANCE AT THE BOARD MEETINGS DURING FY 2022-23

#### Directors' remuneration

In terms of the Listing Regulations and Companies Act, 2013, the Board has approved a Policy on Nomination, Remuneration and Board Diversity for Directors, KMPs and other Senior Management and it includes the criteria of making payments

to non-executive directors. The Policy is directed towards rewarding performance based on a periodic review of the achievements. The salient features of the Policy are provided in the Board's Report forming part of this Annual Report.

The Policy is available on the Company's website at <https://assets.airtel.in/teams/simplycms/web/docs/BAL-policy-on-nomination-remuneration-and-board-diversity.pdf>. The Company affirms that the remuneration paid to the Board members is as per terms laid out in the Policy on Nomination, Remuneration and Board Diversity.

#### Details of the remuneration of Directors for the FY 2022-23

Name of Director	Sitting Fees	Salary and allowances	Performance linked incentive	Perquisites	Commission	Total
<b>Executive Directors</b>						
Mr. Sunil Bharti Mittal	Not applicable	100,676,316	45,000,000	22,052,686	-	167,729,002
Mr. Gopal Vittal		100,970,654	67,456,810	6,720	-	168,434,184
<b>Non-Executive Directors</b>						
Ms. Chua Sock Koong	-				5,049,339	5,049,339
Mr. Rakesh Bharti Mittal	-				3,000,000	3,000,000
Mr. Tao Yih Arthur Lang	-				5,049,339	5,049,339
Mr. Dinesh Kumar Mittal	2,500,000				10,000,000	12,500,000
Mr. Manish Kejriwal	800,000				2,682,192	3,482,192
Ms. Kimsuka Narasimhan	1,000,000	Not applicable	Not applicable	Not applicable	10,892,135	11,892,135
Ms. Nisaba Godrej	1,100,000				5,500,000	6,600,000
Mr. Shishir Priyadarshi	600,000				7,157,891	7,757,891
Mr. V. K. Viswanathan	1,100,000				8,000,000	9,100,000
Mr. Pradeep Kumar Sinha	1,400,000				4,791,781	6,191,781
Mr. Shyamal Mukherjee	1,000,000				4,791,781	5,791,781
<b>Total</b>	<b>9,500,000</b>	<b>201,646,970</b>	<b>112,456,810</b>	<b>22,059,406</b>	<b>66,914,458</b>	<b>412,577,644</b>

Notes:

1. The salary and allowances includes the Company's contribution to the Provident Fund. Above doesn't include (a) liability for gratuity and leave encashment, provided on actuarial basis for the Company as a whole, the amount pertaining to the Directors is not ascertainable; and (b) interest on provident fund.
2. The value of the perquisites is calculated as per the provisions of the Income Tax Act, 1961.
3. Value of Performance Linked Incentive (PLI) based on mix of short-term and long-term goals. PLI considered above represents incentive which accrued at 100% performance level for FY 2022-23 and will get paid on the basis of actual performance parameters, the details of which are laid down earlier in this report. At 100% performance level, the gross remuneration of Mr. Sunil Bharti Mittal was ₹167,729,002 for FY 2022-23 and ₹153,986,068 for FY 2021-22 and that of Mr. Gopal Vittal was ₹168,434,184 for FY 2022-23 and ₹152,581,334 for FY 2021-22. During the year, Mr. Sunil Bharti Mittal and Mr. Gopal Vittal were paid ₹52,500,000 and ₹74,748,231 respectively as PLI for previous year 2021-22, which is not included above. During FY 2022-23, Mr. Sunil Bharti Mittal has received the remuneration of GBP 2.20 Mn from overseas subsidiary of the Company, Network i2i (UK) Limited.
4. During the year, Mr. Gopal Vittal was granted 199,140 stock options on August 12, 2022 under ESOP Scheme 2005 at an exercise price of ₹5 per option, with a vesting period spread over 3 years. The above remuneration of Mr. Gopal Vittal does not include perquisite value of ₹137,857,311 towards the value of Stock Options exercised during the year. The options can be converted into equity shares either in full or in tranches at any time upto seven years from the grant date. The unexercised vested options can be carried forward throughout the exercise period. The options which are not exercised will lapse after the expiry of the exercise period. No other director has been granted any stock option during the year.
5. The Company has entered into contracts with the executive directors i.e. Mr. Sunil Bharti Mittal and Mr. Gopal Vittal. These are based on the approval of the shareholders dated (i) August 31, 2021 for Mr. Sunil Bharti Mittal and; (ii) August 12, 2022 for Mr. Gopal Vittal. There are no other contracts with any other director.
6. As per the terms of contract, no severance fee is payable to any Director of the Company. Further, notice period & other terms of employment of Executive Directors are governed by the HR policies of the Company.
7. Save and except the respective remuneration of Directors (as stated above), there was no pecuniary relationship or transaction in the Company with Non-Executive Directors.



## BOARD COMMITTEES

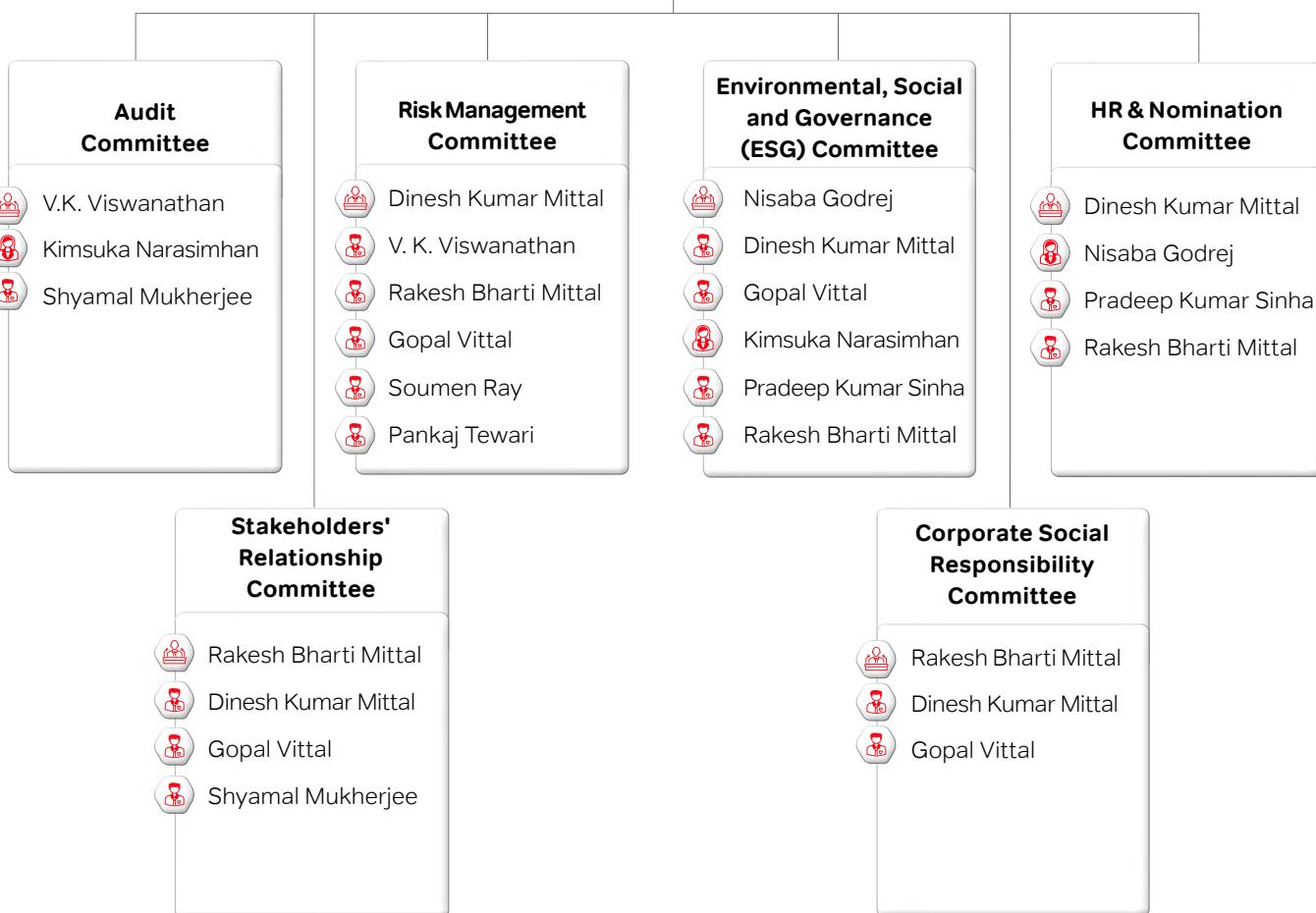
In compliance with the statutory requirements, the Board has constituted various Committees with specific terms of reference and scope. The objective is to focus effectively on specific areas and ensure expedient resolution and decision-making. The Committees operate as the Board's empowered agents according to their charter/ terms of reference.

**Committee governance:** The Board, in consultation with the HR & Nomination Committee, constitutes the Board committees and lays down their charters and terms of reference. The recommendations of the committees are

submitted to the Board for approval. During the year, all recommendations of the committees were approved by the Board. Generally, committee meetings are held prior to the Board meeting and the chairperson of the respective committees update the Board about the deliberations, recommendations and decisions taken by the Committee.

The constitution and charters of the Board Committees are available on the Company's website viz. <https://www.airtel.in/about-bharti/equity/corporate-governance/board-committees>.

### **Constitution of Board Committees as on March 31, 2023**



Chairperson

Member

Member

Note: Apart from the above Committee, the Board has constituted Committee of Directors, Airtel Corporate Council and other transaction based/ Event-specific Committees in the areas of fund raising and restructuring including Equity Fund Raising, Preferential Allotment, Rights Issue, Debt Fund Raising and Evaluation of Stake in Indus Towers Limited etc.

## I. Statutory Committees

### Audit Committee



**Mr. V.K. Viswanathan, Independent Director**

Chairperson, Accounting and Financial Management Expert

#### a) Composition, Meetings and Attendance

As on March 31, 2023, Audit Committee comprised three Directors, all of whom are independent. The Chairperson of the Committee, Mr. V. K. Viswanathan, Independent Director is a Chartered Accountant and has many years of experience in general management. All members of the Audit Committee, including the Chairperson, have accounting and financial management expertise. The composition of the Audit Committee meets the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

During the year ended March 31, 2023, the following changes occurred in the composition of the Committee:

- a) Mr. Tao Yih Arthur Lang, Non-Executive Director stepped down as a member of the Committee w.e.f. May 18, 2022.
- b) Mr. Shyamal Mukherjee, Independent Director was appointed as a member of the Committee w.e.f. May 18, 2022.
- c) Mr. Manish Kejriwal, Independent Director ceased to be a member of the Committee w.e.f. the close of business hours on September 25, 2022 upon his retirement.

The composition of the Committee and attendance of members at the Committee meetings held during FY 2022-23, are given below:

Name of the director	Date of Audit Committee meeting				Held during tenure	Total attended	% of attendance
	May 17, 2022	August 08, 2022	October 31, 2022	February 07, 2023			
Mr. V. K. Viswanathan, Chairperson	☒	☒	☒	☒	4	4	100%
Mr. Manish Kejriwal <sup>1</sup>	☒	☒	Not applicable	Not applicable	2	2	100%
Ms. Kimsuka Narasimhan	☒	☒	☒	☒	4	4	100%
Mr. Tao Yih Arthur Lang <sup>2</sup>	☒	Not applicable	Not applicable	Not applicable	1	1	100%
Mr. Shyamal Mukherjee <sup>3</sup>	Not applicable	☒	☒	☒	3	3	100%
<b>Attendance (%)</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>			



Attended in person



Attended through video conference

1. Mr. Manish Kejriwal ceased to be a member of the Committee w.e.f. the close of business hours on September 25, 2022 upon his retirement.
2. Mr. Tao Yih Arthur Lang stepped down as a member of the Committee w.e.f. the close of business hours on May 18, 2022.
3. Mr. Shyamal Mukherjee was appointed as a member of the Committee w.e.f. May 18, 2022.

## 100%

### ATTENDANCE AT THE AUDIT COMMITTEE MEETINGS DURING FY 2022-23

The attendance of members at the Audit Conference calls held during FY 2022-23, are given below:

Name of the director	Date of Audit Conference Call				Held during tenure	Total attended	% of attendance
	May 10, 2022	August 02, 2022	October 28, 2022	January 31, 2023			
Mr. V. K. Viswanathan, Chairperson					4	4	100%
Mr. Manish Kejriwal <sup>1</sup>			Not applicable	Not applicable	2	1	50%
Ms. Kimsuka Narasimhan					4	4	100%
Mr. Tao Yih Arthur Lang <sup>2</sup>		Not applicable	Not applicable	Not applicable	1	1	100%
Mr. Shyamal Mukherjee <sup>3</sup>	Not applicable				3	3	100%
<b>Attendance (%)</b>	<b>100%</b>	<b>75%</b>	<b>100%</b>	<b>100%</b>			

Attended through video conference    Leave of absence

1. Mr. Manish Kejriwal ceased to be a member of the Committee w.e.f. the close of business hours on September 25, 2022 upon his retirement.
2. Mr. Tao Yih Arthur Lang stepped down as a member of the Committee w.e.f. the close of business hours on May 18, 2022.
3. Mr. Shyamal Mukherjee was appointed as a member of the Committee w.e.f. May 18, 2022.

#### b) Brief responsibilities of the Audit Committee

The brief responsibilities of the Audit Committee, inter-alia, include the following:

1. Oversee the Company's financial reporting process and the disclosure of its financial information, to ensure that the financial statements are correct and credible.
2. Review the Quarterly/ Annual Financial Statements & Auditor's Report thereon, before submission to the Board for approval.
3. Consider the appointment, resignation etc. and remuneration of the Statutory Auditor, Internal Auditor, Cost Auditor and Secretarial Auditor.
4. Review and monitor the Auditor's performance & independence and effectiveness of audit process.
5. Evaluation of internal financial controls and ensure that internal audit function is effective & adequately resourced.
6. Approval of all transactions with related parties and subsequent modifications (including material modifications) thereof.
7. Oversee the functioning of the Vigil Mechanism/ Whistle Blower Mechanism and Ethics framework/ ethical issues.
8. Review and scrutinise the inter-corporate loans & investments.

9. Review the Company's financial and risk management policies, implementation of treasury policies, strategies and status of investor relation activities.
10. Consider and comment on rationale, cost-benefits and impact of Schemes involving merger, demerger etc., on the Company and its shareholders.

The Audit Committee is governed through its formal Charter which may be referred for its detailed purpose and objective, responsibilities and powers. The same is available on the Company's website at <https://assets.airtel.in/teams/simplycms/web/docs/Charter-Document-Audit-Committee.pdf>.

#### c) Key matters considered by the Audit Committee

Activities of the Committee during the year	Frequency
Review and recommendation of standalone and consolidated financial statements of the Company and its subsidiaries.	
Performance evaluation of its own effectiveness.	
Review the state and adequacy of internal controls with the management, statutory auditors, internal auditor and internal assurance partners.	
Review of internal assurance reports and actions taken reports at the audit committee conference calls.	
Review with statutory auditors and internal assurance partners on the nature and scope of the audit.	
Review of compliance certificates confirming compliance with laws and regulations, including any exceptions to these compliances.	
Review of management's discussion and analysis of the financial condition and results of operations.	

Activities of the Committee during the year	Frequency
Recommendation to the Board on the selection and evaluation of the internal assurance partners, cost auditors, secretarial auditors, accounting separation report (ASR) auditors including remuneration and terms of their appointment.	
Discussions with statutory auditors (whenever necessary, without the presence of members of the management) regarding the Company's audited financial statements or any other matters as the committee deemed necessary.	
Approval of non-audit services to be obtained from the statutory auditors and approval of payment of such non-audit services.	
Review of adequacy and effectiveness of internal financial controls.	
Consideration and approval of the report of Cost Auditors and other statements.	
Review of the related party transactions during preceding quarter.	
Omnibus approval for the related party transactions proposed to be entered into by the Company.	
Review, approval and recommendation of related parties transactions to the Board.	
Review of inter-corporate loans and investments.	
Review and update on liabilities (including contingent liability).	
Review and monitoring of statutory auditor's and internal assurance partners' independence, performance and effectiveness of audit process.	
Review of implementation of Code of Conduct or ethics framework.	
Review of status of compliances under SEBI Insider Trading Regulations.	
Monitoring and review of ombudsperson report on whistle blower incidents.	
Review of utilisation of issue proceeds of funds raised by the Company.	

Quarterly   Half Yearly   Annually   Periodically

#### d) Audit Committee Report

##### To the Shareholders of Bharti Airtel Limited

**The Audit Committee (“Committee”) is pleased to present its report for the year ended March 31, 2023:**

1. The Committee presently comprises of three members of whom all members, including the Chairman, are Independent Directors, as against the requirement of two thirds prescribed under Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.
2. The responsibility for the Company's internal controls and financial reporting processes lies with the Management. The Statutory Auditors have

the responsibility of performing an independent audit of the Company's financial statements in accordance with the Indian Accounting Standards (Ind-AS) and issuing a report thereon. The Ombudsperson is responsible for the Company's Whistle Blower Mechanism.

3. The Company has in place an Internal Assurance Group (IAG) led by Anil Jeet Singh Riat. He is the Chief Internal Auditor in accordance with Section 138 of the Companies Act, 2013. The Company had also appointed Ernst & Young LLP and ANB & Co., Chartered Accountants, Mumbai as the Internal Assurance Partners. The audit conducted by the Internal Auditors and Internal Assurance Partners is based on an internal audit plan, which is reviewed each year in consultation with the IAG and the Audit Committee. These audits are based on risk based methodology and inter-alia involve the review of internal controls and governance processes, adherence to management policies and review of statutory compliances. The Internal Assurance Partners share their findings on an ongoing basis during the year for corrective action.

4. The Audit Committee oversees the work of Statutory Auditors, Internal Auditors, IAG, Internal Assurance Partners and the Ombudsperson. It is also responsible for overseeing the processes related to the financial reporting and information dissemination.

5. In this regard, the Audit Committee reports as follows:

- I. The Committee has discussed with the Company's Internal Auditor, Internal Assurance Partners and Statutory Auditors the overall scope and plan for their respective audits. The Committee has also discussed the results and effectiveness of the audit, evaluation of the Company's internal controls and the overall quality of financial reporting.
- II. The Management has presented the Company's financial statements to the Committee and affirmed that the Company's financial statements have been drawn in accordance with Ind-AS. Based on its review and the discussions conducted with the Management and the Statutory Auditors, the Committee believes that the Company's financial statements are fairly presented in conformity with applicable accounting standards in all material aspects. The Committee also considers that the financial statements are true and fair and provide sufficient information. The Committee believes the Company has followed adequate processes to prepare these financial statements.

- III. The Committee has reviewed the standalone and consolidated financial statements for the year ended March 31, 2023. It has recommended the same for the Board's approval.
  - IV. The Committee has reviewed the internal controls for ensuring that the Company's accounts are properly maintained and that the accounting transactions are in accordance with prevailing laws and regulations. In conducting such reviews, the Committee found that the Company's internal control systems overall are designed adequately and are operating satisfactorily. Where deficiencies or improvement areas in control systems are pointed out by the internal audit, the management has taken adequate steps or is in process of addressing those areas.
  - V. The Committee reviewed the Company's internal financial controls and risk management systems from time to time.
  - VI. The Committee reviewed the Ombudsperson's report on the functioning of the Whistle Blower Mechanism for reporting concerns about unethical behavior, actual or suspected fraud, or violation of the Company's Code of Conduct or ethics policy. The Committee believes that the Company has an effective Whistle Blower Mechanism and nobody has been denied access to this mechanism.
  - VII. The Committee has reviewed the Inter-corporate loans and investments and financial assistance to subsidiary companies.
  - VIII. The Committee has reviewed with the Management, the independence, effectiveness of Audit process and performance of Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of the Company
  - IX. The Committee, along with the Management, reviewed the performance of the Internal Assurance Partners viz. Ernst & Young LLP and ANB & Co., Chartered Accountants, Mumbai and also reviewed the adequacy of internal control systems. The Committee has also reviewed the eligibility and independence of Ernst & Young LLP and ANB & Co. and has recommended to the Board the re-appointment of Ernst & Young LLP and ANB & Co. as the Internal Assurance Partners.
  - X. The Committee has been vested with the adequate powers to seek support and other resources from the Company. The Committee has access to the information and records as well. It also has the authority to obtain professional advice from external sources, if required.
  - XI. The Audit Committee monitored and approved all related party transactions, including any modification / amendment in any such transactions.
- In conclusion, the Audit Committee is sufficiently satisfied that it has complied with the responsibilities as outlined in the Audit Committee's Charter.

Place: New Delhi

Date: May 16, 2023

**V. K. VISWANATHAN**

Chairman, Audit Committee

#### e) Consolidated fees paid to statutory auditors

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/ network entity of which it is a part, is given below:

	Amount (₹ in Mn)
Audit Fees*	468
Other services	175
<b>Total</b>	<b>643</b>

\*includes out of pocket expenses



**Mr. Dinesh Kumar Mittal, Independent Director**

Chairperson

**a) Composition, Meetings and Attendance**

As on March 31, 2023, the Committee comprised four Non-Executive Directors, of whom three members, including, the Chairperson of the Committee, are Independent Directors. The composition of the Committee meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. The Company Secretary/ Deputy Company Secretary acts as the Secretary of the Committee. The Chief People Officer is a permanent invitee to the meetings of Committee. Other Senior management members are also invited to the meeting to present reports relating to items being discussed at the meeting.

During the year ended March 31, 2023, following changes occurred in the composition of the Committee:

- a) Mr. Pradeep Kumar Sinha, Independent Director was appointed as a member of the Committee w.e.f. May 18, 2022.
- b) Mr. Shishir Priyadarshi, Independent Director ceased to be a member of the Committee w.e.f. close of business hours on October 31, 2022 upon his resignation.

During FY 2022-23, the Committee met four times i.e. on May 17, 2022, August 08, 2022, October 31, 2022 and February 07, 2023.

The composition of the Committee and attendance of members at the Committee meetings held during FY 2022-23, is given below:

Name of the director	Date of HRC meeting				Held during tenure	Total attended	% of attendance
	May 17, 2022	August 08, 2022	October 31, 2022	February 07, 2023			
Mr. Dinesh Kumar Mittal, Chairperson	☒	☒	☒	☒	4	4	100%
Ms. Nisaba Godrej	☒	☒	☒	☒	4	4	100%
Mr. Pradeep Kumar Sinha <sup>1</sup>	Not applicable	☒	☒	☒	3	3	100%
Mr. Shishir Priyadarshi <sup>2</sup>	☒	☒	☒	Not applicable	3	3	100%
Mr. Rakesh Bharti Mittal	✗	☒	☒	☒	4	3	75%
<b>Attendance (%)</b>	<b>75%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>			



Attended in person



Attended through video conference



Leave of absence

1. Mr. Pradeep Kumar Sinha was appointed as a member of the Committee w.e.f. May 18, 2022.

2. Mr. Shishir Priyadarshi ceased to be a member of the Committee w.e.f. the close of business hours on October 31, 2022.

**~94%**

**AVERAGE ATTENDANCE AT THE HR & NOMINATION COMMITTEE MEETINGS DURING FY 2022-23**

## b) Brief responsibilities of the HR & Nomination Committee

The brief responsibilities of the HR & Nomination Committee, inter-alia, include the following:

1. Formulate a policy relating to appointment and remuneration of Directors, Key Managerial Personnel ('KMP') etc.
2. Recommend to the Board, persons who are qualified to become Directors and who may be appointed in Senior Management, including KMP.
3. Review and evaluate the structure, size and composition (including skills, knowledge, experience and diversity) of the Board and its Committees.
4. Determine the compensation, KRAs and performance targets of Chairman and Managing Directors & CEOs.
5. Review succession planning for Executive and Non-Executive Directors and other senior executives.
6. Formulate the evaluation criteria and conduct an annual evaluation of the overall effectiveness of the Board & its Committees and performance of each Director.
7. Review attraction, retention and development strategies for employee.
8. Administer the ESOP scheme(s), formulate ESOP plans and decide on future grants.

The Committee is governed through its formal Charter which may be referred for its detailed purpose and objective, responsibilities and powers. The same is available on the Company's Website at [https://assets.airtel.in/teams/simplycms/web/docs/Charter-Document-HR-and-Nomination-Committee.pdf](https://assets.airtel.in/teams/simplycms/web/docs/Charter-Dокумент-HR-and-Nomination-Committee.pdf).

## c) Key matters considered by the HR & Nomination Committee

Activities of the Committee during the year	Frequency
Review of HR Update – India & South Asia comprising of key metrics including head count (on roll, contractual, targets and trend); HR metrics: attrition, diversity, cost, L&D and engagement etc; change in senior management; workforce related changes/movements arising out of M&A activities; serious accidents and other incidents, if any; internal auditors' report on human resource related issues/ observations & actions taken and forecast of CEO/ Company performance versus targets etc.	
Review of detailed Succession planning framework including specific listing of critical talent, successor readiness timeline/ contingency plan for each position and key metrics including criteria of identification of successors, their coaching, mentorship, development and engagement etc.	

Activities of the Committee during the year	Frequency
Approval of Rolling Agenda of the Committee, fixed in advance for the year to discuss planned key agenda items quarter on quarter including progress on HR priorities.	
Approval of Key Result Areas (KRAs) of the Chairman including his responsibilities for India and overseas operations and KRAs of Managing Director & CEO.	
Recommendation of Performance Linked Incentive payable to Chairman, Managing Director & CEO and Senior Management.	
Review and noting of detailed annual update by Ombudsperson on compliance and effectiveness of Code of Conduct of the Company.	
Review of overall composition, skills, diversity etc. of the Board and its Committees in line with the statutory and business requirements.	
Review of the terms of reference of all Board Committees in line with the statutory and business requirements.	
Approval of the structured process, format, attributes, criteria and questionnaires as a whole, for the performance evaluation of the Board, Board Committees and Individual Directors including the Chairman and MD & CEO.	
Discussion on evaluation of Committee's performance and progress on last year recommendations.	
Review of detailed reports w.r.t. ESOP Schemes including total grants, live grants yet to be exercised, shares available with the ESOP trust etc.	
Noting of the update on final Long Term Incentive (LTI) vesting scores.	
Approval of various Long Term Incentive plans under ESOP Schemes and grant of options thereunder.	
Review and recommendation of the annual rotation of rotational directors.	
Recommendation for appointment of new director(s) in place of resigning/ retiring director and incidental matters.	
Comprehensive review, noting and suggestions on various special matters including key HR priorities, digitization in HR; hiring and development of digital talent; grooming high potential talent and Airtel Leadership Academies; strengthening of governance & compliance mechanism for associate staff management; meaningful organization architecture and key interventions ensuring delivery of superior employee experience.	
Quarterly	
Half Yearly	
Annually	
Periodically	

## Risk Management Committee



**Mr. Dinesh Kumar Mittal, Independent Director**

Chairperson

### a) Composition, Meetings and Attendance

In compliance with the requirements of the Listing Regulations, the Company has constituted Risk Management Committee to focus on functions relating to risk management such as determination of Company's risk appetite, risk tolerance and regular risk assessments including risk identification, quantification and evaluation etc.

The Risk Management Committee comprises six members with majority of them being Board members,

including two Independent Directors. Mr. Dinesh Kumar Mittal, Independent Director is Chairperson of the Committee.

The Company Secretary or in his absence, Deputy Company Secretary acts as the secretary to the Committee.

During the year, Risk Management Committee met twice i.e. on September 23, 2022 and March 13, 2023.

The composition of the Committee and attendance of members at the Committee meetings held during the FY 2022-23, are given below:

Name of the director	Date of Risk Management Committee meeting		Held during tenure	Total attended	% of attendance
	September 23, 2022	March 13, 2023			
Mr. Dinesh Kumar Mittal, Chairperson	●	●	2	2	100%
Mr. Gopal Vittal	✗	●	2	1	50%
Mr. Pankaj Tewari	●	●	2	2	100%
Mr. Rakesh Bharti Mittal	●	●	2	2	100%
Mr. Soumen Ray	●	●	2	2	100%
Mr. V. K. Viswanathan	●	●	2	2	100%
<b>Attendance (%)</b>	<b>83.33%</b>	<b>100%</b>			

Attended through video conference

Leave of absence

**~92%**

**AVERAGE ATTENDANCE AT THE  
RISK MANAGEMENT COMMITTEE MEETINGS DURING FY 2022-23**

**b) Brief Responsibilities of the Risk Management Committee:**

The brief responsibilities of the Risk Management Committee, inter-alia, include the following:

1. Formulation and the implementation of risk management policy;
2. Identify and oversee internal & external risks in particular including financial, operational, sectoral, sustainability (viz. ESG), information, privacy & data security, cyber security etc. and mitigation thereof; and
3. Review of systems and processes for internal controls.

The Committee is governed through its formal Charter which may be referred for its detailed purpose and objective, responsibilities and powers. The same is available on the Company's Website at <https://assets.airtel.in/teams/simplycms/web/docs/Charter-Document-Risk-Management-Committee.pdf>.

Risk Management Framework available at: <https://www.airtel.in/about-bharti/equity/corporate-governance>.

**c) Key matters considered by the Risk Management Committee**

Activities of the Committee during the year	Frequency
Review of the Enterprise Risk Management Framework of the Company.	
Review and assessment and mitigation of key strategic risks including industry specific risks, privacy, data security and cyber security etc.	



Periodically

**d) Chief Risk Officer**

As on March 31, 2023, Mr. Ramjee Verma is the Chief Risk Officer of the Company.

## Environmental, Social and Governance (ESG) Committee



**Ms. Nisaba Godrej, Independent Director**

Chairperson

### a) Composition, Meetings and Attendance

To sharpen Company's focus on ESG agenda and long term stakeholder value creation, the Board constituted a separate ESG Committee during the year ended March 31, 2022. The Committee comprises six members including four Independent Directors as on March 31, 2023. Ms. Nisaba Godrej, Independent Director is the Chairperson of the Committee.

During the year ended March 31, 2023, following changes occurred in the composition of the Committee:

- a) Mr. Pradeep Kumar Sinha, Independent Director was appointed as a member of the Committee w.e.f. May 18, 2022.

- b) Ms. Nisaba Godrej, Independent Director was designated as the Chairperson of the Committee w.e.f. September 26, 2022 i.e. upon retirement of Manish Kejriwal from the Board w.e.f. close of business hours on September 25, 2022.
- c) Ms. Kimsuka Narasimhan, Independent Director was appointed as a member of the Committee w.e.f. February 08, 2023.

The Company Secretary or in his absence, Deputy Company Secretary acts as the Secretary to the Committee.

During FY 2022-23, the Committee met twice i.e. on January 16, 2023 and March 24, 2023.

The composition of the Committee and attendance of members at the Committee meetings held during FY 2022-23, are given below:

Name of the director	Date of ESG Committee meeting		Held during tenure	Total attended	% of attendance
	January 16, 2023	March 24, 2023			
Ms. Nisaba Godrej, Chairperson	☒	☒	2	2	100%
Mr. Dinesh Kumar Mittal	☒	☒	2	2	100%
Mr. Gopal Vittal	☒	☒	2	2	100%
Ms. Kimsuka Narasimhan <sup>1</sup>	Not applicable	☒	1	1	100%
Mr. Manish Kejriwal <sup>2</sup>	Not applicable	Not applicable	0	0	Not applicable
Mr. Rakesh Bharti Mittal	☒	☒	2	2	100%
Mr. Pradeep Kumar Sinha <sup>3</sup>	☒	☒	2	2	100%
<b>Attendance (%)</b>	<b>100%</b>	<b>100%</b>			

Attended through video conference

1. Ms. Kimsuka Narasimhan was appointed as a member of the Committee w.e.f. February 08, 2023.
2. Mr. Manish Kejriwal ceased to be a member of the Committee w.e.f. the close of business hours on September 25, 2022 upon his retirement.
3. Mr. Pradeep Kumar Sinha was appointed as a member of the Committee w.e.f. May 18, 2022.

**100%**

**ATTENDANCE AT THE  
ESG COMMITTEE MEETINGS  
DURING FY 2022-23**

**b) Brief Responsibilities of the ESG Committee:**

The brief responsibilities of the ESG Committee, inter-alia, include the following.

1. Approve ESG goals, strategy and initiatives and monitor performance thereof.
2. Overview material ESG risks, opportunities and mitigation of risks.
3. Approve the Charter of ESG and Sustainability Council and review its working.
4. Review ESG reporting in line with various national and global sustainability/ESG indices and guidelines.
5. Review and noting of statutory reports.

The Committee is governed through its formal Charter which may be referred for its detailed purpose and objective, responsibilities and powers. The same is available on the Company's Website at <https://assets.airtel.in/teams/simplycms/web/docs/Charter-Document-ESG-Committee.pdf>.

Progress of the Company on ESG matters available at: <https://www.airtel.in/sustainability-file/our-blueprint-for-social-inclusion>

**c) Key matters considered by the ESG Committee**

Activities of the Committee during the year	Frequency
Review of initiatives and progress towards ESG commitments, goals and targets including greening the network and climate resilience (solarisation plan); Diversity & Inclusion and Health & Safety - maturity level and compliance percentage matrix for all safety interventions; and supply chain sustainability.	
Review of ESG Ratings and action plan towards improvements.	
Periodically	

## Corporate Social Responsibility (CSR) Committee



**Mr. Rakesh Bharti Mittal, Non-executive Director**

Chairperson

### a) Composition, Meetings and Attendance

In compliance with the requirements of the Companies Act, 2013, the Company has constituted the Corporate Social Responsibility Committee. The Committee evaluates and recommends the CSR proposals and Annual Report on CSR to the Board for approval. The Committee comprises three members including Mr. Rakesh Bharti Mittal, Non-Executive Director as Chairperson of the Committee and two other members

viz. Mr. Gopal Vittal, Managing Director & CEO and Mr. Dinesh Kumar Mittal, Independent Director.

The Company Secretary or in his absence Deputy Company Secretary acts as a secretary to the Committee.

During FY 2022-23, the Committee met twice i.e. on May 17, 2022 and March 10, 2023.

The composition of the Committee and attendance of members at the Committee meetings held during FY 2022-23, are given below:

Name of the director	Date of CSR Committee meeting		Held during tenure	Total attended	% of attendance
	May 17, 2022	March 10, 2023			
Mr. Rakesh Bharti Mittal, Chairperson	☒	☒	2	2	100%
Mr. Dinesh Kumar Mittal	☒	☒	2	2	100%
Mr. Gopal Vittal	☒	☒	2	2	100%
<b>Attendance (%)</b>	<b>100%</b>	<b>100%</b>			

Attended through video conference

**100%**

### ATTENDANCE AT THE CSR COMMITTEE MEETINGS DURING FY 2022-23

### b) Brief responsibilities of the CSR Committee

The brief responsibilities of the CSR Committee include the following:

1. Formulate, monitor and recommend to the Board, CSR Policy and the activities to be undertaken by the Company along with Annual Action Plan.
2. Review the Company's performance in the area of CSR and evaluate social impact of Company's CSR activities, wherever required.
3. Review the CSR related disclosure(s) including annual report on CSR.
4. Ensure that the funds contributed by the Company under CSR are spent by the implementation agency for the intended purpose only.

The Committee is governed through its formal Charter which may be referred for its detailed purpose and objective, responsibilities and powers. The same is available on the Company's Website at <https://assets.airtel.in/teams/simplycms/web/docs/Charter-Document-CSR-Committee.pdf>.

CSR Policy available at: <https://www.airtel.in/about-bharti/equity/corporate-governance>

### c) Annual Report on Corporate Social Responsibility

The CSR Report for the year ended March 31, 2023 is annexed as Annexure B to the Board's Report.

## Stakeholders' Relationship Committee



**Mr. Rakesh Bharti Mittal, Non-executive Director**

Chairperson

### a) Composition, Meetings and Attendance

In compliance with the Regulation 20 of the Listing Regulations, requirements and provisions of Section 178 of the Companies Act, 2013, the Company has constituted a Stakeholders' Relationship Committee. The Committee comprises four members including two Independent Directors. Mr. Rakesh Bharti Mittal, Non-Executive Director is the Chairperson of the Committee.

The Company Secretary or in his absence, Deputy Company Secretary acts as a secretary to the Committee.

During the year ended March 31, 2023, the following changes occurred in the composition of the Committee:

- a) Mr. Shyamal Mukherjee, Independent Director was appointed as a member of the Committee w.e.f. May 18, 2022.
- b) Mr. Manish Kejriwal, Independent Director ceased to be a member of the committee upon his retirement w.e.f. the close of business hours on September 25, 2022.

During FY 2022-23, the Committee met four times i.e. on May 17, 2022, August 08, 2022, October 31, 2022 and February 07, 2022.

The attendance of members at the meetings held during FY 2022-23, are given below:

Name of the director	Date of Stakeholders' Relationship Committee meeting				Held during tenure	Total attended	% of attendance
	May 17, 2022	August 08, 2022	October 31, 2022	February 07, 2023			
Mr. Rakesh Bharti Mittal, Chairperson					4	4	100%
Mr. Dinesh Kumar Mittal					4	4	100%
Mr. Gopal Vittal					4	4	100%
Mr. Manish Kejriwal <sup>1</sup>			Not applicable	Not applicable	2	2	100%
Mr. Shyamal Mukherjee <sup>2</sup>	Not applicable				3	3	100%
<b>Attendance (%)</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>			



Attended in person



Attended through video conference

1. Mr. Manish Kejriwal, Independent Director ceased to be a member of the committee upon his retirement w.e.f. the close of business hours on September 25, 2022.
2. Mr. Shyamal Mukherjee, Independent Director was appointed as a member of the Committee w.e.f. May 18, 2022.

**100%**

**ATTENDANCE AT THE  
STAKEHOLDERS' RELATIONSHIP COMMITTEE  
MEETINGS DURING FY 2022-23**

### b) Brief responsibilities of the Stakeholders' Relationship Committee

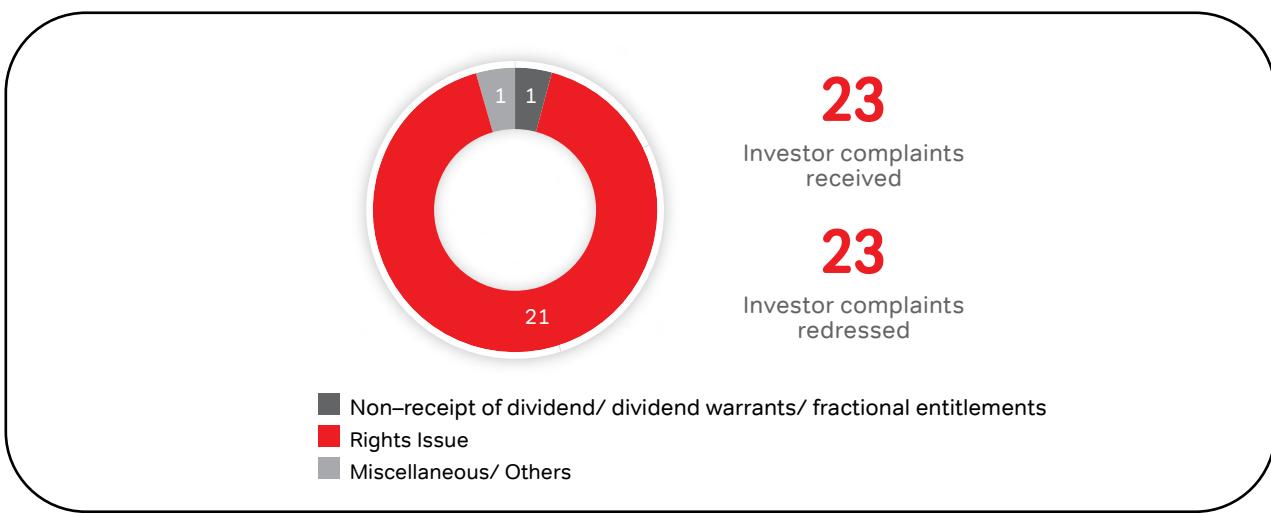
The brief responsibilities of the Stakeholders' Relationship Committee, inter-alia, include the following:

1. Consider and resolve the complaints/ grievances of security holders.

2. Approve & oversee sub-division, consolidation, replacement, dematerialisation or rematerialisation and all matters associated with the transfer & transmission of securities.
3. Oversee the performance and service standards of the Registrar & Share Transfer Agent.
4. Deal with Company's unclaimed/ undelivered shares and review various measures & initiatives taken to reduce the quantum of unclaimed dividends and ensure timely receipt of dividend warrants, annual reports and other statutory notices by the shareholders of the Company.
5. Review of measures taken by the Company for effective exercise of voting rights by the shareholders.

The Committee is governed through its formal Charter which may be referred for its detailed purpose and objective, responsibilities and powers. The same is available on the Company's Website at <https://assets.airtel.in/teams/simplycms/web/docs/Charter-Document-Stakeholders-Relationship-Committee.pdf>.

Details of the investors' complaints received and redressed during FY 2022-23 are as follows:



The meetings of the Committee are generally held as and when deemed necessary, to review and ensure that all investor requests/ grievances are redressed within stipulated time period.

## **II. Other Committees**

### **a) Committee of Directors:**

To cater to various day-to-day requirements and to facilitate seamless operations, the Company has formed a Committee called Committee of Directors. The Committee meets as and when deemed necessary to cater to operational requirements. The Committee comprises four members including two Independent Directors. Mr. Rakesh Bharti Mittal, Non-Executive Director is the Chairperson of the Committee. The Company Secretary or in his absence Deputy Company Secretary acts as the Secretary to the Committee.

### **c) Compliance Officer**

In terms of the requirement of Listing Regulations, Mr. Rohit Krishan Puri, Dy. Company Secretary is the Compliance Officer of the Company.

### **d) Nature of Complaints and Redressal Status**

The Committee is responsible to consider and resolve the complaints/ grievances of security holders, including queries related to transfer of shares, declaration of dividend and attendance at general meetings. The Committee oversee periodic engagement & communication with security holders through direct interactions, analysts' meets, surveys etc. It also reviews the concerns/ views of security holders and steps taken by management to address those concerns.

During FY 2022-23, the complaints and queries received by the Company were general in nature, which include issues relating to allotment of shares pursuant to Rights issue, non-receipt of dividend warrants, shares, and others, which were resolved to the satisfaction of the shareholders.

The brief responsibilities of the Committee of Directors, inter-alia, include the following:

1. Grant loan to a body corporate/ entity or give guarantee(s) in connection with loan made to any body corporate/ entity and finalise terms & conditions in relation thereto.
2. Purchase, sell, acquire or otherwise deal in the securities of any company, body corporate or other entities.
3. Borrow money and create security/ charge on the asset(s) of the Company for the purpose of securing credit facility(ies).
4. Deal in foreign exchange and financial derivatives linked to foreign exchange etc.

5. Issue and allot shares of the Company as per the terms of the ESOP Schemes or upon conversion of Foreign Currency Convertible Bonds issued by the Company.
6. Open, shift, merge, close any branch office, circle office etc. and purchase, sell, take on lease/ license, transfer or otherwise deal with any property.
7. Appoint Merchant Banker(s), Chartered Accountant(s), Advocate(s), Company Secretary(ies), Engineer(s), Technician(s), Consultant(s) and/ or other Professional(s) for undertaking any assignment for and on behalf of the Company.

The Committee is governed through its formal Charter which may be referred for its detailed purpose and objective, responsibilities and powers. The same is available on the Company's Website at <https://assets.airtel.in/teams/simplycms/web/docs/Charter-Document-Committee-of-Directors.pdf>.

**b) Airtel Corporate Council (ACC):**

Airtel Corporate Council is a non-statutory committee, constituted by the Board for strategic management and supervision of the Company's operations within the approved framework. ACC is headed by the Chairman of the Company and comprises the Managing Director & CEO and other select members of senior management. ACC meets as and when deemed necessary to cater to the day to day requirements of the Company.

**c) Transaction based/Event-specific Committees:**

The Company has also constituted other non-statutory, transaction based/event-specific special Committees, from time to time, in the areas of fund raising and restructuring including Equity fund raising, Preferential allotment, Rights Issue, Debt Fund Raising and Evaluation of stake in Indus Towers Limited etc. These Committees operate under the direct supervision of the board, in accordance with assigned scope of work and their terms of reference.



## GENERAL BODY MEETINGS

The details of last three Annual General Meetings (AGMs) are as follows:

Financial Year	Location/ Mode	Day, Date & Time (IST)	Special Resolution passed	Transcript
2021-22	By Video Conferencing	Friday, August 12, 2022 at 1100 Hrs.	1. Appointment of Mr. Pradeep Kumar Sinha as an Independent Director 2. Appointment of Mr. Shyamal Mukherjee as an Independent Director 3. Approval of payment of remuneration to Mr. Gopal Vittal as Managing Director & CEO of the Company 4. Approval of increase in total number of options of Employee Stock Option Scheme, 2005 5. Authorisation to Bharti Airtel Employee Welfare Trust to acquire equity shares of the Company by way of secondary market acquisition for administration of Employees Stock Option Scheme, 2005 6. Approval of provisioning of money by the Company for purchase of its shares by the Bharti Airtel Employee Welfare Trust for the benefit of employees under Employees Stock Option Scheme, 2005	Transcript available at <a href="#">Link</a>
2020-21	By Video Conferencing	Tuesday, August 31, 2021 at 1500 Hrs.	Re-appointment of Mr. Sunil Bharti Mittal as the Chairman of the Company	Transcript available at <a href="#">Link</a>
2019-20	By Video Conferencing	Tuesday, August 18, 2020 at 1530 Hrs.	Re-appointment of Mr. Shishir Priyadarshi as an Independent Director.	Transcript available at <a href="#">Link</a>

During the year 2022-23, no Extraordinary General Meeting and Postal Ballot of the members of the Company was convened. Further, no resolution is proposed for approval of the members by way of Postal Ballot as on the date of this report.



## CODES, POLICIES AND FRAMEWORKS

### Code of Conduct

The Company's Code of Conduct reinforces its commitment towards ensuring compliance of all laws and regulations, providing safe and harassment free work place, avoiding conflict of interest at all times, fairness and mutual respect in all dealings, ethical conduct of business with zero tolerance towards bribery and corruption in any form and upholding and protecting company's reputation etc.

The Code is applicable to the Board members, Senior Management and all the employees. As a process, an annual confirmation is sought regarding the compliance with the Code of Conduct. Regular training programmes/ workshops/ e-learnings/self- certifications are conducted across locations to explain and reiterate the importance of adherence to the Code. A declaration by the Managing Director & CEO, regarding affirmation of the compliance with the Code of Conduct by Board Members and Senior Management for the financial year ended March 31, 2023, is annexed as Annexure A to this report.

Besides above, the Company also procures a quarterly confirmation of material financial and commercial transactions entered into by members of Senior Management with the Company that may have a potential conflict of interest. During the year, the Company's Code of Conduct was revamped with a view to align the Code with global best practices and Company's ESG agenda.

The Company has also adopted 'Code of Conduct for Business Associates' including suppliers and vendors of products and services, all service providers, channel partners, consultants, agent/ their representatives and employees of such business associate etc, setting out sets out the fundamental values and integrity levels that Airtel expects its Business Associates to uphold in all business relationships, guidance to deal with the situations that may have potential conflict of interest and disclosure thereof to the Company etc. The Code is available at [https://www.airtel.in/partnerworld/Business\\_Code\\_of\\_conduct](https://www.airtel.in/partnerworld/Business_Code_of_conduct).

Internal Audits are periodically undertaken to assess the design and operating effectiveness of the Code of Conduct of the Company, including the ethics framework covering anti-bribery and anti-corruption across all the business operations. Any Finding(s) noted is reported to Audit Committee in the respective quarter.

### Risk Management Framework

The Company has established an Enterprise-wide Risk Management (ERM) framework to optimally identify and manage risks, as well as to address operational, strategic and regulatory risks. In line with the Company's commitment to deliver sustainable value, this framework aims to provide an integrated and organised approach to evaluate and

manage risks. Risk assessment monitoring is included in the Company's annual Internal Audit programme and reviewed by the Audit Committee/ Risk Management Committee at regular intervals. In compliance with Regulation 17 and 21 of the Listing Regulations, the Board of Directors has formulated a Risk Management Policy for framing, implementing and monitoring the risk management plan for the Company.

The Board is periodically updated on the key risks, steps and processes initiated for reducing and, if feasible, eliminating various risks. Business risk evaluation and management is an ongoing process within the Company.

Detailed update on risk management framework has been covered under the risk section, forming a part of the Annual Integrated Report.

### Vigil Mechanism/ Whistle Blower Policy

Bharti Airtel has adopted a Vigil Mechanism/Whistle Blower Policy which forms a part of Code of Conduct. It outlines the method and process for stakeholders to voice genuine concerns about unethical conduct that may be an actual or threatened breach with the Company's Code of Conduct. The policy aims to ensure that genuine complainants are able to raise their concerns in full confidence, without any fear of retaliation or victimisation and also allows for anonymous reporting of complaints.

An independent office of Ombudsperson administers the entire formal process from reviewing and investigating concerns raised, undertaking all appropriate actions for resolution thereof and regular monitoring of process. All employees of the Company (full-time or part-time) as well as external stakeholders (e.g. associate, strategic partners, vendors, suppliers, contractors and customers etc.) have full access to the Ombudsperson through secure hotline, email or even meetings in person.

All such instances are investigated while ensuring confidentiality of the identity of such complainant(s). Matters relating to financial misdemeanors, fraud or impropriety are investigated in consultation with the Internal Assurance Group, which undertakes the investigation of the same by itself or at times in consultation with the ombudsperson office. The external investigation agencies are also involved, in exceptional circumstances, if required. All investigations are endeavored to be completed in 90 days and final investigation reports are submitted to the competent disciplinary authority under the Policy. Further, any complaint may be escalated at the option of complainant to the Audit Committee on a secured email address.

During the FY 2022-23, a total of 82 whistle blower complaints were received and taken up for investigation of which 71 complaints were resolved as on March 31, 2023. Balance complaints are pending for investigation by the Company. No person was denied access to the Audit Committee.

## Code on prohibition of Insider Trading

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ('PIT Regulations'), the Company has formulated the Code of Conduct for Prevention of Insider Trading ("Code") to regulate and monitor trading by Designated Persons (DPs) and their immediate relatives. The Company has voluntarily adopted a regime, which is stricter than what is statutorily prescribed, to comply with PIT Regulations in letter and its spirit e.g. (i) all the transactions done by DPs require preclearance irrespective of value or quantum; and (ii) restriction on maximum number of securities sold during quarter to 25% of total holding or 50,000 equity shares, whichever is higher.

The Code, inter alia, lays down the procedures to be followed by DPs while trading/ dealing in Company shares/ derivatives and while sharing Unpublished Price Sensitive Information (UPSI). The Code includes the obligations and responsibilities of DPs, obligation to maintain the structured digital database, mechanism for prevention of insider trading and handling of UPSI, process to familiarise with the sensitivity of UPSI, transactions which are prohibited and manner in which permitted transactions in the securities of the Company shall

be carried out etc. The Code was comprehensively reviewed and amended by the Board last year to *inter-alia* align the same with best practices and latest statutory requirements.

Additionally, a Monitoring Committee has been constituted by the Board to review the list of DPs, trading by DPs, implementation of policies under the PIT Regulations, trainings, enquiry into leak of information etc. A report on insider trading, covering trading by DPs and various initiatives/ actions taken by the Company under the PIT Regulations is also placed before the Audit Committee and its Chairperson on half yearly basis.

The Company periodically circulates the informative e-mails along with the FAQs on Insider Trading Code, Do's and Don'ts etc. to the employees (including new employees) to familiarise them with the provisions of the Code. The Company also conducts frequent workshops/ training sessions to educate and sensitise the employees/ designated persons.

The key details of aforesaid policies/ code and other Board approved policies adopted by the Company are provided in Annexure B to this report.



## MEANS OF COMMUNICATION

### a) Quarterly financial results

Following the highest standards of Corporate Governance, the Company has a practice of announcing fully audited financial results every quarter since over a decade now. The financial results were published in prominent daily newspapers viz. Economic Times (English daily) and Navbharat Times (Hindi daily – vernacular) and were also uploaded on the Company's website viz. [www.airtel.in](http://www.airtel.in).

### b) Official news releases

Official news and media releases are submitted to Stock Exchanges and uploaded on the Company's website viz. [www.airtel.in](http://www.airtel.in).

### c) Earning Calls & presentations to Institutional Investors/ Analysts

The Company organises earnings call with analysts and investors on the next day of announcement of results. The audio/video clips and transcript of these earning calls are posted on the Company's website.

Presentations made to institutional investors and financial analysts on the financial results are submitted to the stock exchanges and also uploaded on the Company's website.

### d) Corporate announcements of material information

The Company electronically submits the requisite corporate announcements, material information, periodical fillings etc. through respective web portals of NSE and BSE.

### e) Website

The Company has dedicated "Investors" section on its website viz. [www.airtel.in](http://www.airtel.in) wherein any person can access the corporate policies, Board committee charters, Memorandum and Articles of Association, Annual Reports, financial results & other financial information, details relating to dividend & shares transferred to IEPF and shareholding details etc.



## GENERAL SHAREHOLDER INFORMATION

### 28<sup>th</sup> Annual General Meeting



#### Date & Time

Thursday, August 24  
2023 at 1100 Hrs. (IST)



**Mode:** Video Conferencing/Other Audio Visual Means

**E-voting dates:** August 20, 2023 to  
August 23, 2023

#### Instructions for attending AGM/ Remote e-voting:

Refer notice of AGM.

### Financial Calendar

The Company's financial year starts on April 1 and ends on March 31 every year. The calendar for approval of quarterly financial results are as under:

Quarter ending on	June, 2023	September, 2023	December, 2023	March, 2024
Proposed schedule (Tentative and subject to change)	August 03, 2023 (Thursday)	October 31, 2023 (Tuesday)	February 05, 2024 (Monday)	May 14, 2024 (Tuesday)

### Dividend

The Board has considered and recommended a dividend of ₹4/- per fully paid-up equity share of face value of ₹5/- each and Re. 1/- per partly paid-up equity share of face value of ₹5/- each (paid-up value of ₹1.25/- per share) for the FY 2022-23, subject to approval of the members at the ensuing AGM. The dividend is in proportion to the amount paid-up on equity shares.

### Record Date

Friday, August 11, 2023

### Dividend Pay-out Date

The Dividend shall be paid within 30 days of ensuing Annual General Meeting upon approval of the members.

### Listing details

Name and address of the Stock Exchange	Scrip code/ Symbol (Equity Shares)
<b>National Stock Exchange of India Limited ('NSE')</b> Exchange Plaza, C-1 Block G Bandra Kurla Complex, Bandra, Mumbai – 400001, India	Fully Paid-up: BHARTIARTL Partly Paid-up: AIRTELPP
<b>BSE Limited ('BSE')</b> Pheroze Jeejeebhoy Towers Dalal Street, Mumbai – 400001, India	Fully paid-up: 532454 Partly paid-up: 890157

**Note:** Non-Convertible Debentures of Telesonic Networks Limited (Telesonic), listed on BSE (Scrip: 973353), were transferred to Bharti Airtel Limited in terms of composite scheme of arrangement under Section 230-232 of the Companies Act, 2013 between Nettle Infrastructure Investments Limited and Telesonic and their respective shareholders and Bharti Airtel Limited, effective February 01, 2023. The NCDs were redeemed on April 28, 2023 in accordance with the terms of issuance.

The annual listing fee for FY 2023-24 has been paid to both, NSE and BSE.

### Stock Price Data for the period April 1, 2022 to March 31, 2023

The month-wise High & Low prices along with volume of Company's shares traded at BSE and NSE during FY 2022-23, are as follows:

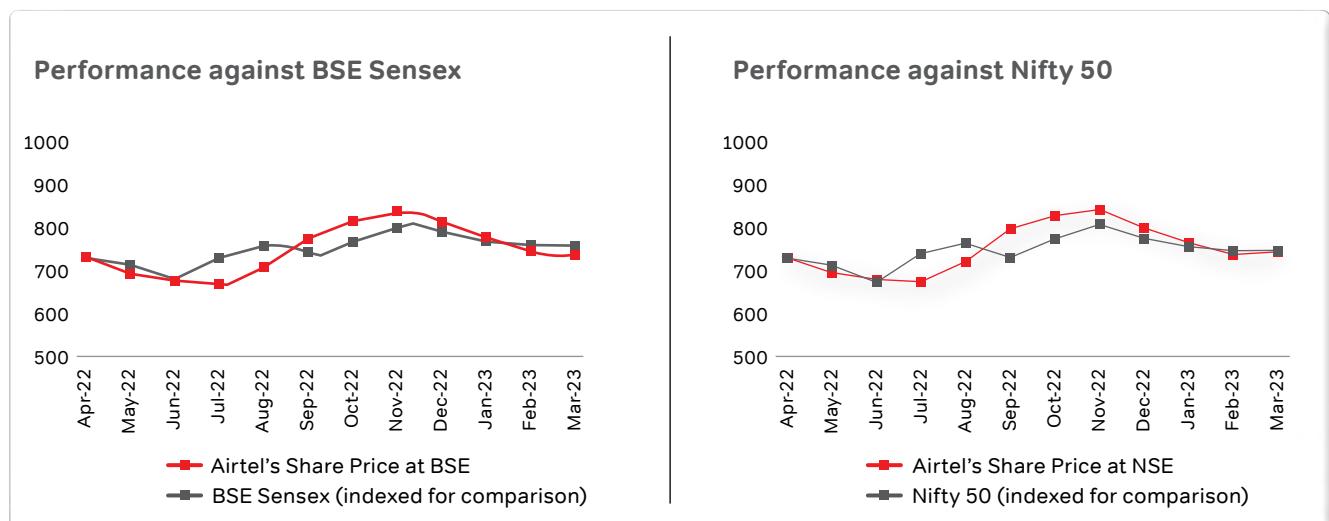
#### a) Fully paid-up equity shares

	BSE			NSE		
	High price ₹)	Low price ₹)	Volumes (No. of shares)	High price ₹)	Low price ₹)	Volumes (No. of shares)
April, 2022	780.35	717.00	41,75,617	780.70	716.85	11,30,46,212
May, 2022	742.70	668.20	71,82,810	742.95	667.85	17,50,15,440
June, 2022	706.00	634.20	39,70,019	706.20	634.20	13,57,49,771
July, 2022	696.55	629.05	73,30,696	696.60	628.75	13,76,32,671
August, 2022	792.65	677.85	86,11,132	754.20	677.05	16,66,35,296
September, 2022	808.85	720.05	1,06,14,679	809.00	686.20	38,89,86,256
October, 2022	833.70	758.55	81,58,078	833.80	759.85	10,02,16,607
November, 2022	877.10	804.50	37,63,252	860.55	804.20	12,80,06,582
December, 2022	853.00	800.40	24,56,646	853.20	760.10	9,25,54,041
January, 2023	826.00	752.00	18,44,289	826.10	751.65	14,45,41,778
February, 2023	795.45	738.85	13,33,532	795.85	738.45	9,05,81,909
March, 2023	795.50	736.20	33,35,772	795.00	735.80	9,74,72,910

#### b) Partly paid-up equity shares

	BSE			NSE		
	High price ₹)	Low price ₹)	Volumes (No. of shares)	High price ₹)	Low price ₹)	Volumes (No. of shares)
April, 2022	408.00	330.00	11,77,663	406.50	332.05	1,28,35,511
May, 2022	352.00	293.55	97,563	354.80	293.50	80,21,314
June, 2022	333.75	264.15	1,48,969	333.95	264.00	87,74,266
July, 2022	319.00	259.00	1,71,657	318.00	259.00	60,53,217
August, 2022	369.90	292.25	1,86,808	364.00	292.95	1,35,67,549
September, 2022	404.15	341.00	3,73,525	404.40	343.90	3,31,69,162
October, 2022	441.05	373.85	1,96,110	441.00	373.10	1,22,91,766
November, 2022	477.70	418.20	94,812	480.00	415.40	1,09,56,254
December, 2022	479.00	427.00	1,90,874	474.70	431.55	45,48,051
January, 2023	464.05	376.00	73,791	448.30	381.15	50,81,578
February, 2023	410.00	358.40	59,849	408.20	358.50	57,25,688
March, 2023	401.00	352.25	15,47,335	409.00	353.00	63,71,382

#### Company's stock price performance against Market Indices during FY 2022-23



## Credit Ratings

During the year ended March 31, 2023:

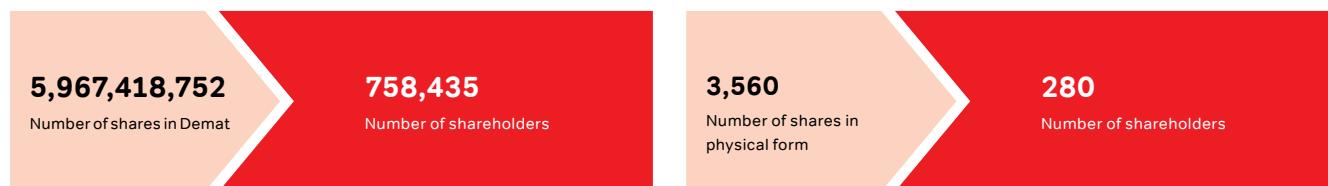
S. No.	Rating agency	Status
1	CRISIL Ratings	Long term ratings maintained at CRISIL AA+(Stable) Short term ratings maintained at CRISIL A1+
2	India Ratings & Research	Short-term ratings maintained at IND A1+
3	Fitch Ratings	Outlook revised to BBB- (Stable).
4	Moody's Investors Services	Rating upgraded to Baa3 (Stable)
5	S&P Global	Rating maintained at BBB- (Stable)

## Registrar and Share Transfer Agent

All the functions relating to share registry, both in physical and electronic form, are handled by the Company's Registrar and Share Transfer Agent viz. Kfin Technologies Limited ('Kfintech'). The address of Kfintech is mentioned in the 'Communications Details' section of this report.

## Share Transfer System, Dematerialisation of Shares and Liquidity thereof

Approximately the entire equity shares capital of the Company is held in dematerialised form. The Company's shares are compulsorily traded in dematerialised form and are available for trading with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The shareholders can hold the Company's shares with any depository participant, registered with the depositories.



ISIN for the equity shares of the Company are as follows:

**Fully-paid Equity shares** INE397D01024

**Partly-paid Equity shares** IN9397D01014

In terms of the amended Regulation 40(1) of Listing Regulations, with effect from April 1, 2019, securities of listed companies can be transferred only in dematerialised form (except transmission of securities or transposition in the name(s) of holding). Accordingly, the shares held in physical form will not be transferred unless they are converted into dematerialised form. Transfers of equity shares in electronic form are effected through the depository system with no involvement of the Company.

Pursuant to Regulation 40(9) of the Listing Regulations, the Company obtain certificates from a practicing Company Secretary on a yearly basis to the effect that all the transfers are completed within the statutory stipulated period. A copy of the certificates so received are submitted to both the Stock Exchanges viz. NSE and BSE.

There was no instance of suspension of trading in Company's shares during FY 2022-23.

## Distribution of Shareholding: By number of shares held as on March 31, 2023

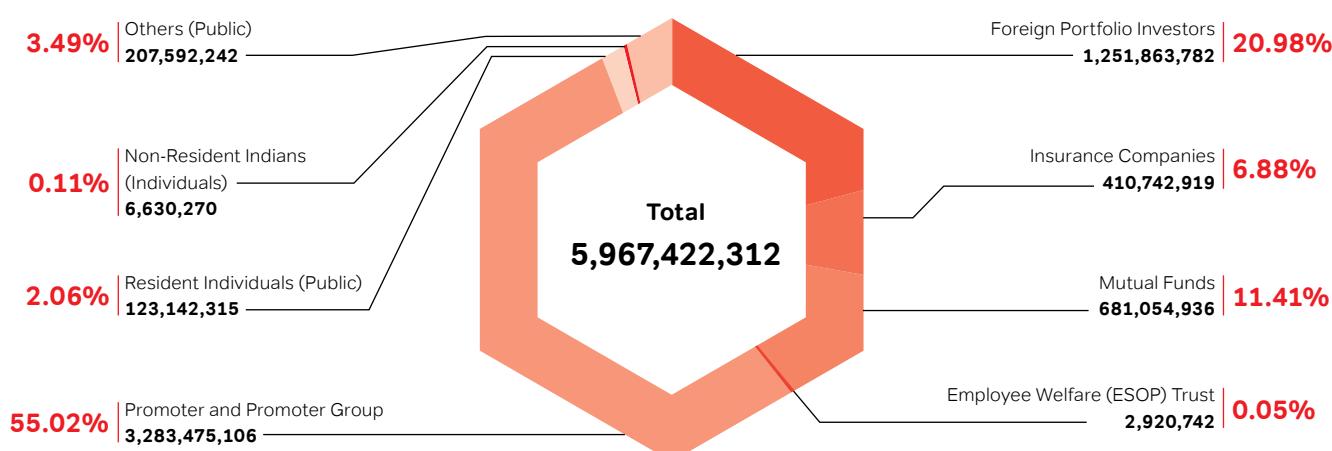
S. No.	Category (by no. of shares)	No. of shareholders	% to holders	No. of shares	% of shares
1.	1-5,000	754,849	99.49	74,792,176	1.25
2.	5,001-10,000	1,461	0.19	10,254,470	0.17
3.	10,001-20,000	706	0.09	9,813,026	0.17
4.	20,001-30,000	272	0.04	6,703,836	0.11
5.	30,001-40,000	153	0.02	5,281,612	0.09
6.	40,001-50,000	94	0.01	4,185,884	0.07
7.	50,001-100,000	269	0.04	19,393,163	0.33
8.	100,001 & Above	911	0.12	5,836,998,145	97.81
<b>Total</b>		<b>758,715</b>	<b>100.00</b>	<b>5,967,422,312</b>	<b>100.00</b>

## Distribution of Shareholding: By category of holders as on March 31, 2023

Category	No. of shares held	% of shares
<b>PROMOTER AND PROMOTER GROUP (A)</b>		
Indian	2,299,875,172	38.54
Foreign	983,599,934	16.48
<b>Total Promoter Shareholding (A)</b>	<b>3,283,475,106</b>	<b>55.02</b>
<b>PUBLIC (B)</b>		
<b>Institutions (Domestic) (B1)</b>		
Mutual Funds	681,054,936	11.41
Alternative Investment Fund	23,213,784	0.39
Banks	3,455,083	0.06
Insurance Companies	410,742,919	6.88
Provident Funds/Pension Funds	62,207,640	1.04
Sovereign Wealth Funds	7,117,785	0.12
NBFCs registered with RBI	1,776,468	0.03
<b>Sub-Total (B1)</b>	<b>1,189,568,615</b>	<b>19.93</b>
<b>Institutions (Foreign) (B2)</b>		
Foreign Portfolio Investors Category I	1,145,420,047	19.20
Foreign Portfolio Investors Category II	106,439,785	1.78
Any Other (Other FPIs and Body Corporates)	35,463	0.00
<b>Sub-Total (B2)</b>	<b>1,251,895,295</b>	<b>20.98</b>
<b>Central Government/ State Government(s) (B3)</b>		
Shareholding by Bodies Corporate where Government is a promoter	2,001	0.00
<b>Sub-Total (B3)</b>	<b>2,001</b>	<b>0.00</b>
<b>Non-Institutions (B4)</b>		
Directors and their relatives (excluding Independent Directors and nominee directors)	1,002,381	0.02
Investor Education and Protection Fund (IEPF)	181,194	0.00
Resident Individuals holding nominal share capital upto ₹2 lakhs	86,480,732	1.45
Resident Individuals holding nominal share capital in excess of ₹2 lakhs	35,659,202	0.60
Non Resident Indians (NRIs)	6,630,270	0.11
Foreign Nationals	978	0.00
Foreign Companies	62,727,263	1.05
Bodies Corporate	43,479,797	0.73
Any Other (Clearing Members, HUF and Trusts)	3,398,736	0.06
<b>Sub-Total (B4)</b>	<b>239,560,553</b>	<b>4.02</b>
<b>Total Public Shareholding (B)=(B1+B2+B3+B4)</b>	<b>2,681,026,464</b>	<b>44.93</b>
<b>NON-PROMOTER AND NON-PUBLIC (C)</b>		
Employee Benefit Trust/Employee Welfare Trust	2,920,742	0.05
<b>Total Non-Promoter and Non-Public Shareholding (C)</b>	<b>2,920,742</b>	<b>0.05</b>
<b>GRAND TOTAL (A+B+C)</b>	<b>5,967,422,312</b>	<b>100.00</b>

**Note:** During FY 2022-23, there was no instance of pledge created on the Company's shares held by Promoters/ Promoter Group.

## Category-wise shareholding as on March 31, 2023



## Top 10 shareholders (other than Promoter/Promoter Group) of the Company as on March 31, 2023

Name of the shareholder	% of shares	No. of Shares held
LIC Gratuity Plus Growth Fund (Insurance Companies)	4.29	255,823,570
SBI Equity Savings Fund (Mutual Funds)	3.17	189,207,685
ICICI Prudential Sensex Index Fund (Mutual Funds)	2.29	136,912,804
Europacific Growth Fund (Foreign Portfolio Investors Category I)	2.13	127,138,978
HDFC Trustee Company Ltd. A/c HDFC Top 100 Fund (Mutual Funds)	1.22	72,985,421
Google International LLC (Foreign Portfolio Investors Category II)	1.19	71,176,839
NPS Trust- A/c UTI Retirement Solutions Pension Fund (Pension Funds)	1.04	62,207,640
Government of Singapore (Foreign Portfolio Investors Category I)	1.04	61,975,869
Government Pension Fund Global (Foreign Portfolio Investors Category I)	1.01	60,418,281
ICICI Prudential Life Insurance Company Limited (Insurance Companies)	0.93	55,379,336

**Note:** Shareholding has been consolidated on PAN basis.

### Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity

During FY 2019-20, the Company had issued 1.50% Foreign Currency Convertible Bonds ('FCCBs') of USD 1,000 Mn at par, which are convertible into fully paid-up equity shares of face value of ₹5/- each of the Company, on or after February 27, 2020 and up to the close of business hours on February 7, 2025 ('Conversion Period'), at the option of FCCB holders. As per the terms of issue, the FCCBs which are not converted into equity shares during the conversion period, shall be redeemed at 102.66% of the principal amount on February 17, 2025.

The initial conversion price of FCCBs was ₹534/- per equity share, however, as per the terms & conditions of the issue, the said conversion price is subject to certain adjustments

from time to time. As on March 31, 2023, the conversion price stands adjusted to ₹521/- per equity share.

During FY 2022-23, 11,930,543 fully paid-up equity shares of ₹5/- each were issued pursuant to conversion option exercised by certain FCCBs holders. As on March 31, 2023, the outstanding value of FCCBs stands as USD 913.70 million.

Other than the above, the Company does not have any outstanding GDRs/ ADRs/Warrants or any other convertible instruments as on date.

### Disclosure of commodity price risks and commodity hedging activities

A detailed note on commodity price risks and commodity hedging activities is given in Management Discussion and Analysis forming part of the Annual Report.

### Communications Details

Particulars	Contact	Email	Address
<b>For Corporate Governance, IEPF and other Secretarial related matters</b>	<b>Mr. Pankaj Tewari</b> Company Secretary <b>Mr. Rohit Krishan Puri</b> Dy. Company Secretary & Compliance Officer	compliance.officer@bharti.in	<b>Bharti Airtel Limited</b> <b>Registered Office:</b> Airtel Center, Plot No. 16, Udyog Vihar, Phase-IV, Gurugram – 122015, India Telephone no. +91-124-4222222, Fax no. +91-124-4248063 Website: <a href="http://www.airtel.in">www.airtel.in</a>
<b>For queries relating to Financial Statements</b>	<b>Mr. Naval Seth</b> Head – Investor Relations	ir@bharti.in	<b>Corporate Office:</b> Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase – II, New Delhi – 110 070, India Telephone no. +91 11 46666100 Fax no. +91 11 46666137
<b>For Corporate Communication related matters</b>	<b>Mr. Kinshuk Gupta</b> Head – Corporate Communications	corporate.communications1@airtel.com	Karvy Selenium Tower B, Plot number 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032, India Telephone no. 040-67162222 Fax No. 040-23001153 Website: <a href="http://www.kfintech.com">www.kfintech.com</a>
<b>Registrar and Share Transfer Agent</b>	<b>KFin Technologies Limited</b>	einward.ris@kfintech.com	

### Plant Locations

Being a service provider company, Bharti Airtel has no plant locations. The Company's Circle Office addresses are provided at the end of the Annual Report.



## OTHER DISCLOSURES

### Compliance with discretionary requirements

#### a) Separate persons hold the positions of Chairman, and Managing Director & CEO

Separate individuals hold the positions of Chairman of the Board and the Managing Director & CEO since 2013.

#### b) Shareholders' Rights

The Company has a long practice (since over a decade) of releasing a comprehensive quarterly report along with the financial results inter-alia containing risk factors, financial and operational highlights, significant industry & Company developments/ events and Management Discussion and Analysis etc.

The Company acknowledges shareholders' interests and accordingly, follows a robust grievance framework to ensure that shareholders' rights are valued and they are well-informed about key decisions both on financial and non-financial matters. The Company proactively engages with shareholders through earning calls, presentations, meetings, conferences and regular roadshows etc. The audio/video recordings and transcripts of earnings call and Annual General Meeting, comprehensively providing for queries and management responses, are uploaded on Company's website. In addition, all major press releases issued by the Company are simultaneously disseminated to the Stock Exchanges and on its website. For easy understanding of shareholder rights, grievance mechanism and basic information relating to shareholder related matter, 'Frequently Asked Questions' for the shareholders have also been uploaded on Company's website at [https://assets.airtel.in/teams/simplycms/web/docs/Frequently\\_Asked\\_Questions\\_121021.pdf](https://assets.airtel.in/teams/simplycms/web/docs/Frequently_Asked_Questions_121021.pdf).

The Company is pleased to report that since 97.13% shareholders of the Company have a registered e-mail addresses, the Company follows a medium of electronic communication with them, towards its continuing endeavour in the area of 'Go Green' initiatives.

#### c) The Company has a practice of releasing fully audited financial statements every quarter

#### d) Audit Qualifications

The Company is in the regime of financial statements with unmodified audit opinion.

#### e) Reporting of Internal Auditor

The Internal Auditor/ Internal Assurance Partners directly reports to the Audit Committee.

#### f) Quarterly Independent Directors' meetings

The Company has a practice of holding quarterly Independent Directors' meetings without presence of management and non-executive Directors much before the requirement of having at least one exclusive meeting of Independent Directors was statutorily prescribed.

#### g) Integrated Reporting as per framework prescribed by International Integrated Reporting Council (IIRC)

The Company has now released its sixth 'Annual Integrated Report' in accordance with the IIRC's Integrated reporting (IR) Framework.

#### h) The Company is substantially in compliance with the G-20 OECD Principles of Corporate Governance

#### i) The Company has a fully independent Audit Committee – all the members of the Committee are Non-Executive Independent Directors.

### Related Party Transactions

All transactions entered into by the Company with its related parties during the financial year ended on March 31, 2023, were in the ordinary course of business and on an arm's length basis and hence, do not attract the provisions of Section 188 of the Companies Act, 2013. Prior approval of Audit Committee and Shareholders, wherever required in terms of the Listing Regulations, was obtained for the Related Party Transactions.

The Company has not entered into any materially significant related party transaction that has potential conflict or is prejudicial to the interest of the Company or minority shareholders at large, rather, they synchronise and synergise with the Company's operations. Generally, the major related party transactions of the Company are with its subsidiaries, associates and JVs which are entered on account of synergy in operations, sectoral specialisation, liquidity, capital resource and other business exigencies etc.

The Board of Directors has formulated a 'Policy on Related Party Transactions' governing framework for determining the materiality of and ensuring approval of Related Party Transactions pursuant to the applicable provisions of the Companies Act, 2013 and Listing Regulations.

Members may refer the financial statements for the details of transactions with related parties entered during the FY 2022-23.

## **Details of Non-compliance with regard to Capital Markets during the last three years**

There has been no instance of non-compliance by the Company and no penalty and/ or stricture has been imposed by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

## **Utilisation of funds raised through preferential allotment or qualified institutions placement**

During FY 2022-23, the Company raised ₹52,243.80 million vide preferential allotment of 71,176,839 fully paid-up equity shares of the Company to Google International LLC at an issue price of 734/- per equity share (including a premium of ₹729 per equity share). The Company affirms that the proceeds of the issue were utilised towards its objects and there has been no deviation or variation in utilisation of proceeds.

## **Prevention of Sexual Harassment**

The Company is committed towards creating a respectful workplace free from any form of harassment and has a 'zero-tolerance' approach towards any act of sexual harassment. The Company has a comprehensive policy which is in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committees (ICC) have been constituted as per procedure prescribed in the law. The Ombudsperson administers a formal process to review and investigate all concerns and undertakes appropriate actions required to resolve the reported matters. The investigation reports and recommendations are forwarded to the CEO and Chief People Officer for action. A quarterly summary report is also placed before the Audit Committee. The list of ICC members has been prominently displayed across all offices in publicly accessible areas. Further, awareness and training sessions about the Prevention of Sexual Harassment at workplace are conducted for all employees, including our associates.

The annual financial statements of the subsidiaries for FY 2022-23 are available for download on the website of the Company at weblink <https://www.airtel.in/about-bharti/equity/results>. The Annual Report of Airtel Africa plc, an overseas subsidiary listed on London Stock Exchange, is available on its website viz. <https://airtel.africa/#/>.

## **Details of material subsidiaries; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries**

S. No. Subsidiaries whose total income/net worth exceeds 10% of the Company's consolidated income/ net worth	Date of Incorporation	Place of Incorporation	Name of statutory auditors	Date of appointment of statutory auditors
1. Network i2i Limited	November 30, 2000	Mauritius	Deloitte	July 05, 2022
2. Airtel Africa Mauritius Limited	June 28, 2018	Mauritius	Deloitte	July 05, 2022
3. Airtel Africa plc	July 12, 2018	United Kingdom	Deloitte LLP	June 28, 2022
4. Bharti Airtel International (Netherlands) B.V.	March 19, 2010	Netherlands	Deloitte Haskins & Sells LLP	October 14, 2022*
5. Bharti Airtel Africa B.V.	June 08, 2010	Netherlands	Deloitte Haskins & Sells LLP	October 14, 2022*
6. Airtel Networks Limited	December 21, 2000	Nigeria	Deloitte & Touche	July 21, 2022

\* Appointed vide consolidated engagement entered between the Company and Deloitte Haskins & Sells LLP.

## Disclosure of Loans and advances by the Company/ its subsidiaries in the nature of loans to firms/companies in which directors are interested

During the financial year ended March 31, 2023, there were no loans or advances provided by the Company or its subsidiaries to firms/companies in which directors were interested.

### **Statutory Certificates**

#### **a) Auditors' Certificate on Corporate Governance**

The Company has complied with all the mandatory requirements of the Corporate Governance as specified in Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of the Listing Regulations. In this regard, a certificate has been received from Deloitte Haskins & Sells LLP, Chartered Accountants affirming compliance of Corporate Governance requirements during FY 2022-23 and the same is attached as 'Annexure C' to the Board's Report.

#### **b) CEO and CFO Certification**

The certificate required under Regulation 17(8) of the Listing Regulations, duly signed by the CEO and CFO of the Company was placed before the Board. The same is provided as 'Annexure C' to this report.

#### **c) Certificate from Secretarial Auditor pursuant to Schedule V of the Listing Regulations**

A certificate from Chandrasekaran Associates, Company Secretaries, pursuant to Schedule V of the Listing Regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority as on March 31, 2023, is annexed as 'Annexure D' to this report.

### **Green Initiative**

As a responsible Company, the Company supports 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents and continues to send all correspondence/ communication through email to those shareholders who have registered their email id with their Depository participants (DPs)/ Company's Registrar and Share Transfer Agent (RTAs).

Shareholders who have not registered their e-mail addresses so far are requested to write to their DPs (for shares held in dematerialised form) or to Company's RTA (for shares held in physical form) by sending a letter, duly signed by the first/sole holder quoting necessary details.

### **Status of Dividend declared**

Status of the dividend declared by the Company for the last seven years is as under:

Financial Year	Amount of Dividend per equity share of face value of ₹5/- each	Total Pay-out	Amount paid to the shareholders as on March 31, 2023	Unclaimed dividend as on March 31, 2023	(Amount in ₹/Mn)
2021-22	3.00	16,983.91	16,975.32	8.59	
2019-20	2.00	10,911.11	10,909.89	1.22	
2018-19 (Interim)	2.50	9,993.50	9,991.70	1.80	
2017-18	2.50	9,993.50	9,991.72	1.78	
2017-18 (Interim)	2.84	11,352.62	11,350.74	1.88	
2016-17	1.00	3,997.40	3,996.70	0.70	
2015-16	1.36	5,436.46	5,435.31	1.15	

#### **Notes:**

- 1) No dividend was declared by the Company for the financial year 2020-21.
- 2) Dividend of ₹0.75 each on partly paid-up equity shares was declared on proportionate basis for FY 2021-22.

The Company constantly endeavours to reduce the unpaid & unclaimed dividend amount. The shareholders, who have not claimed their dividend for the above financial years, are requested to contact the Company or its Share Transfer Agent.

## Equity Shares in the Unclaimed Suspense Account

In terms of Regulation 39 of the Listing Regulations, details of the equity shares lying in the Unclaimed Suspense Account are as follows:

Particulars	Number of Shareholders	Number of Equity Shares
<b>I. Fully paid-up shares</b>		
Number of shareholders and aggregate number of fully paid-up shares in the Unclaimed Suspense Account lying as on April 1, 2022	1	31
<b>Add:</b> Number of shareholders and aggregate number of shares transferred to the Unclaimed Suspense Account during the year	Nil	Nil
<b>Less:</b> Number of shareholders who approached the Company for transfer of shares and shares transferred from Unclaimed Suspense Account during the year	Nil	Nil
<b>Aggregate number of shareholders and the outstanding fully paid-up shares in the Unclaimed Suspense Account lying as on March 31, 2023</b>	<b>1</b>	<b>31</b>
<b>II. Partly paid-up shares</b>		
Number of shareholders and aggregate number of partly paid-up shares in the Unclaimed Suspense Account lying as on April 1, 2022	260	5,694
<b>Add:</b> Number of shareholders and aggregate number of shares transferred to the Unclaimed Suspense Account during the year	Nil	Nil
<b>Less:</b> Number of shareholders who approached the Company for transfer of shares and shares transferred from Unclaimed Suspense Account during the year	191	4,919
<b>Aggregate number of shareholders and the outstanding partly paid-up shares in the Unclaimed Suspense Account lying as on March 31, 2023</b>	<b>69</b>	<b>775</b>

**Note:** The voting rights on the shares in the suspense accounts as on March 31, 2023 shall remain frozen till the rightful owners of such shares claim the shares.

## Annexure A

### Declaration of compliance with Code of Conduct

I hereby confirm that the Company has received a confirmation from all the members of the Board and Senior Management that they are in compliance with the Company's Code of Conduct for the financial year ended March 31, 2023.

For Bharti Airtel Limited

Date: May 16, 2023

Place: New Delhi

**Gopal Vittal**

Managing Director & CEO

## Annexure B

### Corporate Policies

(To be read in addition to the policies/ codes/ frameworks referred in Clause E of Report on Corporate Governance)

Below corporate policies can be accessed at the website of the Company at <https://www.airtel.in/about-bharti/equity/corporate-governance/policies>:

Policy	Brief description	Web link
Corporate Social Responsibility Policy	The policy emphasises on Company's philosophy to pursue wider socio-economic & cultural objectives of promoting education for underprivileged with special emphasis on girl child, livelihood enhancement and education programs etc.	<a href="#">Click here</a>
Policy on Related Party Transactions and determination of materiality	The policy regulates the transactions between the Company and its related parties based on the applicable laws. The policy lays down the framework for appropriate identification, governance and reporting of related party transactions.	<a href="#">Click here</a>
Policy for determining material subsidiaries	The policy lays down a framework to determine material subsidiaries and ensure their effective governance.	<a href="#">Click here</a>
Dividend Distribution Policy	The policy facilitates the consistent approach w.r.t. dividend pay-out plans in the Company and lays down the broad parameters to be considered for distribution of dividend.	<a href="#">Click here</a>
Policy on Nomination, Remuneration and Board Diversity	The policy, <i>inter-alia</i> , includes criteria for appointment of Directors, KMPs, senior management and other covered employees, their remuneration structure and Company's approach to have diversity on the Board of Directors.	<a href="#">Click here</a>
Policy for determination and disclosure of Material Events	This policy specifies the manner of determining materiality & disclosure of events based on the criteria prescribed therein; Company's approach of providing timely, direct and equal access of material information to the market.	<a href="#">Click here</a>
Code of practices and procedures for fair disclosure of unpublished price sensitive information	The code lays down the standards of transparency and fair disclosure followed by the Company and ensures that all material updates/ information are shared with the stakeholders including investors, market analysts, media and other third parties in a timely, orderly, consistent and credible manner.	<a href="#">Click here</a>
Code of Conduct and Whistle Blower Policy (Vigil Mechanism)	The code provides the fundamental guidelines and acts as a foundation, to ensure ethical business practices and standards across the Company's operations; trust, transparency and integrity in Company's actions; and fair relationship with all stakeholders.	<a href="#">Click here</a>
Policy for preservation and archival of documents & records	This policy ensures that necessary documents & records are preserved & properly maintained and the documents & records which are no longer required are disposed-off in an appropriate manner with due approvals.	<a href="#">Click here</a>

## **Annexure C**

### **Chief Executive Officer (CEO)/Chief Financial Officer (CFO) certification**

We, Gopal Vittal, Managing Director & CEO and Soumen Ray, CFO (India & South Asia) of Bharti Airtel Limited, to the best of our knowledge and belief hereby certify that:

- (a) We have reviewed financial statements and the cash flow statements for the year ended March 31, 2023 and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design and operations of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
  - (i) significant changes in the internal control over financial reporting during the year;
  - (ii) significant changes in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: May 16, 2023  
Place: New Delhi

**Gopal Vittal**  
Managing Director & CEO

**Soumen Ray**  
Chief Financial Officer  
(India & South Asia)

## Annexure D

### Certificate of Non-Disqualification of Directors

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members

**Bharti Airtel Limited**

Airtel Center, Plot No. 16,  
Udyog Vihar, Phase-IV,  
Gurugram-122015, India

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Bharti Airtel Limited bearing CIN L74899HR1995PLC095967, having registered office at Airtel Center, Plot No. 16, Udyog Vihar, Phase-IV, Gurugram-122015, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers and based on declarations received from respective Directors, we hereby certify that as on Financial Year ended March 31, 2023, none of the Directors on the Board of the Company as stated below have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sl. No.	Name of Director	DIN	Original date of appointment in the Company
1.	Mr. Sunil Bharti Mittal	00042491	July 07, 1995
2.	Ms. Chua Sock Koong	00047851	May 07, 2001
3.	Mr. Dinesh Kumar Mittal	00040000	March 13, 2014
4.	Mr. Gopal Vittal	02291778	February 01, 2013
5.	Ms. Kimsuka Narasimhan	02102783	March 30, 2019
6.	Ms. Nisaba Godrej	00591503	August 04, 2021
7.	Mr. Rakesh Bharti Mittal	00042494	January 07, 2016
8.	Mr. Tao Yih Arthur Lang	07798156	October 27, 2020
9.	Mr. Vegulaparanan Kasi Viswanathan	01782934	January 14, 2014
10.	Mr. Shyamal Mukherjee	03024803	May 18, 2022
11.	Mr. Pradeep Kumar Sinha	00145126	May 18, 2022

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Chandrasekaran Associates**

Company Secretaries

FRN: P1988DE002500

Peer Review Certificate No.: 1428/2021

**Dr. S. Chandrasekaran**

Senior Partner

Membership No. FCS No.: 1644

Certificate of Practice No: 715

UDIN: F001644E000285367

Date: May 16, 2023

Place: New Delhi

# Independent Auditor's Report

To The Members of **BHARTI AIRTEL LIMITED**

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of **BHARTI AIRTEL LIMITED** ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2023, and the Standalone Statement of Profit and Loss (including Other Comprehensive Loss), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its loss, total comprehensive loss, its changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matter	Auditor's Response
1	<b>Revenue from operations:</b>  We considered accuracy of revenues relating to prepaid and postpaid mobile services as a key audit matter because of the complexity of the IT systems, significance of volumes of data processed by the IT systems and the impact of changing pricing models (tariff structures, incentive arrangements and discounts, etc.). Refer note 2.18 "Revenue recognition" for accounting policies, note 3.2.d 'Revenue recognition and presentation' under the head 'Critical judgements in applying the Company's accounting policies' and note 23 on disclosures related to Revenue from operations in the standalone financial statements	<b>Principal Audit Procedures</b>  We obtained an understanding, evaluated the design and tested the operating effectiveness of (i) the general IT controls, automated controls, interfaces, control over plan configuration and system generated reports relevant for revenue recognition by involving our IT specialist; and (ii) controls over recording of revenue relating to prepaid and postpaid mobile services; and (iii) control over reconciliations.  We tested inter se reconciliations between relevant IT systems (such as billing system, prepaid application systems, active customer database) and with general ledger, and performed verification of revenue recognised, deferred and unbilled revenue.  We made test calls to determine the accuracy of revenue recorded.  We verified the appropriateness of the accounting policies and the disclosures related to Revenue from operations in notes 2.18, 3.2.d and 23 respectively in the standalone financial statements

Sr. No	Key Audit Matter	Auditor's Response
2	<p><b>Assessment of recoverability relating to Deferred tax assets ('DTA') recognized on carry forward losses:</b></p> <p>The DTA balance as at March 31, 2023 of ₹1,46,439 Mn primarily relates to DTA on carry forward losses.</p> <p>The Company exercises significant judgement in assessing the recoverability of DTA relating to carry forward losses. In estimating the recoverability of DTA on carry forward losses, management uses inputs such as internal business and tax projections over a 10 year period.</p> <p>Recoverability of DTA on carry forward losses is considered a key audit matter as it is sensitive to the assumptions used by management in projecting the future taxable income, the reversal of deferred tax liabilities which can be scheduled, and tax planning strategies.</p> <p>Refer note 2.11 "Taxes" for accounting policies, note 3.1.c 'Taxes' under the head "Key sources of estimation uncertainties", and note 11 "Income taxes" for disclosures related to taxes in the standalone financial statements.</p>	<p><b>Principal Audit Procedures</b></p> <p>We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's process for determining the recoverability of the DTA relating to carry forward losses which included amongst others controls over the assumptions and judgments used in the projections of future taxable income and related tax projections.</p> <p>To assess the Company's ability to estimate future taxable income, we compared the Company's previous forecasts to actual results to determine its reasonableness and examined the consistency of projections used for assessing DTA recoverability with business projections used for goodwill impairment assessment.</p> <p>We involved our tax specialist in evaluating tax planning strategies, opinion obtained by the Company from its tax advisors, if any and interpretation of tax laws used by the Company in the tax projections used for supporting the recoverability of DTA.</p>
3	<p><b>Provisions and contingencies relating to regulatory and tax matters:</b></p> <p>The Company has recognised provisions for probable outflows relating to legal, tax and regulatory matters and have disclosed contingencies for legal, tax and regulatory matters where the obligations are considered possible.</p> <p>The Company in consultation with the legal, tax and other advisers assess a likelihood that a pending matter relating to tax, legal or regulatory will succeed. In performing this assessment, the Company applies judgement and has recognised provisions based on whether additional amounts will be payable and has disclosed contingent liabilities where economic outflows are considered possible.</p> <p>We have considered the provisions recorded and the contingencies relating to tax, legal and regulatory matters as a key audit matter as there is significant judgement to determine the possible outcome of matters under dispute and determining the amounts involved, which may vary depending on the outcome of the matters.</p> <p>Refer note 2.17 "Contingencies" for accounting policies, note 3.1.e 'Contingent liabilities and provisions' under the head "Key sources of estimation uncertainties", note 19 "Provisions" for disclosure related to provisions for subjudice matters, note 4(viii) for AGR matter and Note 22(l) in respect of details of Contingent liabilities in the standalone financial statements.</p>	<p><b>Principal Audit Procedures:</b></p> <p>We obtained an understanding, evaluated the design and tested the operating effectiveness of internal controls relating to:</p> <p>(1) identification, evaluation, recognition of provisions, disclosure of contingencies for matters under review or appeal with relevant adjudicating authorities by considering the assumptions and information used by management in performing this assessment;</p> <p>(2) completeness and accuracy of the underlying data / information used in the assessment. For tax matters, with the help of our tax specialist, we evaluated the reasonableness of the management's positions by considering tax regulations and past decisions from tax authorities, new information and opinions obtained by the Company from its external tax advisors, where applicable. For regulatory matters, we evaluated the reasonableness of the management's positions by considering relevant assessment orders, court judgements, statutes, interpretations and amendments, circulars and external legal opinion obtained by the Company, where applicable. We also evaluated the disclosures provided in the notes to the standalone financial statements concerning these matters.</p>

Sr. No	Key Audit Matter	Auditor's Response
		Principal Audit Procedures
4	<b>Impairment of investment in a Joint venture (JV), Indus Towers Limited (ITL)</b> <p>Investments in JV ITL as at March 31, 2023 amounts to ₹ 244,176 Mn (net of impairment). During the year ended March 31, 2023, the Company assessed that there are indicators of impairment in respect of its investment in ITL mainly arising from the financial condition of one of the largest customer of ITL and its inability to pay outstanding dues to ITL and determined the recoverable amount for its investment in ITL. The Company, considering the amount of recoverable value so determined recorded an impairment charge for investment of ₹ 42,764 Mn which is disclosed as an exceptional item.</p> <p>We have considered the impairment evaluation as a key audit matter as the determination of recoverable amount of investment based on value-in-use is complex and subjective as it involves significant estimates and judgements in determining the assumptions such as the revenue growth, EBITDA margins, discount rates applied to estimated future cash flows and growth rate, especially when there is uncertainty about the going concern of one of the largest customer of ITL.</p> <p>Refer Note 2.9.a for accounting policy and Note 7 for disclosure relating to investments in joint ventures.</p>	<p>We obtained an understanding, evaluated the design and tested the operating effectiveness of internal controls over Company's forecasting process and investment impairment review including controls related to the review of revenue growth, EBITDA margins and the assumptions used to develop the discount rates applied to estimated future cashflows and long term growth rates.</p> <p>We evaluated reasonableness of management's basis of determining value in use and assumptions related to revenue growth, EBITDA margins, discount rates and long term growth rates by considering (i) the current and past performance and (ii) the consistency with external sources of information, where available.</p> <p>We involved our internal valuation specialists to assist in the evaluation of the appropriateness of significant assumptions like discount rate and long term growth rates.</p> <p>We also evaluated the impairment disclosures against the requirements of Ind AS 36 – Impairment of Assets.</p> <p>We tested the appropriateness of the accounting policies and disclosures related to Investments in notes 2.9.a and 7 respectively in the standalone financial statements.</p>

## Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis, Board's Report including Annexures to the Board's Report, Business Responsibility & Sustainability Report and Corporate Governance Report, but does not include the Consolidated Financial Statements, Standalone Financial Statements and our auditor's reports thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income/

(loss), changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

## Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance

with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of Company's internal financial controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative

materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive loss, the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Standalone Financial Statements comply with Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate

Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Standalone Financial Statements.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements (Refer Note 22(l) to the Standalone Financial Statements).
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts (Refer Note 19 to the Standalone Financial Statements).
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company (Refer Note 18 to the Standalone Financial Statements).
- iv.
  - (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with

the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 15(h) to the Standalone Financial Statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.

- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014, as amended, is not applicable for the financial year ended March 31, 2023.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Vijay Agarwal**  
Partner  
(Membership No. 094468)  
(UDIN: 23094468BGYIOH1932)

Place: New Delhi  
Date: May 16, 2023

# Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

## Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to Standalone Financial Statements of **BHARTI AIRTEL LIMITED** (“the Company”) as at March 31, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company as at and for the year ended on that date.

### Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“the Guidance Note”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (“the Act”).

### Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to Standalone Financial Statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit

opinion on the Company’s internal financial controls with reference to Standalone Financial Statements.

### Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company’s internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to Standalone Financial Statements established by the Company considering the essential components of internal control stated in the Guidance Note.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm’s Registration No. 117366W/W-100018)

### Vijay Agarwal

Partner

(Membership No. 094468)

(UDIN: 23094468BGYIOH1932)

Place: New Delhi

Date: May 16, 2023

## Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that

- (i) In respect of Company's Property, Plant and Equipment, Right of use assets and Intangible Assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress and relevant details of right of use assets except in the case of certain Plant and Machinery, where the Company is in the process of updating the records for situation of these assets.
  - (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company, except for customer premises equipment and bandwidth which due to their nature or location are not verifiable, has a program of verification of property, plant and equipment, capital work in-progress, and right-of-use assets so to cover all the items once every

3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment, capital work-in progress and right of use assets (based on underlying agreements/other relevant documents and refer sub-clause (c) below) were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

- (c) With respect to immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the Standalone Financial Statements included in property, plant and equipment and according to the information and explanations given to us and based on the examination of the property tax receipts and utility bills for self constructed buildings, registered sale deed / transfer deed / conveyance deed or court orders approving schemes of arrangements / amalgamations (as applicable) provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date, except for as provided below.

Description of property	As at the Balance sheet date (Amount in ₹ Mn)		Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being in Company's name
	Gross Carrying Value	Carrying value in the Standalone Financial Statements				
Land	2,630	2,630	Tata Teleservices Limited	No	Held since July 1, 2019	Ownership of these lands is transferred and vested in the Company through merger scheme. The titles are pending mutation in the name of the Company.
Land	133	133	Amrit Bottlers Pvt. Limited	No	Held since February 12, 2010	The Company is in the possession of the property. However, conveyance deed is yet to be executed in the name of the Company.
Building	203	165	Tata Teleservices Limited	No	Held since July 1, 2019	Ownership of these buildings is transferred and vested in the Company through merger scheme.
Building	32	26	Tata Teleservices (Maharashtra) Limited	No	Held since July 1, 2019	The titles are pending mutation in the name of the Company.
Building	251	122	Amrit Bottlers Pvt. Limited	No	Held since February 12, 2010	The Company is in the possession of the property. However, conveyance deed is yet to be executed in the name of the Company.

Further, Property, plant and equipment includes certain immovable properties having gross carrying value of ₹ 1,222 million (Net carrying value of ₹ 285 million) as at March 31, 2023 acquired as part of scheme of arrangements / amalgamations are still registered in the name of erstwhile group companies/pending mutation in the name of the Company (Refer Note 38 of Standalone Financial Statements).

In respect of immovable properties that have been taken on lease and disclosed in the financial statements as right of use assets as at the balance sheet date, the lease agreements are duly executed in favour of the Company, except for as provided below.

Description of immovable properties taken on lease	As at the Balance sheet date (Amount in ₹ Mn)		Held in name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in name of Company*
	Gross carrying value	Carrying value in the Financial Statement				
Land	15	14	Tata Teleservices Limited	No	Held since July 1, 2019	Right to use of land & building is vested in the Company through merger scheme. The duly executed agreements are pending mutation in the name of the Company.
Building	235	194	Tata Teleservices Limited	No	Held since July 1, 2019	

- (d) The Company has not revalued any of its property, plant and equipment, right of use assets and intangible assets during the year.
- (e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The company does not have any inventory and hence reporting under clause (ii)(a) of the Order is not applicable.
- (ii) (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets, and hence reporting under clause (ii)(b) of the Order is not applicable.
- (iii) The Company has made investments in, provided guarantee and granted loans or advance in nature of loan, unsecured, to companies or any other parties during the year, in respect of which:
  - (a) The Company has provided loans (excluding loans to employees), advance in nature of loans and guarantees during the year and details of which are given below:

	Loan Amounts*	Advance in nature of loan	Guarantees
A. Aggregate amount granted / provided during the year:			
- Subsidiaries	47,908	-	-
B. Balance outstanding as at balance sheet date (subsidiaries)	41,763	349,854	

\* Excluding loans given to Telesonic Networks Limited and Nettle Infrastructure Investments Limited (merged with company w.e.f. April 1, 2022).

- (b) The investments made, guarantees provided and the terms and conditions of the grant of all the above-mentioned loans, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) The Company has granted loans which are payable on demand. During the year, Loans amounting to ₹ 15,668 million (excluding loans amounting 2,935 million converted in equity of wholly owned subsidiaries) have been re-paid. In our opinion, the repayments of principal amounts and receipts of interest are regular (Refer reporting under clause (iii)(f) below).
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date as the Company has not demanded such loans.
- (e) None of the loans granted by the Company have fallen due during the year as the Company has not demanded such loans .

- (f) Above mentioned loans in clause (iii) (a) granted by the Company are repayable on demand and represent 100% of the total loans granted.
- (iv) According to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that,
- (b) Details of statutory dues referred to in sub-clause (a) above as on March 31, 2023 on account of disputes are given below:

Name of Statute	Nature of Dispute	Period to which the amount relates	Forum where dispute is pending	Total Disputed amount (₹ In Mn)*
Income Tax Act, 1961	Income Tax	1999-05; 2002-08	Supreme Court	139
Income Tax Act, 1961	Income Tax	1996-98, 2002-05, 2006-09, 2013-14; 2004-10	High Court	21,894
Income Tax Act, 1961	Income Tax	1995-97, 2000-04, 2006-08, 2014-16; 2003-10	Income Tax Appellate Tribunal	1,034
Income Tax Act, 1961	Income Tax	1999-00, 2003-04, 2010-11, 2012-13, 2015-16; 2004-07, 2008-10	Commissioner of Income Tax (Appeals)	1,582
Income Tax Act, 1961	Income Tax	2000-02, 2005-06; 1996-97, 2003-14	Assessing Officer	5,542
<b>Sub Total (A)</b>				<b>30,191</b>
Custom Act, 1962	Custom Act	2004-2005	Assessing Officer	6
Custom Act, 1962	Custom Act	2001-2005	Supreme Court	4,128
Custom Act, 1962	Custom Act	2016-2017	Commissioner	0
Custom Act, 1962	Custom Act	2003-2019	Tribunal	1,118
<b>Sub Total (B)</b>				<b>5,252</b>
Finance Act, 1994 (Service tax)	Service Tax	1996-2009	Commissioner	158
Finance Act, 1994 (Service tax)	Service Tax	2003-2009	High Court	1,132
Finance Act, 1994 (Service tax)	Service Tax	2004-2008	Supreme Court	273
Finance Act, 1994 (Service tax)	Service Tax	1999-2017	Tribunal	15,920
Finance Act, 1994 (Service tax)	Service Tax	2016-2018	Joint Commissioner (Appeals)	13
Finance Act, 1994 (Service tax)	Service Tax	1997-2006	Deputy Commissioner (Appeal)	0
<b>Sub Total (C)</b>				<b>17,496</b>
Goods and Services Tax Act, 2017	AP GST	2017-2019	Joint Commissioner, (Appeal)	162
Goods and Services Tax Act, 2017	UP GST	2018-2019	1 <sup>st</sup> Appeal	0
Goods and Services Tax Act, 2017	UP GST	2018-2019	Assistant Commissioner	0

prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

- (vii) In respect of statutory dues:

- (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Duty of custom, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Duty of custom, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

Name of Statute	Nature of Dispute	Period to which the amount relates	Forum where dispute is pending	Total Disputed amount (₹ In Mn)*
Goods and Services Tax Act, 2017	HP GST	2019-2021	Assessing Officer	9
Goods and Services Tax Act, 2017	WB GST	2020-2021	Assessing Officer	6
Goods and Services Tax Act, 2017	Telangana GST	2017-2018	Additional Commissioner	67
Goods and Services Tax Act, 2017	Bihar GST	2017-2020	Assistant Commissioner	1,846
<b>Sub Total (D)</b>				<b>2,090</b>
Bihar VAT Act, 2005	Sales Tax	2005-2018	Tribunal	150
Delhi VAT Act, 2004	VAT	2013-2017	Special Commissioner	4
Delhi VAT Act, 2004	VAT	2015-2018	Assessing Officer	3
Delhi VAT Act, 2004	VAT	2013-2014	Tribunal	6
The Gujarat VAT Act, 2003	VAT	2016-2018	Deputy Commissioner (Appeals)	4
The Madhya Pradesh VAT Act, 2002	VAT	2008-2009	Assistant Commissioner	1
Punjab VAT Act, 2005	VAT	2003-2004	High Court	30
Punjab VAT Act, 2005	VAT	2008-2010	Tribunal	0
Punjab VAT Act, 2005	VAT	2007-2008	Assistant Commissioner	0
UPVAT Act, 2008	VAT	2004-2012	Assessing Officer	23
UPVAT Act, 2008	VAT	2002-2005	Assistant Commissioner	1
UPVAT Act, 2008	VAT	2003-2009	Deputy Commissioner	24
UPVAT Act, 2008	VAT	2008-2010	High Court	6
UPVAT Act, 2008	VAT	2009-2010	Joint Commissioner	1
UPVAT Act, 2008	VAT	2009-2016	Tribunal	2
UPVAT Act, 2008	VAT	2003-2009	1 <sup>st</sup> Appeal	2
The West Bengal VAT Act, 2003	VAT	1995-2002	Assessing Officer	39
The West Bengal VAT Act, 2003	VAT	1996-1997	Deputy Commissioner (Appeal)	0
The West Bengal VAT Act, 2003	VAT	2005-2006	Revisional Authority	9
The West Bengal VAT Act, 2003	VAT	1997-1998	Tribunal	0
The Kerala VAT Act, 2003	VAT	2008-2009	Assessing Officer	0
The Kerala VAT Act, 2003	VAT	2006-2019	High Court	123
The Kerala VAT Act, 2003	VAT	2003-2004	Tribunal	0
The Karnataka VAT Act, 2003	VAT	2002-2009	Supreme Court	3,160
The Karnataka VAT Act, 2003	VAT	2005-2006	Tribunal	256
Telangana VAT Act, 2005	VAT	2009-2010	Supreme Court	487
Telangana VAT Act, 2005	VAT	2008-2017	Tribunal	127
Andhra Pradesh VAT Act, 2005	VAT	2006-2010	Supreme Court	2,849
<b>Sub Total (E)</b>				<b>7,307</b>
Haryana Local Area Development Tax Act, 2000	Entry Tax	2000-2003	Tribunal	46
HP Tax on Entry of Goods into Local Areas Act, 2010	Entry Tax	2010-2012	Tribunal	33
Karnataka Special Tax on Entry of Certain Goods Act, 2004	Entry Tax	2005-2006	High Court	172
Madhya Pradesh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	1999-2012	Assessing Officer	33
Madhya Pradesh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	1998-2008	Commissioner	3
Madhya Pradesh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	2000-2011	High Court	490
Madhya Pradesh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	2001-2003	Tribunal	10
Madhya Pradesh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	2006-2016	1 <sup>st</sup> Appeal	8
Madhya Pradesh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	2006-2016	Deputy Commissioner (Appeals)	9
Madhya Pradesh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	2006-2016	Additional Commissioner	1
Madhya Pradesh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhiniyam, 1976	Entry Tax	2006-2016	Assistant Commissioner	14

Name of Statute	Nature of Dispute	Period to which the amount relates	Forum where dispute is pending	Total Disputed amount ₹ In Mn)*
Telangana tax on entry of goods into local areas act, 2001	Entry Tax	2006-2007	High Court	6
The Assam Entry Tax Act, 2008	Entry Tax	2017-2018	High Court	647
The Assam Entry Tax Act, 2008	Entry Tax	2006-2008	Revisional Authority	82
UP Tax on Entry of Goods into Local Areas Act, 2007	Entry Tax	2004-2005	Assessing Officer	0
UP Tax on Entry of Goods into Local Areas Act, 2007	Entry Tax	2001-2007	High Court	407
Orissa Entry Tax Act	Entry Tax	2006-2017	High Court	855
Bombay Provincial Municipal Corporations Act, 1949	Local Body Tax	2002-2016	High Court	131
Bombay Provincial Municipal Corporations Act, 1949	Local Body Tax	2010-2016	High Court	41
<b>Sub Total (F)</b>				<b>2,988</b>
U.P. Entertainments and Betting Tax Act, 1979	Entertainment Tax	2009-2010	High Court	5
Madhya Pradesh Entertainment duty and Advertisement tax Act 1936	Entertainment Tax	2016-2018	High Court	165
<b>Sub Total (G)</b>				<b>170</b>
<b>Grand Total (A+B+C+D+E+F+G):</b>				<b>65,494</b>

The above-mentioned figures represent the total disputed cases without any assessment of Probable, Possible and Remote, as done in case of Contingent Liabilities. Of the above cases, includes total amount deposited in respect of Income Tax is ₹ 8,613 Mn, Duty of custom is ₹ 2,664 Mn, Service Tax is ₹ 666 Mn, Goods and Services Tax Act, 2017 is ₹ 198 Mn, Sales Tax is ₹ 286 Mn, Entry Tax and other Local Area/Body Taxes is ₹ 1,591 Mn and Entertainment Tax is ₹ nil.

\* Amount less than half million are appearing as '0'

(viii) According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) According to the information and explanations given to us, in our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) According to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) To the best of our knowledge and belief and according to the information and explanations given to us, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(d) To the best of our knowledge and belief and according to the information and explanations given to us, the management of the Company is of the view that the Company is able to generate sufficient funds from long

term sources either through its operations or other means to meet the working capital requirements arising from the event of short-term sources falling due for payment. On an overall examination of the Standalone Financial Statements of the Company, funds raised on short-term basis have been used during the year for long-term purposes by the Company. Refer Note 17 to the Standalone Financial Statements.

- (e) According to the information and explanations given to us and on an overall examination of the Standalone Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiary or joint ventures or associate companies.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable. Further, the Company has raised moneys through commercial papers from Qualified Institutional Buyers (QIBs) for general corporate purpose use.
- (b) The Company has made private placement of shares during the year. For such allotment of shares, the Company has complied with the requirements of Section 42 and 62 of the Companies Act, 2013, and the funds raised have been, *prima facie*, applied by the Company during the year for the purposes for which the funds were raised. The Company has not made any private placement of (fully or partly or optionally) convertible debentures during the year.

- (xi) (a) According to the information and explanations given to us and to the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us and to the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report) and provided to us, when performing our audit.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and in our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto March 31, 2023.
- (xv) According to the information and explanations given to us, in our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (b) The Group does not have more than one CIC as part of the group.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has incurred losses during the three immediately preceding financial years and hence, it is not required to spend any money under sub-section (5) of section 135 of the Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Vijay Agarwal**  
Partner

Place: New Delhi  
Date: May 16, 2023

Membership No.094468  
UDIN: 23094468BGYIOH1932

# Standalone Balance Sheet

(All amounts are in millions of Indian Rupee)

	Notes	As of		
		March 31, 2023	March 31, 2022*	
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	5	650,837	637,950	
Capital work-in-progress	5	69,598	17,149	
Right-of-use assets	35	397,026	219,682	
Goodwill	6	1,083	1,083	
Other intangible assets	6	825,145	778,642	
Intangible assets under development	6	335,959	16,708	
Investments in subsidiaries, associates and joint ventures	7	431,150	458,974	
<b>Financial assets</b>				
- Investments	7	565	312	
- Derivative instruments	8	81	-	
- Other financial assets	10	17,228	16,840	
Income tax assets (net)		13,540	11,658	
Deferred tax assets (net)	11	146,439	160,175	
Other non-current assets	12	61,351	60,323	
		<b>2,950,002</b>	<b>2,379,496</b>	
<b>Current assets</b>				
Inventories		-	4	
<b>Financial assets</b>				
- Investments	7	35,199	7,974	
- Derivative instruments	8	963	316	
- Trade receivables	13	21,165	27,717	
- Cash and cash equivalents	14	13,925	3,102	
- Other bank balances	14	505	312	
- Loans	9	41,763	11,288	
- Other financial assets	10	200,836	194,950	
Other current assets	12	91,414	87,249	
		<b>405,770</b>	<b>332,912</b>	
<b>Total assets</b>		<b>3,355,772</b>	<b>2,712,408</b>	
<b>Equity and liabilities</b>				
<b>Equity</b>				
Equity share capital	15	28,366	27,950	
Other equity		761,568	720,755	
		<b>789,934</b>	<b>748,705</b>	
<b>Non-current liabilities</b>				
<b>Financial liabilities</b>				
- Borrowings	17	1,362,300	973,228	
- Lease liabilities		351,369	174,350	
- Other financial liabilities	18	51,874	34,201	
Deferred revenue	23	15,311	17,514	
Provisions	19	2,534	2,603	
		<b>1,783,388</b>	<b>1,201,896</b>	
<b>Current liabilities</b>				
<b>Financial liabilities</b>				
- Borrowings	17	44,110	103,011	
- Lease liabilities		59,184	48,461	
- Derivative instruments	8	532	176	
- Trade payables				
- total outstanding dues of micro enterprises and small enterprises	21	731	481	
- total outstanding dues of creditors other than micro enterprises and small enterprises	21	259,258	255,282	
- Other financial liabilities	18	124,585	74,502	
Deferred revenue	23	55,305	50,999	
Provisions	19	212,918	209,146	
Current tax liabilities (net)		18	204	
Other current liabilities	20	25,809	19,545	
		<b>782,450</b>	<b>761,807</b>	
<b>Total liabilities</b>		<b>2,565,838</b>	<b>1,963,703</b>	
<b>Total equity and liabilities</b>		<b>3,355,772</b>	<b>2,712,408</b>	

\*Refer note 4(i)

The accompanying notes 1 to 43 form an integral part of these Standalone Financial Statements.

As per our report of even date

For and on behalf of the Board of Directors of Bharti Airtel Limited

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No. 117366W / W-100018)

**Vijay Agarwal**

Partner

Membership No. 094468

**Sunil Bharti Mittal**

Chairman

DIN: 00042491

**Gopal Vittal**

Managing Director & CEO

DIN: 02291778

Date: May 16, 2023

**Soumen Ray**

Chief Financial Officer  
(India & South Asia)

**Pankaj Tewari**

Company Secretary

# Standalone Statement of Profit and Loss

(All amounts are in millions of Indian Rupee; except per share data)

	Notes	For the year ended	
		March 31, 2023	March 31, 2022*
<b>Income</b>			
Revenue from operations	23	847,201	707,950
Other income	24	26,338	6,040
		<b>873,539</b>	<b>713,990</b>
<b>Expenses</b>			
Network operating expenses	25	183,857	171,877
Access charges		41,318	32,309
License fee / Spectrum charges		87,925	84,623
Employee benefits expense	26	19,664	17,954
Sales and marketing expenses	27	46,383	31,497
Other expenses	28	30,067	22,685
		<b>409,214</b>	<b>360,945</b>
<b>Profit before depreciation, amortisation, finance costs, exceptional items and tax</b>		<b>464,325</b>	<b>353,045</b>
Depreciation and amortisation expenses	29	263,550	243,298
Finance costs	30	145,318	132,208
<b>Profit / (loss) before exceptional items and tax</b>		<b>55,457</b>	<b>(22,461)</b>
Exceptional items (net)	31	42,764	20,096
<b>Profit / (loss) before tax</b>		<b>12,693</b>	<b>(42,557)</b>
<b>Tax expense / (credit)</b>			
Current tax	11	(178)	-
Deferred tax	11	13,767	(3,920)
		<b>13,589</b>	<b>(3,920)</b>
<b>Loss for the year</b>		<b>(896)</b>	<b>(38,637)</b>
<b>Other comprehensive income</b>			
Items not to be reclassified to profit or loss:			
- Re-measurement loss on defined benefit plans	26	(123)	(13)
- Tax credit	11	31	3
<b>Other comprehensive loss for the year</b>		<b>(92)</b>	<b>(10)</b>
<b>Total comprehensive loss for the year</b>		<b>(988)</b>	<b>(38,647)</b>
<b>Loss per share (Face value: ₹ 5 each)</b>			
Basic and diluted loss per share	32	(0.16)	(6.96)

#Refer note 4(i)

The accompanying notes 1 to 43 form an integral part of these Standalone Financial Statements.

As per our report of even date

**For and on behalf of the Board of Directors of Bharti Airtel Limited**

For **Deloitte Haskins & Sells LLP**

**Chartered Accountants**

(Firm's Registration No. 117366W / W-100018)

**Vijay Agarwal**

**Partner**

Membership No. 094468

**Sunil Bharti Mittal**

**Chairman**

DIN: 00042491

**Gopal Vittal**

**Managing Director & CEO**

DIN: 02291778

Date: May 16, 2023

Place: New Delhi

**Soumen Ray**

**Chief Financial Officer  
(India & South Asia)**

**Pankaj Tewari**

**Company Secretary**

# Standalone Statement of Changes in Equity

(All amounts are in millions of Indian Rupee; unless stated otherwise)

	Equity share capital			Reserves and Surplus			Other equity			Equity component of foreign currency convertible bond	Total equity
	No. of shares (in '000)	Amount	Securities premium	Retained earnings	General reserve	Share-based payment reserve	Capital reserve	Fair value through OCI reserve	Total		
								(31)	3,542	708,507	735,967
<b>As of April 1, 2021#</b>	<b>5,492,027</b>	<b>27,460</b>	<b>513,741</b>	<b>201,845</b>	<b>22,809</b>	<b>861</b>	<b>(34,260)</b>	<b>(31)</b>	<b>-</b>	<b>(38,637)</b>	<b>(38,637)</b>
Loss for the year	-	-	-	-	(38,637)	-	-	-	-	-	(10) (10)
Other comprehensive loss (net of tax)	-	-	-	-	(10)	-	-	-	-	-	-
<b>Total comprehensive loss</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(38,647)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(38,647)</b>	<b>(38,647)</b>
<b>Transactions with owners of equity</b>											
Issue of equity shares, net of expenses (note 4(vii))	392,288	490	51,736	-	-	-	-	-	-	51,736	52,226
Employee share-based payment expense	-	-	-	-	-	645	-	-	-	645	645
Exercise of share options	-	-	-	-	(23)	(565)	-	-	-	(588)	(588)
Dividend paid#	-	-	-	(898)	-	-	-	-	-	(898)	(898)
<b>As of March 31, 2022</b>	<b>5,884,315</b>	<b>27,950</b>	<b>565,477</b>	<b>162,300</b>	<b>22,786</b>	<b>941</b>	<b>(34,260)</b>	<b>(31)</b>	<b>3,542</b>	<b>720,755</b>	<b>748,705</b>
Loss for the year	-	-	-	(896)	-	-	-	-	-	(896)	(896)
Other comprehensive income (net of tax)	-	-	-	(92)	-	-	-	-	-	(92)	(92)
<b>Total comprehensive loss</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(988)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(988)</b>	<b>(988)</b>

# Standalone Statement of Changes in Equity

(All amounts are in millions of Indian Rupee; unless stated otherwise)

	Equity share capital			Reserves and Surplus			Other equity		Fair value through OCI reserve	Capital reserve	Equity component of foreign currency convertible bond	Total equity
	No. of shares (in '000)	Amount	Securities premium	Retained earnings	General reserve	Share-based payment reserve						
<b>Transactions with owners of equity</b>												
Issue of equity shares, net of expenses (refer note 4 (ii) and (iii))	83,107	416	58,756	-	-	-	-	-	-	-	-	58,756
Employee share-based payment expense	-	-	-	-	-	-	992	-	-	-	-	992
Exercise of share options	-	-	-	-	(17)	(300)	-	-	-	-	(317)	(317)
Dividend paid to shareholders	-	-	-	(16,984)	-	-	-	-	-	-	(16,984)	(16,984)
Dividend paid#	-	-	-	(646)	-	-	-	-	-	-	(646)	(646)
<b>As of March 31, 2023</b>	<b>5,967,422</b>	<b>28,366</b>	<b>624,233</b>	<b>143,682</b>	<b>22,769</b>	<b>1,633</b>	<b>(34,260)</b>	<b>(31)</b>	<b>3,542</b>	<b>761,568</b>	<b>789,934</b>	

#Refer note 4(i)

The accompanying notes 1 to 43 form an integral part of these Standalone Financial Statements.

As per our report of even date

For **Deloitte Haskins & Sells LLP**

**Chartered Accountants**

(Firm's Registration No. 1117366W / W-1000018)

**Vijay Agarwal**

Partner

Membership No. 094468  
Date: May 16, 2023

**Sunil Bharti Mittal**

Chairman

DIN: 00042491  
Place: New Delhi

**Gopal Vittal**

Managing Director & CEO

DIN: 022291778

**Soumen Ray**

Chief Financial Officer  
(India & South Asia)

**Pankaj Tevaria**

Company Secretary

# Standalone Statement of Cash Flows

(All amounts are in millions of Indian Rupee)

	For the year ended	
	March 31, 2023	March 31, 2022*
<b>Cash flows from operating activities</b>		
Profit / (loss) before tax	12,693	(42,557)
<b>Adjustments for:</b>		
Depreciation and amortisation expenses	263,550	243,298
Finance costs	143,973	131,557
Interest income	(2,499)	(1,428)
Dividend income	(15,181)	(450)
Net gain on derivative financial instruments	(3,502)	(87)
Net gain on fair value through profit or loss (FVTPL) investments	(1,987)	(975)
Exceptional items (net)	42,764	9,702
Profit on sale of property, plant and equipment	(61)	(243)
Employee share - based payment expense	961	617
Provision for doubtful debts / bad debts written off	2,741	1,737
Other non - cash items	797	1,145
<b>Operating cash flows before changes in assets and liabilities</b>	<b>444,249</b>	<b>342,316</b>
<b>Changes in assets and liabilities</b>		
Trade receivables	3,738	1,688
Trade payables	(11,033)	14,720
Inventories	(20)	(113)
Provisions	3,422	3,764
Other financial and non-financial liabilities	6,138	(2,372)
Other financial and non-financial assets	(8,778)	4,206
<b>Net cash generated from operations before tax</b>	<b>437,716</b>	<b>364,209</b>
Income tax (paid) / refund - net	(1,890)	3,335
<b>Net cash generated from operating activities (a)</b>	<b>435,826</b>	<b>367,544</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment and capital-work-in-progress	(161,738)	(167,367)
Proceeds from sale of property, plant and equipment	827	890
Purchase of intangible assets and intangible assets under development	(2,826)	(6,778)
Payment towards spectrum (including deferred payment liability)*	(83,124)	(174,442)
Proceeds from sale of spectrum	-	10,048
Proceeds from sale of business (refer note 4 (v))	-	663
(Purchase) / sale of current investments (net)	(25,238)	31,195
Purchase of non-current investments	(253)	(89)
Investment in subsidiaries, associates and joint venture	(11,832)	(26,535)
Loan given to subsidiaries	(47,908)	(56,050)
Loan repayment by subsidiaries and joint venture	15,668	54,940
Dividend received	15,181	450
Interest received	1,180	1,378
<b>Net cash used in investing activities (b)</b>	<b>(300,063)</b>	<b>(331,697)</b>

# Standalone Statement of Cash Flows

(All amounts are in millions of Indian Rupee)

	For the year ended	
	March 31, 2023	March 31, 2022*
<b>Cash flows from financing activities</b>		
Net Proceeds for issue of shares (refer note 4(ii) and 4(vii))	52,242	52,226
Proceeds from borrowings	57,383	106,613
Repayment of borrowings	(68,124)	(111,389)
Payment of lease liabilities	(44,499)	(49,845)
(Repayment of) / Proceeds from short-term borrowings (net)	(69,501)	64,824
Interest and other finance charges paid	(34,878)	(104,427)
Proceeds from exercise of share options	3	7
Dividend paid to shareholders	(16,984)	-
Dividend paid	(646)	(898)
<b>Net cash used in financing activities (c)</b>	<b>(125,004)</b>	<b>(42,889)</b>
<b>Net increase / (decrease) in cash and cash equivalents during the year (a+b+c)</b>	<b>10,759</b>	<b>(7,042)</b>
Add: Cash and cash equivalents as at the beginning of the year	3,102	10,144
<b>Cash and cash equivalents as at the end of the year (refer note 14)</b>	<b>13,861</b>	<b>3,102</b>

\*Refer note 4(i)

\*Cash flows towards spectrum acquisitions are based on the timing of payouts to Department of Telecommunications ('DoT') (viz. upfront / deferred).

The above Statement of Cash Flows has been prepared under the 'indirect method' as set out in Ind AS 7 'Statement of Cash Flows'.

Please refer note 36(1)(vi), for reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities in the Statement of Cash Flows.

Please refer note 36(1)(vii) for non-cash investing and financing transactions that are excluded from Statement of Cash Flows.

The accompanying notes 1 to 43 form an integral part of these Standalone Financial Statements.

As per our report of even date

**For and on behalf of the Board of Directors of Bharti Airtel Limited**

For **Deloitte Haskins & Sells LLP**

**Chartered Accountants**

(Firm's Registration No. 117366W / W-100018)

**Vijay Agarwal**

**Partner**

Membership No. 094468

**Sunil Bharti Mittal**

**Chairman**

DIN: 00042491

**Gopal Vittal**

**Managing Director & CEO**

DIN: 02291778

Date: May 16, 2023

Place: New Delhi

**Soumen Ray**

**Chief Financial Officer**

**(India & South Asia)**

**Pankaj Tewari**

**Company Secretary**

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## 1. Corporate information

Bharti Airtel Limited ('the Company') is domiciled and incorporated in India as a public limited company listed on the National Stock Exchange of India Limited and the BSE Limited. The registered office of the Company is situated at Airtel Center, Plot no. 16, Udyog Vihar, Phase – IV, Gurugram – 122 015, Haryana, India.

The Company is principally engaged in provision of telecommunication services in India. The details as to the services provided by the Company are further provided in note 23.

## 2. Summary of significant accounting policies

### Basis of preparation

These Standalone Financial Statements ('Financial Statements') have been prepared to comply in all material respects with the Indian Accounting Standards ('Ind AS') as notified by the Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act'), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other accounting principles generally accepted in India.

The Financial Statements are approved for issue by the Company's Board of Directors on May 16, 2023.

The Financial Statements are based on the classification provisions contained in Ind AS 1, 'Presentation of Financial Statements' and Division II of Schedule III (as amended) to the Act. Further, for the purpose of clarity, various items are aggregated in the Standalone Balance Sheet ('Balance Sheet') and, Standalone Statement of Profit and Loss ('Statement of Profit and Loss'). Nonetheless, these items are disaggregated separately in the notes to the Financial Statements, where applicable or required.

All the amounts included in the Financial Statements are reported in millions of Indian Rupee ('Rupee' or '₹') and are rounded off to the nearest million, except per share data and unless stated otherwise. Further, due to rounding off, certain amounts are appearing as '0'.

The preparation of the said Financial Statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Company's accounting policies. The areas where estimates are significant to the Financial Statements, or areas involving a higher degree of judgement or complexity, are disclosed in note 3.

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, by the Company, to all the periods presented in the said

Financial Statements, except in case of adoption of any new standards and amendments during the year.

To provide more reliable and relevant information about the effect of certain items in the Balance Sheet and Statement of Profit and Loss, the Company has changed the classification of certain items.

### New amendments adopted during the year

#### Amendments to Ind AS

MCA vide notification no. G.S.R. 255(E) dated March 23, 2022 has issued the Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends following Ind AS (as applicable to the Company):

- Ind AS 103, Business Combinations
- Ind AS 109, Financial Instruments
- Ind AS 16, Property, Plant and Equipment
- Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

The amendments are applicable for annual periods beginning on or after April 1, 2022, however, these do not have material impact on the Financial Statements of the Company.

#### Amendments to Ind AS issued but not yet effective

MCA vide notification no. G.S.R. 242(E) dated March 31, 2023 has issued the Companies (Indian Accounting Standards) Amendment Rules, 2023 which amends following Ind AS (as applicable to the Company):

- Ind AS 102, Share-based Payments
- Ind AS 103, Business Combinations
- Ind AS 107, Financial Instruments: Disclosures
- Ind AS 109, Financial Instruments
- Ind AS 115, Revenue from Contracts with Customers
- Ind AS 1, Presentation of Financial Statements
- Ind AS 12, Income Taxes
- Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors
- Ind AS 34, Interim Financial Reporting

The amendments are applicable for annual periods beginning on or after April 1, 2023. The Company has evaluated the amendments and the impact is not expected to be material.

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## 2.1 Basis of measurement

The Financial Statements have been prepared on the accrual and going concern basis, and the historical cost convention except where the Ind AS requires a different accounting treatment. The principal variations from the historical cost convention relate to financial instruments classified as FVTPL or fair value through other comprehensive income ('FVTOCI') (refer note 2.9(b)) and liability for cash-settled awards (refer note 2.15) - which are measured at fair value.

### Fair value measurement

Fair value is the price at the measurement date, at which an asset can be sold or a liability can be transferred, in an orderly transaction between market participants. The Company's accounting policies require, measurement of certain financial instruments at fair values (either on a recurring or non-recurring basis).

The Company is required to classify the fair valuation method of the financial / non-financial assets and liabilities, either measured or disclosed at fair value in the Financial Statements, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurement). Accordingly, the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The three levels of the fair-value-hierarchy are described below:

Level 1: Quoted (unadjusted) prices for identical assets or liabilities in active markets

Level 2: Significant inputs to the fair value measurement are directly or indirectly observable

Level 3: Significant inputs to the fair value measurement are unobservable.

## 2.2 Business combinations

The Company accounts for business combinations using the acquisition method of accounting. Accordingly, the identifiable assets acquired and the liabilities assumed of the business are recorded at their acquisition date fair values (except certain assets and liabilities which are required to be measured as per the applicable standard). The consideration transferred for the acquisition of a business is aggregation of the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Company in exchange for control of the business.

The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Any contingent consideration transferred is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is subsequently measured at fair value with changes in fair value recognised in Statement of Profit and Loss. Contingent consideration that is classified as equity is not re-measured and its subsequent settlement is accounted for within equity.

Acquisition-related costs are expensed in the period in which the costs are incurred.

If the initial accounting for a business combination is incomplete as at the reporting date in which the combination occurs, the identifiable assets and liabilities acquired in a business combination are measured at their provisional fair values at the date of acquisition. Subsequently adjustments to the provisional values are made retrospectively within the measurement period, if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date or would have resulted in the recognition of those assets and liabilities as of that date; otherwise the adjustments are recorded in the period in which they occur.

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequent to initial recognition, it is measured at the higher of:

- (i) the amount that would be recognised in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets', and
- (ii) the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with Ind AS 115 'Revenue from Contracts with Customers'.

## 2.3 Common control transactions

Transactions arising from transfers of assets / liabilities, interest in entities or businesses between entities that are under the common control, are accounted at their carrying amounts. The difference, between any consideration paid / received and the aggregate carrying amounts of assets / liabilities and interests in entities acquired / disposed (other than impairment, if any), is recorded in capital reserve / retained earnings, as applicable.

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## 2.4 Foreign currency transactions

### a) Functional and presentation currency

The Financial Statements are presented in Indian Rupee which is the functional and presentation currency of the Company.

### b) Transactions and balances

Transactions in foreign currencies are initially recorded in the relevant functional currency at the exchange rate prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date with the resulting foreign exchange differences, on subsequent re-statement / settlement, recognised in the Statement of Profit and Loss. Non-monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rate prevalent, at the date of initial recognition (in case they are measured at historical cost) or at the date when the fair value is determined (in case they are measured at fair value) – the resulting foreign exchange difference, on subsequent re-statement / settlement, recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in the other comprehensive income ('OCI') or directly in equity.

The equity items denominated in foreign currencies are translated at historical cost.

## 2.5 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

Deferred tax assets and liabilities, and all other assets and liabilities which are not current (as discussed in the below paragraphs) are classified as non-current assets and liabilities.

An asset is classified as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Separated embedded derivatives are classified basis the host contract.

## 2.6 Property, plant and equipment ('PPE')

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), assets retirement obligations (refer note 2.16 (b)) and any directly attributable cost of bringing the asset to its working condition and location for its intended use. Further, it includes assets installed on the premises of customers as the associated risks, rewards and control remain with the Company.

Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and impairment losses, if any. When significant parts of PPE are required to be replaced at regular intervals, the Company recognises such parts as separate component of assets. When an item of PPE is replaced, then its carrying amount is derecognised from the Balance Sheet and cost of the new item of PPE is recognised. Further, in case the replaced part was not being depreciated separately, the cost of the replacement is used as an indication to determine the cost of the replaced part at the time it was acquired.

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work-in-progress, advances given towards acquisition of PPE outstanding at each balance sheet date are disclosed under other non-current assets.

The expenditures that are incurred after the item of PPE has been available for use such as repairs and maintenance, are normally charged to the Statement of Profit and Loss in the period in which such costs are incurred. However, in situations where the said expenditure can be measured reliably and is probable that future economic benefits associated with it will flow to the Company, it is included in the asset's carrying value or as a separate asset, as appropriate.

Depreciation on PPE is computed using the straight-line method over the estimated useful lives. The management basis its past experience and technical assessment has estimated the useful lives, which is at variance with the life prescribed in Part C of Schedule II to the Act and has accordingly, depreciated the assets over such useful lives. Freehold land is not depreciated as it has an unlimited useful life. The Company has established the estimated range of useful lives for different categories of PPE as follows:

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Categories	Years
Buildings	20
Building on leased land	Lease term or 20 years, whichever is less
Leasehold improvements	Lease term or 20 years, whichever is less
Plant and equipment	
- Network equipment (including passive infrastructure)	3 - 25
- Customer premise equipments	3 - 5
Computers and servers	3 - 5
Furniture & fixtures and office equipments	2 - 5
Vehicles	3 - 5

The useful lives, residual values and depreciation method of PPE are reviewed, and adjusted appropriately, at least as at each financial year end so as to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets. The effect of any change in the estimated useful lives, residual values and / or depreciation method are accounted prospectively, and accordingly the depreciation is calculated over the PPE's remaining revised useful life. The cost and the accumulated depreciation for PPE sold, scrapped, retired or otherwise disposed off are derecognised from the Balance Sheet and the resulting gains / losses are included in the Statement of Profit and Loss within other income / other expenses.

## 2.7 Intangible assets

Intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be measured reliably.

Goodwill represents the cost of the acquired business in excess of the fair value of identifiable net assets purchased (refer note 2.2). Goodwill is not amortised; however it is tested annually for impairment and whenever there is an indication that the unit may be impaired (refer note 2.8), and carried at cost less any accumulated impairment losses. The gains / (losses) on the disposal of a cash-generating-unit ('CGU') include the carrying amount of goodwill relating to the CGU sold (in case goodwill has been allocated to group of CGUs; it is determined on the basis of the relative fair value of operations sold).

The intangible assets that are acquired in a business combination are recognised at its fair value. Other intangible assets are initially recognised at cost. Those assets having finite useful life are carried at cost less accumulated amortisation and impairment losses, if any.

Amortisation is computed using the straight-line method over the expected useful life of intangible assets.

Subsequent expenditure on intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, is recognised in profit or loss as incurred.

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

### a) Software

Software are amortised over the period of license, generally not exceeding five years.

### b) Licenses (including spectrum)

Acquired licenses and spectrum are amortised commencing from the date when the related network is available for intended use in the relevant jurisdiction. The useful life of acquired licenses and spectrum range upto twenty 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.

### c) Other acquired intangible assets

Other acquired intangible assets include the following:

**Rights acquired for unlimited license access:** Over the period of the agreement which ranges upto five years

**Non-compete fee:** Over the period of the agreement which ranges upto five years

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

Further, the cost of intangible assets under development ('IAUD') includes the following:

- (a) the amount of spectrum allotted to the Company and related costs (including borrowing costs) that are directly attributable to the acquisition or construction of qualifying assets (refer note 6), if any, for which services are yet to be rolled out and are presented separately in the Balance Sheet.
- (b) the amount of software / IT platform under development.

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

## 2.8 Impairment of non-financial assets

### a) Goodwill

Goodwill is tested for impairment, at least annually and whenever circumstances indicate that it may be impaired. For the purpose of impairment testing, the goodwill is allocated to a CGU or group of CGUs, which are expected to benefit from the acquisition-related synergies and represent the lowest level within the entity at which the goodwill is monitored for internal management purposes, within an operating segment. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

Impairment occurs when the carrying value of a CGU / CGUs including the goodwill, exceeds the estimated recoverable amount of the CGU / CGUs. The recoverable amount of a CGU / CGUs is the higher of its fair value less costs to sell and its value in use. Value in use is the present value of future cash flows expected to be derived from the CGU / CGUs.

The total impairment loss of a CGU / CGUs is allocated first to reduce the carrying value of goodwill allocated to that CGU / CGUs and then to the other assets of that CGU / CGUs - on pro-rata basis of the carrying value of each asset.

### b) PPE, right-of-use assets ('ROU'), intangible assets and IAUD

PPE (including Capital work-in-progress (CWIP)), ROU and intangible assets with definite lives, are reviewed for impairment, whenever events or changes in circumstances indicate that their carrying values may not be recoverable. IAUD is tested for impairment, at least annually and whenever circumstances indicate that it may be impaired.

For the purpose of impairment testing, the recoverable amount (that is, higher of the fair value less costs to sell and the value in use) is determined on an individual asset basis, unless the asset does not generate cash flows that are largely independent of those from other assets, in which case the recoverable amount is determined at the CGU level to which the said asset belongs. If such individual assets or CGU are considered to be impaired, the impairment to be recognised in the Statement of Profit and Loss is measured by the amount by which the carrying value of the asset / CGU exceeds their

estimated recoverable amount and allocated on pro-rata basis.

### Reversal of impairment losses

Impairment loss in respect of goodwill is not reversed. Other impairment losses are reversed in the Statement of Profit and Loss and the carrying value is increased to its revised recoverable amount provided that this amount does not exceed the carrying value that would have been determined had no impairment loss been recognised for the said asset / CGU previously.

## 2.9 Financial instruments

### a) Recognition, classification and presentation

The financial instruments are recognised in the Balance Sheet when the Company becomes a party to the contractual provisions of the financial instrument.

The Company determines the classification of its financial instruments at initial recognition.

The Company recognises its investment in subsidiaries, associates and joint ventures at cost less any impairment losses. The said investments are tested for impairment whenever circumstances indicate that their carrying values may exceed the recoverable amount (viz. higher of the fair value less costs to sell and the value in use).

The Company classifies its financial assets in the following categories: a) those to be measured subsequently at FVTPL, and b) those to be measured at amortised cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Company has classified all the non-derivative financial liabilities as measured at amortised cost.

The entire hybrid contract, financial assets with embedded derivatives, are considered in their entirety for determining the contractual terms of the cash flow and accordingly the embedded derivatives are not separated. However, derivatives embedded in non-financial instrument / financial liabilities (measured at amortised cost) host contracts are classified as separate derivatives if their economic characteristics and risks are not closely related to those of the host contracts.

Financial assets and liabilities arising from different transactions are off-set against each other and the resultant net amount is presented in the balance sheet, if and only when, the Company currently has a legally enforceable right to set-off the related recognised amounts and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## b) Measurement – Non-derivative financial instruments

### I. Initial measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at FVTPL, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. All financial liabilities are recognised initially at fair value, in the case of loans and borrowings and payables, net of directly attributable transaction costs. Other transaction costs are expensed as incurred in the Statement of Profit and Loss.

The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

### II. Subsequent measurement - financial assets

The subsequent measurement of the non-derivative financial assets depends on their classification as follows:

#### i. Financial assets measured at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost using the effective-interest rate ('EIR') method (if the impact of discounting / any transaction costs is significant). Interest income from these financial assets is included in other income.

#### ii. Financial assets at fair value through OCI ('FVTOCI')

Equity investments which are not held for trading and for which the Company has elected to present the change in the fair value in OCI and debt instruments that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flow represent solely payment of principal and interest, are measured at FVTOCI.

The changes in fair value are taken to OCI, except the impairment (on debt instruments), interest (basis EIR method), dividend and foreign exchange differences which are recognised in the Statement of Profit and Loss.

#### iii. Financial assets measured at FVTPL

All financial assets that do not meet the criteria for amortised cost are measured at FVTPL. Interest (basis

EIR method) and dividend income from financial assets at FVTPL is recognised in the Statement of Profit and Loss within other income separately from the other gains / losses arising from changes in the fair value.

#### Impairment

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, twelve month expected credit loss (ECL) is used to provide for impairment loss, otherwise lifetime ECL is used.

However, only in case of trade receivables, the Company applies the simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

### III. Subsequent measurement - financial liabilities

Any off-market financial guarantees are amortised over the life of the guarantee and are measured at each reporting date at the higher of (i) the remaining unamortised balance of the amount at initial recognition and (ii) the best estimate of expenditure required to settle the obligation at the end of the reporting period. Other financial liabilities are subsequently measured at amortised cost using the EIR method (if the impact of discounting / any transaction costs is significant), except for contingent consideration and financial liability under option arrangements recognised in a business combination which is subsequently measured at FVTPL. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not re-measured. Interest related to the financial liability is recognised in profit or loss under finance cost. On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognised.

## c) Measurement - derivative financial instruments

Derivative financial instruments, including separated embedded derivatives are classified as financial instruments at FVTPL - Held for trading. Such derivative financial instruments are initially recognised at fair value. They are subsequently measured at their fair value, with changes in fair value being recognised in the Statement of Profit and Loss.

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## d) Derecognition

The financial assets are de-recognised from the Balance Sheet when the rights to receive cash flows from the financial assets have expired, or have been transferred and the Company has transferred substantially all risks and rewards of ownership. The financial liabilities are de-recognised from the Balance Sheet when the underlying obligations are extinguished, discharged, lapsed, cancelled, expires or legally released. The resultant impact of derecognition is recognised in the Statement of Profit and Loss.

## 2.10 Leases

The Company, 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 Company assesses whether the contract involves the use of an identified asset, the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and the Company has the right to direct the use of the asset.

### Company as a lessee

The Company recognises a ROU 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 the incremental borrowing rate (as the rate implicit in the lease cannot be readily determined). Lease liabilities include the net present value of fixed payments (including any in-substance fixed payments) and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Subsequently, the lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments including 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 ROU, or is recorded in profit or loss if the carrying amount of the related ROU has been reduced to zero and there is a further reduction in the measurement of the lease liability.

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

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

In the Balance Sheet, the ROU and lease liabilities are presented separately. In the Statement of Profit and Loss, interest expense on lease liabilities are presented separately from the depreciation charge for the ROU. Interest expense on the lease liability is a component of finance costs, which are presented separately in the Statement of Profit or Loss. In the statement of cash flows, cash payments for the principal portion of lease payments and the interest portion of lease liability are presented as financing activities, and short-term lease payments and payments for leases of low-value assets and variable lease payments not included in the measurement of the lease liability, if any, as operating activities.

When a contract includes lease and non-lease components, the Company 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 Company has elected not to recognise ROU and lease liabilities for short-term leases that have a lease term of twelve months or less and leases of low value assets. The Company recognises lease payments associated with these leases as an expense on a straight-line basis over the lease term.

### Company as a lessor

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

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

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

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

the leased asset and recognised on a straight-line basis over the lease term.

When a contract includes lease and non-lease components, the Company applies Ind AS 115 ‘Revenue from Contracts with Customers’ to allocate the consideration under the contract to each component.

The Company 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 Company, such arrangements are recognised as operating lease. The contracted price is recognised as revenue during the tenure of the agreement. Unearned IRU revenue received in advance is presented as deferred revenue within liabilities in the Balance Sheet.

## 2.11 Taxes

The income tax expense comprises of current and deferred income tax. Income tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in the OCI or directly in equity, in which case the related income tax is also recognised accordingly.

### a) Current tax

The current 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. The payment made in excess / (shortfall) of the Company's income tax obligation for the period are recognised in the balance sheet under assets as income tax assets / under current liabilities as current tax liabilities.

Any interest, related to accrued liabilities for potential tax assessments are not included in income tax charge or (credit), but are rather recognised within finance costs.

The Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation. The Company considers whether it is probable that a taxation authority will accept an uncertain tax treatment. If the Company concludes it is probable that the taxation authority will accept an uncertain tax treatment, it determines the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates consistently with the tax treatment used or planned to be used in its income tax filings. If the Company concludes it is not probable that the taxation authority will accept an uncertain tax treatment, the entity reflects the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### b) Deferred tax

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the Financial Statements. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax assets / liabilities recognised for temporary differences and unused carry forward losses arising from a business combination, affect the amount of goodwill or the bargain purchase gain that the Company recognises. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. The Company considers the projected future taxable income and tax planning strategies in making this assessment.

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

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the asset is realised or the liability is settled.

Deferred tax assets and liabilities are off-set where there is a legally enforceable right to enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

## 2.12 Inventories

Inventories are stated at the lower of cost (determined using the first-in-first-out method) and net realisable value. The costs comprise its purchase price and any directly attributable cost of bringing the inventories to its present location and condition. Net realisable value is the estimated selling price in the ordinary course of

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

business, less the estimated costs of completion and the estimated costs necessary to make the sale.

## 2.13 Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances and any deposits with original maturities of three months or less (that are readily convertible to known amounts of cash and cash equivalents and subject to an insignificant risk of changes in value). However, for the purpose of the Statement of Cash Flows, in addition to above items, any bank overdrafts / cash credits that are integral part of the Company's cash management, are also included as a component of cash and cash equivalents.

## 2.14 Equity share capital

Ordinary shares are classified as Equity when the Company has an un-conditional right to avoid delivery of cash or another financial asset, that is, when the dividend and repayment of capital are at the sole and absolute discretion of the Company and there is no contractual obligation whatsoever to that effect.

## 2.15 Employee benefits

The Company's employee benefits mainly include wages, salaries, bonuses, defined contribution plans, defined benefits plans, compensated absences, deferred compensation and share-based payments. The employee benefits are recognised in the year in which the associated services are rendered by the Company employees. Short-term employee benefits are recognised in Statement of Profit and Loss at undiscounted amounts during the period in which the related services are rendered.

### a. Defined Contribution plans

The contributions to defined contribution plans are recognised in profit or loss as and when the services are rendered by employees. The Company has no further obligations under these plans beyond its periodic contributions.

### b. Defined benefits plans

In accordance with the local laws and regulations, all the employees in India are entitled for the Gratuity plan. The said plan requires a lump-sum payment to eligible employees (meeting the required vesting service condition) at retirement or termination of employment, based on a pre-defined formula.

The Company provides for the liability towards the said plans on the basis of actuarial valuation carried out quarterly as at the reporting date, by an independent qualified actuary using the projected-unit-credit method.

The obligation towards the said benefits is recognised in the Balance Sheet, at the present value of the defined benefits obligations. The present value of the said obligation is determined by discounting the estimated future cash outflows, using interest rates of government bonds.

The interest income / (expense) are calculated by applying the above mentioned discount rate to the plan assets and defined benefit obligations. The net interest income / (expense) on the net defined benefit obligations is recognised in the Statement of Profit and Loss. However, the related re-measurements of the net defined benefit obligations are recognised directly in the OCI in the period in which they arise. The said re-measurements comprise of actuarial gains and losses (arising from experience adjustments and changes in actuarial assumptions), the return on plan assets (excluding interest). Re-measurements are not re-classified to the Statement of Profit and Loss in any of the subsequent periods.

### c. Other long-term employee benefits

The employees of the Company are entitled to compensated absences as well as other long-term benefits. Compensated absences benefits comprises of encashment and availment of leave balances that were earned by the employees over the period of past employment.

The Company provides for the liability towards the said benefits on the basis of actuarial valuation carried out quarterly as at the reporting date, by an independent qualified actuary using the projected-unit-credit method. The related re-measurements are recognised in the Statement of Profit and Loss in the period in which they arise.

### d. Share-based payments

The Company operates equity-settled employee share-based compensation plans, under which the Company receives services from employees as consideration for stock options towards shares of the Company.

The fair value of stock options (at grant date) is recognised as an expense in the Statement of Profit and Loss within employee benefits as employee share-based payment expenses over the vesting period, with a corresponding increase in share-based payment reserve (a component of equity).

The total amount so expensed is determined by reference to the grant date fair value of the stock options granted, which includes the impact of any market performance conditions and non-vesting conditions

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

but excludes the impact of any service and non-market performance vesting conditions. However, the non-market performance vesting and service conditions are considered in the assumption as to the number of options that are expected to vest. The forfeitures are estimated at the time of grant and reduce the said expense rateably over the vesting period.

The expense so determined is recognised over the requisite vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. As at each reporting date, the Company revises its estimates of the number of options that are expected to vest, if required.

It recognises the impact of any revision to original estimates in the period of change. Accordingly, no expense is recognised for awards that do not ultimately vest, except for which vesting is conditional upon a market performance / non-vesting condition. These are treated as vested irrespective of whether or not the market / non-vesting condition is satisfied, provided that service conditions and all other non-market performance are satisfied.

Where the terms of an award are modified, in addition to the expense pertaining to the original award, an incremental expense is recognised for any modification that results in additional fair value, or is otherwise beneficial to the employee as measured at the date of modification.

Where an award is cancelled (including due to non-vesting conditions not being met), it is treated as if it is vested thereon, and any un-recognised expense for the award is recognised immediately.

## 2.16 Provisions

### a) General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the said obligation, and the amounts of the said obligation can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the relevant obligation (if the impact of discounting is significant), using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to unwinding of interest over passage of time is recognised within finance costs.

The Company is involved in various legal and taxation matters, and the matter are in legal course. Management, in consultation with legal, tax and other

advisers, assesses the likelihood that a pending claim will succeed. The Company recognises a provision in cases where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations arising from such claims.

### b) Asset retirement obligations ('ARO')

ARO are recognised for those lease arrangements where the Company has an obligation at the end of the lease period to restore the leased premises in a condition similar to inception of lease. ARO are provided at the present value of expected costs to settle the obligation and are recognised as part of the cost of that particular asset. The estimated future costs of decommissioning are reviewed annually and any changes in the estimated future costs or in the discount rate applied are adjusted from the cost of the asset.

## 2.17 Contingencies

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent asset is not recognised and is disclosed only where an inflow of economic benefits are probable.

## 2.18 Revenue recognition

Revenue is recognised upon transfer of control of promised products or services to the customer at the amount of transaction price (net of variable consideration) which the Company has received or expects to receive in exchange of those products or services, net of any taxes / duties, discounts and process waivers. When determining the consideration to which the Company is entitled for providing promised products or services via intermediaries, the Company assesses whether it is primarily responsible for fulfilling the performance obligation and whether it controls the promised service before transfer to customers. To the extent that the intermediary is considered a principal, the consideration to which the Company is entitled is determined to be that received from the intermediary.

Revenue is recognised when, or as, each distinct performance obligation is satisfied. The main categories of revenue and the basis of recognition are as follows:

### a) Service revenue

Service revenues mainly pertain to usage, subscription and customer onboarding charges for voice, data, messaging and value added services. It also includes revenue from interconnection / roaming charges for usage of the Company's network by other operators for voice, data, messaging and signalling services.

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Telecommunication services (comprising voice, data and SMS) are considered to represent a single performance obligation as all are provided over the Company's network and transmitted as data representing a digital signal on the network. The transmission consumes network bandwidth and therefore, irrespective of the nature of the communication, the customer ultimately receives access to the network and the right to consume network bandwidth.

The Company recognises revenue from these services as they are provided. Revenue is recognised based on actual units of telecommunication services provided during the reporting period as a proportion of the total units of telecommunication services to be provided. Subscription charges are recognised over the subscription pack validity period. Customer onboarding revenue is recognised upon successful onboarding of customer i.e. upfront. Revenues in excess of invoicing are classified as unbilled revenue while invoicing / collection in excess of revenue are classified as deferred revenue / advance from customers.

Service revenues also includes revenue from interconnection / roaming charges for usage of the Company's network by other operators for voice, data, messaging and signaling services. These are recognised upon transfer of control of services over time.

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

Revenues from long distance operations comprise of voice services and bandwidth services (including installation), which are recognised on provision of services over the period of respective arrangements.

## b) Multiple element arrangements

The Company 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, and if so, they are accounted for separately. Total consideration related to the multiple element arrangements is allocated to each performance obligation based on their standalone selling prices. The stand-alone selling prices are determined based on the list prices at which the Company sells equipment and network services separately.

## c) Equipment sales

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

## d) Interest income

The interest income is recognised using the EIR method. For further details, refer note 2.9.

## e) Costs to obtain or fulfill a contract with a customer

The Company incurs certain costs to obtain or fulfill contracts with customers viz. intermediary commission, etc. The Company has estimated that the average customer life derived from customer churn rate is longer than 12 months and, thus, such costs are recognised over the average expected customer life.

## f) Dividend income

Dividend income is recognised when the Company's right to receive the payment is established. For further details, refer note 2.9.

## 2.19 Government grants

Grants from the government are recognised where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of PPE are included in non-current liabilities as deferred income and are credited to Statement of Profit and Loss on a straight-line basis over the expected lives of the related assets.

## 2.20 Borrowing costs

Borrowing costs consist of interest and other ancillary costs that the Company incurs in connection with the borrowing of funds. The borrowing costs directly attributable to the acquisition or construction of any asset that takes a substantial period of time to get ready for its intended use or sale are capitalised. All other borrowing costs are recognised in the Statement of Profit and Loss within finance costs in the period in which they are incurred.

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## 2.21 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 Company.

## 2.22 Dividends paid

Dividend to shareholders is recognised as a liability on the date of approval by the shareholders. However, interim dividend is recorded as a liability on the date of declaration by the Company's Board of Directors.

## 2.23 Earnings per share ('EPS')

The Company presents the Basic and Diluted EPS.

Basic EPS is computed by dividing the profit for the period attributable to the shareholders of the Company by the weighted average number of shares outstanding during the period.

Diluted EPS is computed by adjusting, the profit for the year attributable to the shareholders and the weighted average number of shares considered for deriving Basic EPS, for the effects of all the shares that could have been issued upon conversion of all dilutive potential shares. The dilutive potential shares are adjusted for the proceeds receivable had the shares been actually issued at fair value. Further, the dilutive potential shares are deemed converted as at beginning of the period, unless issued at a later date during the period.

## 3. Key sources of estimation uncertainties and Critical judgements

The estimates and judgements used in the preparation of the said Financial Statements are continuously evaluated by the Company, and are based on historical experience and various other assumptions and factors (including expectations of future events), that the Company believes to be reasonable under the existing circumstances. The said estimates and judgements are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

Although the Company regularly assesses these estimates, actual results could differ materially from these estimates - even if the assumptions underlying such estimates were reasonable when made, if these results differ from historical experience or other assumptions do not turn out to be substantially accurate. The changes in estimates are recognised in the Financial Statements in the year in which they become known.

## 3.1 Key sources of estimation uncertainties

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities are discussed below:

### a) Useful lives of PPE

As described at note 2.6 above, the Company reviews the estimated useful lives of PPE at the end of each reporting period. After considering market conditions, industry practice, technological developments and other factors, the Company determined that the current useful lives of its PPE remain appropriate. However, changes in economic conditions of the markets, competition and technology, among others, are unpredictable and they may significantly impact the useful lives of PPE and therefore the depreciation charges. Refer note 2.6 and 5 for the estimated useful life and carrying value of PPE respectively.

### b) Impairment reviews

PPE (including CWIP) and intangible assets with definite lives, are reviewed for impairment, whenever events or changes in circumstances indicate that their carrying values may not be recoverable. Goodwill and IAUD are tested for impairment, at least annually and whenever circumstances indicate that it may be impaired. For details as to the impairment policy, refer note 2.8. Further, the Company conducts impairment reviews of investments in subsidiaries / associates / joint arrangements whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

In calculating the value in use, the Company is required to make significant judgements, estimates and assumptions inter-alia concerning the growth in earnings before interest, taxes, depreciation and amortisation ('EBITDA') margins, capital expenditure, long-term growth rates and discount rates to reflect the risks involved. Also, judgement is involved in determining the CGU / grouping of CGUs for allocation of the goodwill.

### c) Taxes

Deferred tax assets are recognised for the unused tax losses credits for which there is probability of utilisation against the future taxable profit. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, future tax planning strategies and recent business performances and developments.

### d) Allowance for impairment of trade receivables

The ECL is mainly based on the ageing of the receivable balances and historical experience. The receivables are assessed on an individual basis or grouped into

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

homogeneous groups and assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances.

## e) Contingent liabilities and provisions

The Company is involved in various legal, tax and regulatory matters, the outcome of which may not be favourable to the Company. Management in consultation with the legal, tax and other advisers assess the likelihood that a pending claim will succeed. The Company has applied its judgement and has recognised liabilities based on whether additional amounts will be payable and has included contingent liabilities where economic outflows are considered possible but not probable.

## 3.2 Critical judgements in applying the Company's accounting policies

The critical judgements, which the management has made in the process of applying the Company's accounting policies and have the most significant impact on the amounts recognised in the said Financial Statements, are discussed below:

### a) Separating lease and non-lease components

The consideration paid by the Company in telecommunication towers lease contracts include the use of land and passive infrastructure as well as maintenance, security, provision of energy services etc. Therefore, in determining the allocation of consideration between lease and non-lease components, for the additional services that are not separately priced, the Company performs analysis of cost split to arrive at relative stand-alone prices of each of the components. The bifurcation of the consideration paid (excluding energy) between lease versus non-lease component across the Company has been accordingly considered at 60% as lease component on an overall basis.

### b) Determining the lease term

Under Ind AS 116, if it is reasonably certain that a lease will be extended / will not be early terminated, the Company is required to estimate the expected lease period which may be different from the contractual tenure. The Company has various tower lease agreements with a right to extend / renew / terminate wherein it considers the nature of the contractual terms and economic factors to determine the lease term. After assessing such factors, the lease liability has been calculated using the remaining lease period until which significant exit penalties are payable.

### c) Determining the incremental borrowing rate for lease contracts

The initial recognition of lease liabilities at present value requires the identification of an appropriate discount rate. The Company has determined the incremental borrowing rate based on considerations specific to the leases by taking consideration of the risk free borrowing rates as adjusted for country / company specific risk premiums (basis the readily available data points).

### d) Revenue recognition and presentation

The Company assesses its revenue arrangements in order to determine if it is acting as a principal or as an agent by determining whether it has primary obligation basis pricing latitude and exposure to credit / inventory risks associated with the sale of goods / rendering of services.

In the said assessment, both the legal form and substance of the agreement are reviewed to determine each party's role in the transaction.

## 4. Significant transactions / new developments

- i. During the year ended March 31, 2023, upon approval of National Company Law Tribunal, Chandigarh Bench, vide its order received on January 25, 2023 in certified copy, the composite scheme of arrangement between Nettle Infrastructure Investments Limited ('Nettle'), Telesonic Networks Limited ('Telesonic'), their respective shareholders and the Company, under Sections 230 to 232 along with other applicable provisions of the Companies Act, 2013 for amalgamation of Nettle and Telesonic, wholly-owned subsidiaries, with the Company ('Scheme') has become effective from February 1, 2023, with an appointed date of April 1, 2022 in accordance with the Scheme. As prescribed by the Scheme, no consideration was paid as both Nettle and Telesonic were wholly-owned subsidiaries of the Company.

Nettle was in the business to promote, establish and fund companies engaged in the business for providing telecom services and other companies engaged in activities ancillary to the telecom industry. Telesonic was in the business of laying, owning and maintaining pan India fiber optic cables, wire line voice / broadband services and support its transition to next generation networks and innovative services.

The Company has accounted the merger as a common control business combination as required under Ind AS 103 'Business Combinations' and the effect has been given from April 1, 2021 (beginning of the preceding period). The excess of carrying value of investments over

# Notes to Standalone Financial Statements

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the net value of assets, liabilities and reserves of Nettle and Telesonic amounting to ₹ 64,742 has been debited to Capital Reserve as on April 1, 2021.

Consequently, the authorised share capital of Nettle and Telesonic has been added to the authorised share capital of the Company. Accordingly, as on effective date of the Scheme, the authorised equity share capital of the Company is ₹ 148,730 divided into 29,746,080,000 equity shares of ₹ 5 each.

- ii. During the year ended March 31, 2023, the Company has allotted 71,176,839 equity shares of the face value of ₹ 5 each fully paid up, on preferential basis to Google International LLC at an issue price of ₹ 734 per equity share (including a premium of ₹ 729 per share) aggregating to ₹ 52,244, upon receipt of all applicable statutory/ regulatory approvals including the approval from the Competition Commission of India.
- iii. During the year ended March 31, 2023, the Company has, in accordance with the terms of the Offering Circular dated ('Offering Circular') January 14, 2020 w.r.t. USD 1,000 Mn (approx. ₹ 72,017) 1.50% Convertible Bonds due 2025 ('FCCBs'), allotted 11,903,000 equity shares of the face value of ₹ 5 each fully paid up at a conversion price of ₹ 521 per equity share and 27,543 equity shares of the face of ₹ 5 each fully paid up at a conversion price of ₹ 523 per equity share, against the conversion request of FCCBs of USD 86.1 Mn and USD 0.2 Mn respectively.
- iv. During the year ended March 31, 2023, the Company has participated in the latest spectrum auction conducted by the DoT (Government of India), Government of India and acquired 18,063.8 MHz spectrum of 3.5 and 26 GHz bands and selective mid and low band spectrum. The entire spectrum band was secured for a total consideration of ₹ 415,619 for 20 years. The Company has paid 4 years of spectrum dues upfront amounting to ₹ 83,124. The said spectrum has been allocated by the DoT on August 17, 2022. Payment for remaining spectrum dues shall begin from August 2026.
- v. During the year ended March 31, 2021, the National Company Law Tribunal, New Delhi, subject to the applicable sectoral approval, approved the composite Scheme of arrangement under Sections 230 to 232 of the Companies Act, 2013 ('Scheme') for transfer of Very Small Aperture Terminal ('VSAT') business of the Company and Bharti Airtel Services Limited, wholly-owned subsidiary of the Company, on a going concern basis by way of slump sale and vesting of the same with Hughes Communications India Private Limited ('Hughes India') and HCIL Comtel Private Limited against the consideration of ₹ 663 and ₹ 334 respectively. During the year ended March 31, 2022, the Scheme has become effective on January 4, 2022 upon fulfillment

of conditions and receipt of requisite approval(s). Furthermore, the Company had invested approximately ₹ 998 in Hughes India and holds its 33.33% equity shareholding w.e.f. January 4, 2022.

- vi. During the year ended March 31, 2022, the Company has paid ₹ 155,191 and ₹ 88,145 to the DoT (Government of India) towards prepayment of the entire deferred liabilities pertaining to spectrum acquired by the Company in 2014 auction (including acquired spectrum) and towards prepayment of the first two instalments of deferred liabilities pertaining to spectrum acquired by the Company in 2015 auction (including acquired spectrum) respectively.
- vii. During the year ended March 31, 2022, the Company had allotted 392,287,662 partly paid-up equity shares at an issue price of ₹ 535 per share (with ₹ 133.75 paid on application and balance to be paid in two more additional calls as may be decided by the Board / Committee of the Board of the Company from time to time) to the eligible applicants under the rights issue.
- viii. On October 24, 2019, the Supreme Court of India delivered a judgement in relation to a long outstanding industry-wide case upholding the view of the DoT in respect of the definition of Adjusted Gross Revenue ('AGR'). Further, in its judgement dated September 1, 2020 ('AGR September Judgement'), the Supreme Court reaffirmed that the demand raised by the DoT stated in its modification application. In addition, Supreme Court directed that the Telecom Service Providers ('TSPs') 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. Considering the above Supreme Court's judgement, the Company accounted for provision for license fee and spectrum charges based on the demand raised by the DoT and paid part dues in the previous years. On July 19, 2021, the Company confirmed its compliance to the Supreme Court with the directions to pay 10% of total dues by March 31, 2021. The matter is pending adjudication before the Supreme Court. Further, on July 23, 2021, the Supreme Court pronounced its judgement, whereby the applications filed by the TSPs for correction of errors in the computation of demand amount by DoT were dismissed. The Company has filed a review petition against the July 23, 2021 order before the Supreme Court and the same is pending adjudication.

In the meanwhile, DoT vide letter dated October 14, 2021 has offered a one-time opportunity to opt for deferment of AGR related dues determined by the Supreme Court in the AGR case, by a period of four years with immediate effect without changing the overall payment period of 10 years as fixed by the Supreme

# Notes to Standalone Financial Statements

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- court (i.e. the last of the yearly instalment payment to be made by March 31, 2031). The revised amount of instalment of the AGR dues is to be paid within this time frame only. The Company vide its letter dated October 22, 2021 has confirmed DoT to avail the offer.
- ix. During the year ended March 31, 2022, the Company has transferred spectrum rights and related future liabilities of ₹ 4,693 to another telecom operator for the Company's 800 MHz spectrum in Andhra Pradesh (3.75 MHz), Delhi (1.25 MHz) and Mumbai (2.5 MHz) for consideration of ₹ 10,048 (refer note 31(ii)(a)).
- x. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. The Ministry of Labour and Employment ('Ministry') has issued draft of the Code on Social Security (Central) Rules, 2020 on November 13, 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. However, the date on which the Code will come into effect has not been notified. The Company is assessing the impact of the Code and will record any related impact in the period in which the Code becomes effective.

# Notes to Standalone Financial Statements

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## 5. Property, plant and equipment (PPE)

The following table presents the reconciliation of changes in the carrying value of PPE for the year ended March 31, 2023 and March 31, 2022:

	Leasehold improvements	Buildings#	Land	Plant and equipment	Furniture and fixtures	Vehicles	Office equipments	Computer and servers	Total
<b>Gross carrying value</b>									
<b>As of April 1, 2021</b>	<b>6,002</b>	<b>5,273</b>	<b>3,935</b>	<b>1,450,528</b>	<b>2,064</b>	<b>211</b>	<b>4,804</b>	<b>39,250</b>	<b>1,512,067</b>
Additions	163	-	-	154,203	29	21	140	3,721	158,277
Disposals / net adjustments	(49)	-	-	(19,938)	(2)	(109)	(22)	(39)	(20,159)
<b>As of March 31, 2022</b>	<b>6,116</b>	<b>5,273</b>	<b>3,935</b>	<b>1,584,793</b>	<b>2,091</b>	<b>123</b>	<b>4,922</b>	<b>42,932</b>	<b>1,650,185</b>
<b>As of April 1, 2022</b>	<b>6,116</b>	<b>5,273</b>	<b>3,935</b>	<b>1,584,793</b>	<b>2,091</b>	<b>123</b>	<b>4,922</b>	<b>42,932</b>	<b>1,650,185</b>
Additions	109	4,274	1,471	148,753	84	1	193	3,755	1,58,640
Disposals / net adjustments	(4)	-	-	(34,651)	(9)	(1)	(45)	(41)	(34,751)
<b>As of March 31, 2023</b>	<b>6,221</b>	<b>9,547</b>	<b>5,406</b>	<b>1,698,895</b>	<b>2,166</b>	<b>123</b>	<b>5,070</b>	<b>46,646</b>	<b>1,774,074</b>
<b>Accumulated depreciation</b>									
<b>As of April 1, 2021</b>	<b>4,679</b>	<b>3,120</b>	<b>-</b>	<b>846,578</b>	<b>1,895</b>	<b>205</b>	<b>4,332</b>	<b>34,001</b>	<b>894,910</b>
Charge	246	253	-	132,044	69	8	213	3,419	136,252
Disposals / net adjustments	(48)	-	-	(18,611)	(0)	(108)	(21)	(39)	(18,827)
<b>As of March 31, 2022</b>	<b>4,877</b>	<b>3,373</b>	<b>-</b>	<b>960,011</b>	<b>1,964</b>	<b>105</b>	<b>4,524</b>	<b>37,381</b>	<b>1,012,235</b>
<b>As of April 1, 2022</b>	<b>4,877</b>	<b>3,373</b>	<b>-</b>	<b>960,011</b>	<b>1,964</b>	<b>105</b>	<b>4,524</b>	<b>37,381</b>	<b>1,012,235</b>
Charge	254	439	-	139,845	56	5	201	3,403	144,203
Disposals / net adjustments	(2)	-	-	(33,111)	(9)	(1)	(38)	(40)	(33,201)
<b>As of March 31, 2023</b>	<b>5,129</b>	<b>3,812</b>	<b>-</b>	<b>1,066,745</b>	<b>2,011</b>	<b>109</b>	<b>4,687</b>	<b>40,744</b>	<b>1,123,237</b>
<b>Net carrying value</b>									
<b>As of March 31, 2022</b>	<b>1,239</b>	<b>1,900</b>	<b>3,935</b>	<b>624,782</b>	<b>127</b>	<b>18</b>	<b>398</b>	<b>5,551</b>	<b>637,950</b>
<b>As of March 31, 2023</b>	<b>1,092</b>	<b>5,735</b>	<b>5,406</b>	<b>632,150</b>	<b>155</b>	<b>14</b>	<b>383</b>	<b>5,902</b>	<b>650,837</b>

# It also includes buildings on leased land.

The carrying value of CWIP as of March 31, 2023 and March 31, 2022 is ₹ 69,598 and ₹ 17,149 respectively, which mainly pertains to plant and equipment.

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## CWIP Ageing Schedule

**As of March 31, 2023**

	Amount in CWIP for a period of				<b>Total</b>
	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	
Projects in progress (net of provision)	68,583	1,015	-	-	69,598

**As of March 31, 2022**

	Amount in CWIP for a period of				<b>Total</b>
	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	
Projects in progress (net of provision)	16,069	1,041	25	14	17,149

## 6. Goodwill and other intangible assets

The following table presents the reconciliation of changes in the carrying value of goodwill and other intangible assets for the year ended March 31, 2023 and March 31, 2022:

	<b>Goodwill</b>	<b>Other intangible assets</b>			<b>Total</b>
		<b>Software</b>	<b>Licenses (including spectrum)</b>	<b>Others</b>	
<b>Gross carrying value</b>					
<b>As of April 1, 2021</b>	<b>1,083</b>	<b>29,176</b>	<b>964,071</b>	<b>9,713</b>	<b>1,002,960</b>
Additions	-	6,363	171,956	-	178,319
Disposals / net adjustments	-	(10,762)	(16,703)	(7,206)	(34,671)
<b>As of March 31, 2022</b>	<b>1,083</b>	<b>24,777</b>	<b>1,119,324</b>	<b>2,507</b>	<b>1,146,608</b>
<b>As of April 1, 2022</b>	<b>1,083</b>	<b>24,777</b>	<b>1,119,324</b>	<b>2,507</b>	<b>1,146,608</b>
Additions	-	2,481	110,900	-	113,381
Disposals / net adjustments	-	(227)	-	(1,055)	(1,282)
<b>As of March 31, 2023</b>	<b>1,083</b>	<b>27,031</b>	<b>1,230,224</b>	<b>1,452</b>	<b>1,258,707</b>
<b>Accumulated amortisation</b>					
<b>As of April 1, 2021</b>	<b>-</b>	<b>23,517</b>	<b>3,01,216</b>	<b>9,127</b>	<b>333,860</b>
Amortisation	-	3,866	58,230	481	62,577
Disposals / net adjustments	-	(10,742)	(10,523)	(7,206)	(28,471)
<b>As of March 31, 2022</b>	<b>-</b>	<b>16,641</b>	<b>348,923</b>	<b>2,402</b>	<b>367,966</b>
<b>As of April 1, 2022</b>	<b>-</b>	<b>16,641</b>	<b>348,923</b>	<b>2,402</b>	<b>367,966</b>
Amortisation	-	4,332	62,476	57	66,865
Disposals / net adjustments	-	(262)	-	(1,007)	(1,269)
<b>As of March 31, 2023</b>	<b>-</b>	<b>20,711</b>	<b>411,399</b>	<b>1,452</b>	<b>433,562</b>
<b>Net carrying value</b>					
<b>As of March 31, 2022</b>	<b>1,083</b>	<b>8,136</b>	<b>770,401</b>	<b>105</b>	<b>778,642</b>
<b>As of March 31, 2023</b>	<b>1,083</b>	<b>6,320</b>	<b>818,825</b>	<b>-</b>	<b>825,145</b>

Weighted average remaining amortisation period of licenses (including spectrum) as of March 31, 2023 and March 31, 2022 is 13.64 and 13.71 years respectively.

The carrying value of IAUD as of March 31, 2023 and March 31, 2022 is ₹ 335,959 and ₹ 16,708 respectively, which mainly pertains to spectrum and software / IT platform.

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## IAUD Ageing Schedule

**As of March 31, 2023**

	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress (net of provision)	335,907	52	-	-	335,959

**As of March 31, 2022**

	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress (net of provision)	16,696	12	-	-	16,708

The Company has capitalised borrowing cost of ₹ 14,172 and ₹ 2,837 during the year ended March 31, 2023 and March 31, 2022 respectively. The rate used to determine the amount of borrowing costs eligible for capitalisation is 7.16% (specific borrowing), 3.34% (general borrowing) for the year ended March 31, 2023 and 7.30% (specific borrowing), 3.34% (general borrowing) for the year ended March 31, 2022.

## 7. Investments

### Non-current

Investments carried at cost	As of	
	March 31, 2023	March 31, 2022
<b>Investment in subsidiaries</b>		
Network i2i Limited: 1,267,427,896 equity shares of USD 1 each		
Bharti Telemedia Limited: 510,200,000 equity shares of ₹ 10 each	87,909	87,909
Bharti Hexacom Limited: 175,000,000 equity shares of ₹ 10 each	66,974	66,974
Bharti Airtel Lanka (Private) Limited: 50,200,221,771 equity shares (net of impairment)*	5,718	5,718
Airtel Digital Limited: 173,731 equity shares of ₹ 10 each (March 31, 2022 - 89,286 equity shares of ₹ 10 each)	6,355	355
Nxtra Data Limited: 9,017,857 equity shares of ₹ 10 each	348	348
Indo Teleports Limited: 82,570,423 equity shares of ₹ 10 each (March 31, 2022 - 22,998,995 equity shares of ₹ 10 each)	1,142	308
Oneweb India Communications Private Limited: 9,510,000 equity shares of ₹ 10 each	95	95
Bharti Airtel Services Limited: 100,000 equity shares of ₹ 10 each	1	1
Bharti Airtel International (Netherlands) B.V.: 1 equity share of EURO 1 each	0	0
	<b>168,542</b>	<b>161,708</b>
<b>Investment in associates</b>		
Airtel Payments Bank Limited: 1,724,025,128 equity shares of ₹ 10 each	17,240	17,240
Hughes Communications India Private Limited: 7,524,808 equity shares of ₹ 10 each	998	998
Lavelle Networks Private Limited: 100 equity shares of ₹ 10 each	1	1
Lavelle Networks Private Limited: 37,314 0.1% Series B Compulsory Convertible Preference Shares of ₹ 100 each	149	149
	<b>18,388</b>	<b>18,388</b>
<b>Investment in joint ventures</b>		
Indus Towers Limited: (quoted) 1,292,261,364 equity shares of ₹ 10 each (March 31, 2022 - 1,252,829,190) (net of impairment) <sup>#</sup>	244,176	278,834
Bridge Mobile Pte. Limited: 800,000 equity shares of USD 1 each	34	34
Firefly Networks Limited: 1,000,000 equity shares of ₹ 10 each	10	10
	<b>244,220</b>	<b>278,878</b>
<b>Investment in subsidiaries, associates and joint ventures</b>		
	<b>431,150</b>	<b>458,974</b>

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

	As of	
	March 31, 2023	March 31, 2022
<b>Investments carried at cost</b>		
<b>Investments carried at FVTPL</b>		
Equity instruments	494	241
National Savings Certificates	2	2
	<b>496</b>	<b>243</b>
<b>Investments carried at FVTOCI</b>		
Equity instrument	69	69
	<b>69</b>	<b>69</b>
<b>Other investments</b>	<b>565</b>	<b>312</b>
<b>Current</b>		
<b>Investments carried at FVTPL</b>		
Mutual funds (quoted)	24,907	7,974
	<b>24,907</b>	<b>7,974</b>
<b>Investments carried at amortised cost</b>		
Commercial paper (quoted)	5,795	-
Corporate deposits (quoted)	4,497	-
	<b>10,292</b>	-
<b>Current investments</b>	<b>35,199</b>	<b>7,974</b>
<b>Aggregate book value of unquoted investments</b>		
Non-Current	187,539	180,452
Current	-	-
<b>Aggregate book value of quoted investments</b>		
Non-Current	244,176	278,834
Current	35,199	7,974
<b>Aggregate market value of quoted investments</b>		
Non-Current	184,793	278,191
Current	<b>35,199</b>	7,974

\*During the year ended March 31, 2022, the Company had recorded an impairment charge of ₹ 4,527 on investment value of Bharti Airtel (Lanka) Private Limited, a subsidiary company. The impairment charge was recorded under exceptional items in the Statement of Profit and Loss (refer note 31(ii)(d)).

# The Company assesses at the end of each reporting period whether there is objective evidence that investments in subsidiaries, joint ventures and associates are impaired. As of December 31, 2022, the carrying value of investment in Indus Towers Limited ('Indus') was ₹ 286,940. The Company performed a formal impairment analysis given the prolonged decline in the market price of the shares in Indus. The recoverable amount of Indus was determined based on Value in use.

As a result of this impairment analysis, the recoverable amount of its investment in Indus was determined to be ₹ 244,176, resulting in an impairment of ₹ 42,764, which was recorded in quarter ended December 31, 2022. The Company further tested for impairment at the end of March 31, 2023 and assessed that no additional impairment loss need to be recognised. Impairment loss recognised has been presented as an exceptional item (refer note 31(i)(a)).

Key assumptions considered by the Company in determining recoverable amounts under Income Approach are as follows:

- Cash flow projections for the period 10 years (as the average life of leases recently entered into with Indus Towers Limited is around ten years)
- Terminal Growth Rate – 2.5% per annum
- Post tax – Tax Risk adjusted discount rate – 10.9% (pre-tax discount rate –13.7%)

Besides above, other assumptions included EBITDA margin to sustain at current levels.

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The key sensitivities based on reasonably possible change to the assumptions keeping other assumptions consistent under the Income Approach are as follows:

- 0.5% change in discount rate will result in an additional impairment of ₹ 14,948.
- 1% change in discount rate will result in an additional impairment of ₹ 28,279.
- 0.5% change in terminal growth rate will result in an additional impairment of ₹ 8,084.
- 1% change in terminal growth rate will result in an additional impairment of ₹ 15,308.

In developing the assumptions relating to the recoverable amounts, the Company considered both internal and external evidences as appropriate. If the assumptions considered change in future due to possible effect of uncertainties, this could result in additional impairments, the effects of which may not have been estimated as at the date of the approval of these Financial Statements.

## Details of significant investments in Subsidiaries, Associate and Joint venture are as below:

S. No	Name of the Subsidiaries	Place of incorporation	Principal activities	% of shareholding	
				March 31, 2023	March 31, 2022
1	Network i2i Limited	Mauritius	Telecommunication, submarine cable system and Investment holding Company	100.00	100.00
2	Bharti Telemedia Limited	India	Direct to home services	100.00	100.00
3	Bharti Hexacom Limited	India	Telecommunication services	70.00	70.00
4	Airtel Digital Limited	India	Content procurement, selling, advertisement and other value added services	100.00	100.00

S. No	Name of the Associate	Place of incorporation	Principal activities	% of shareholding	
				March 31, 2023	March 31, 2022
1	Airtel Payments Bank Limited	India	Mobile commerce services	72.61	73.41

S. No	Name of the Joint venture	Place of incorporation	Principal activities	% of shareholding	
				March 31, 2023	March 31, 2022
1	Indus Towers Limited	India	Passive infrastructure services	47.95	46.49

## 8. Derivative instruments

The details of derivative financial instruments are as follows:-

		As of	
		March 31, 2023	March 31, 2022
<b>Assets</b>			
Forward and option contracts		1,044	316
		<b>1,044</b>	<b>316</b>
<b>Liabilities</b>			
Forward and option contracts		532	176
		<b>532</b>	<b>176</b>
Non-current derivative financial assets		81	-
Current derivative financial assets		963	316
Current derivative financial liabilities		532	176

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## 9. Loans

	As of	
	March 31, 2023	March 31, 2022
<b>Unsecured, considered good</b>		
Loans to related parties (refer note 34)*	43,022	11,457
Interest accrued (refer note 10)	(1,259)	(169)
	<b>41,763</b>	<b>11,288</b>

\*repayable on demand.

## 10. Other financial assets

### Non-current

	As of	
	March 31, 2023	March 31, 2022
Indemnification assets*	10,121	10,121
Security deposits#	6,160	5,634
Claims recoverable	935	897
Margin money deposits	12	188
	<b>17,228</b>	<b>16,840</b>

\*primarily includes indemnification assets recognised pursuant to merger with Tata Teleservices Limited ('TTSL') / Tata Teleservices (Maharashtra) Limited ('TTML') and Telenor (India) Communications Private Limited ('Telenor').

#Security deposits (net of allowance for impairment of ₹ 1,835 and ₹ 1,692 as of March 31, 2023 and March 31, 2022, respectively) primarily includes deposits given towards rented premises, cell sites and interconnect ports.

### Current

	As of	
	March 31, 2023	March 31, 2022
Unbilled revenue (refer note 23)	14,120	12,137
Indemnification assets*	182,959	179,640
Interest accrued	1,332	187
Recoverable from related party	1,035	1,354
Others\$	1,390	1,632
	<b>200,836</b>	<b>194,950</b>

\*primarily includes indemnification assets recognised pursuant to merger with TTSL / TTML and Telenor.

\$primarily includes security deposits and claims recoverable.

## 11. Income tax

The major components of income tax (credit) / expense are:

	For the year ended	
	March 31, 2023	March 31, 2022
<b>Amounts recognised in Statement of Profit and Loss</b>		
<b>Current tax</b>		
- For the year	-	-
- Adjustments for prior periods	(178)	-
	<b>(178)</b>	-
<b>Deferred tax</b>		
- Origination and reversal of temporary differences	13,767	(3,881)
- Adjustments for prior periods	-	(39)
	<b>13,767</b>	<b>(3,920)</b>
<b>Income tax expense / (credit)</b>		
	<b>13,589</b>	<b>(3,920)</b>

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

	For the year ended	
	March 31, 2023	March 31, 2022
<b>Amounts recognised in OCI</b>		
Deferred tax related to items charged to OCI during the year:		
- Re-measurement loss on defined benefit plans	31	3
<b>Deferred Tax credited to OCI</b>	<b>31</b>	<b>3</b>

The reconciliation between the amount computed by applying the statutory income tax rate to the loss before tax and income tax expense / (credit) is summarised below:

	For the year ended	
	March 31, 2023	March 31, 2022
Profit / (loss) before tax	12,693	(42,557)
Enacted tax rates in India	25.168%	25.168%
Tax expense	3,195	(10,711)
<b>Effect of:</b>		
Adjustments in respect to previous years	(178)	(39)
Expense not deductible (net)	10,540	6,745
Losses against which no deferred tax asset recognised	-	2
Impact of VSAT business slump sale	-	79
Others	32	4
<b>Income tax expense / (credit)</b>	<b>13,589</b>	<b>(3,920)</b>

The analysis of deferred tax assets / (liabilities) is as follows:

	As of	
	March 31, 2023	March 31, 2022
<b>Deferred tax asset / (liability)</b>		
Trade receivables	9,038	8,393
Carry forward losses	162,484	179,854
Provision for employee benefits	1,305	1,089
Government grants	331	443
Fair valuation of financial instruments and exchange differences	98	184
Property, plant and equipment, intangible assets and leases	(43,370)	(47,075)
Financial liabilities	(493)	(801)
Claim for variable license fee acquired under amnesty scheme	4,163	5,612
Payables and non-financial liability	12,979	12,461
Others	(96)	15
<b>Net deferred tax asset</b>	<b>146,439</b>	<b>160,175</b>

	For the year ended	
	March 31, 2023	March 31, 2022
<b>Deferred tax expense / (credit)</b>		
Trade receivables	(645)	(416)
Carry forward losses	17,370	(7,446)
Provision for employee benefits	(185)	14
Government grants	112	60
Fair valuation of financial instruments and exchange differences	86	(51)
Property, plant and equipment, intangible assets and leases	(3,705)	2,670
Financial liabilities	(308)	(266)
Claim for variable license fee acquired under amnesty scheme	1,449	4,072
Payables and non-financial liability	(518)	(2,599)
Others	111	42
<b>Net deferred tax expense / (credit)</b>	<b>13,767</b>	<b>(3,920)</b>

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The movement in deferred tax assets during the year is as follows:

	For the year ended	
	March 31, 2023	March 31, 2022
Opening balance	160,175	156,252
Tax (expense) / credit recognised in profit or loss	(13,767)	3,920
Tax credit recognised in OCI	31	3
<b>Closing Balance</b>	<b>146,439</b>	<b>160,175</b>

In line with accounting policy of the Company, deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and carry forward tax losses (including capital losses) can be utilised and deferred tax asset (net) has been recognised only to the extent of reasonable certainty of available tax profits in future. Accordingly, the Company has not recognised deferred tax assets in respect of carried forward losses of ₹ 697,763 and ₹ 723,679 as of March 31, 2023 and March 31, 2022, respectively, as it is not probable that relevant taxable profits will be available in future due to challenging and uncertain nature of the business and regulatory framework, intense competition, constant capital investments and receipt of dividend from investees etc.

The expiry schedule of the above unrecognised losses is as follows:

Expiry date	As of	
	March 31, 2023	March 31, 2022
Within one - three years	393,333	344,553
Within three - five years	149,630	111,032
Above five years	3,450	144,188
Unlimited	151,350	123,906
	<b>697,763</b>	<b>723,679</b>

The above includes business combination losses and unabsorbed depreciation in relation to:

- a) TTSL amounting to ₹ 137,929 (including ₹ 70,209 towards unabsorbed depreciation) as of March 31, 2023 and ₹ 155,440 (including ₹ 70,209 towards unabsorbed depreciation) as of March 31, 2022, and from Telenor totalling to ₹ 64,280 (including ₹ 42,402 towards unabsorbed depreciation) as of March 31, 2023 and ₹ 64,280 (including ₹ 42,402 towards unabsorbed depreciation) March 31, 2022.
- b) Capital losses of ₹ 351,110 as of March 31, 2023 and ₹ 352,759 as of March 31, 2022.
- c) Business losses amounting to ₹ 102,255 as of March 31, 2023 and ₹ 109,011 as of March 31, 2022 on which deferred tax asset has been reversed based on analysis of recoverability assessment basis the 10 year plan. Further, deferred tax asset has not been recognised on business losses of ₹ 42,189 as of March 31, 2023 and March 31, 2022 due to uncertainty over sufficient taxable profits in future.

Besides above, the Company has also not recorded deferred tax assets in respect of impairment losses of Investment in subsidiaries / associate / joint venture amounting to ₹ 123,254 as of March 31, 2023 and ₹ 80,490 as of March 31, 2022.

## 12. Other assets

### Non-current

	As of	
	March 31, 2023	March 31, 2022
Advances (net) <sup>#</sup>	18,075	17,525
Costs to obtain a contract with the customer (refer note 23)	21,843	18,998
Prepaid expenses	4,748	5,459
Taxes recoverable <sup>\$</sup>	12,905	16,754
Capital advances	2,047	14
Others*	1,733	1,573
	<b>61,351</b>	<b>60,323</b>

<sup>#</sup>Advances represent payments made to various Government authorities under protest and are disclosed net of allowance.

<sup>\$</sup>Taxes recoverable primarily pertains to Goods and Services Tax ('GST') and customs duty.

\*It mainly includes amount given to related party - Bharti Airtel Employees Welfare Trust (refer note 34).

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## Current

	As of	
	March 31, 2023	March 31, 2022
Taxes recoverable\$	62,021	63,094
Prepaid expenses	3,205	3,133
Advances to suppliers (net)@	988	3,225
Deposit with government authorities	426	301
Costs to obtain a contract with the customer (refer note 23)	24,491	17,236
Others*	283	260
	<b>91,414</b>	<b>87,249</b>

\$Taxes recoverable primarily pertains to GST and customs duty.

@Advances to suppliers are disclosed net of allowance of ₹ 1,705 and ₹ 1,731 as of March 31, 2023 and March 31, 2022 respectively.

\*It mainly includes advances to staff and earnest money deposit.

## 13. Trade receivables

	As of	
	March 31, 2023	March 31, 2022
Trade receivables considered good - unsecured*	48,832	53,102
Trade receivables - credit impaired.	1,411	1,082
Less: Allowances for doubtful receivables	(29,078)	(26,467)
	<b>21,165</b>	<b>27,717</b>

\*It includes amount due from related parties (refer note 34).

Refer note 36(1)(iv) for credit risk

### The movement in allowances for doubtful receivables is as follows:

	For the year ended	
	March 31, 2023	March 31, 2022
Opening balance	26,467	24,941
Additions	2,741	1,737
Write off (net of recovery)	(139)	(117)
Adjustments	9	(94)
<b>Closing balance</b>	<b>29,078</b>	<b>26,467</b>

### Trade receivables ageing

As of March 31, 2023

	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	4,964	16,150	2,512	3,140	3,929	17,441	48,136
(ii) Disputed Trade Receivables — considered good	-	-	-	-	-	696	696
(iii) Disputed Trade Receivables — credit impaired	-	-	-	-	-	1,411	1,411
Less: Allowances for doubtful receivables							(29,078)
<b>Net Trade receivables</b>							<b>21,165</b>

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

**As of March 31, 2022**

	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	8,802	17,607	3,248	4,506	5,148	12,766	52,077
(ii) Disputed Trade Receivables — considered good	-	-	-	-	-	1	1,024
(iii) Disputed Trade Receivables — credit impaired	-	-	-	-	-	-	1,082
Less: Allowances for doubtful receivables							(26,467)
<b>Net Trade receivables</b>							<b>27,717</b>

## 14. Cash and bank balances

### Cash and cash equivalents ('C&CE')

	As of	
	March 31, 2023	March 31, 2022
Balances with banks		
- On current accounts	352	658
- Bank deposits with original maturity of 3 months or less	13,476	2,322
Cheques on hand	168	139
Cash on hand	2	1
	<b>13,998</b>	<b>3,120</b>
Interest accrued (refer note 10)	(73)	(18)
	<b>13,925</b>	<b>3,102</b>

### Other bank balances

	As of	
	March 31, 2023	March 31, 2022
Other bank balances		
Earmarked bank balances - unpaid dividend	18	10
Margin money deposits*	487	302
	<b>505</b>	<b>312</b>

\*Margin money deposits represents amount given as collateral for legal cases and / or bank guarantees for disputed matters.

For the purpose of Statement of Cash Flows, C&CE comprise of the following:

	As of	
	March 31, 2023	March 31, 2022
C&CE as per balance sheet	13,925	3,102
Bank overdraft (refer note 17)	(64)	-
	<b>13,861</b>	<b>3,102</b>

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## 15. Share capital

	As of	
	March 31, 2023	March 31, 2022
<b>Authorised Share Capital</b>		
29,746,080,000 (March 31, 2022 - 29,555,980,000) equity shares of ₹ 5 each (refer note 4(i))	148,730	147,780
1,000 (March 31, 2022 - 1,000) preference shares of ₹ 100 each	0	0
	<b>148,730</b>	<b>147,780</b>
<b>Issued Capital</b>		
5,575,134,650 (March 31, 2022 - 5,492,027,268) equity shares of ₹ 5 each fully paid-up	27,876	27,460
392,287,662 (March 31, 2022 - 392,287,662) equity shares of ₹ 5 each (₹ 1.25 partly paid-up)	1,961	1,961
	<b>29,837</b>	<b>29,421</b>
<b>Subscribed and Paid Up Capital</b>		
5,575,134,650 (March 31, 2022 - 5,492,027,268) equity shares of ₹ 5 each fully paid-up	27,876	27,460
392,287,662 (March 31, 2022 - 392,287,662) equity shares of ₹ 5 each (₹ 1.25 partly paid-up)	490	490
	<b>28,366</b>	<b>27,950</b>

### a) Reconciliation of the shares outstanding at the beginning and at the end of the year

	For the year ended			
	March 31, 2023		March 31, 2022	
	No. of shares ('000')	Amount	No. of shares ('000')	Amount
At the beginning of the year	5,884,315	27,950	5,492,027	27,460
Issued during the year	83,107	416	392,288	490
<b>Outstanding at the end of the year</b>	<b>5,967,422</b>	<b>28,366</b>	<b>5,884,315</b>	<b>27,950</b>

### b) Rights, preferences and restrictions attached to Shares

The Company has only one class of equity shares having par value of ₹ 5 each. The holder of the equity share is entitled to dividend right and voting right in the same proportion as the capital paid-up on such equity share bears to the total paid-up equity share capital of the Company. The declaration of dividend by the Company is associated with the fulfilment of interest obligation, if any, on the perpetual securities issued by one of its wholly-owned subsidiaries. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

### c) Terms of conversion / redemption of FCCBs

The Company has outstanding FCCBs of USD 913.7 Mn and USD 1,000 Mn as of March 31, 2023 and March 31, 2022 respectively, bearing coupon rate of 1.50% issued at par, listed on the Singapore Exchange Securities Trading Limited. As per Offering Circular issued by the Company, FCCBs are convertible into Company's fully-paid up equity shares of ₹ 5 each at initial conversion price (as adjusted from time to time), at any time on or after February 27, 2020 and up to the close of business on February 7, 2025, at the option of the FCCB holders. FCCBs, which are not converted to fully paid-up equity shares during such specified period, are redeemable at 102.66% of their principal amount on February 17, 2025. The Conversion price is subject to adjustment w.r.t events as mentioned in Offering Circular, but cannot be below the floor price which is ₹ 452.09.

### d) Details of shareholders (as per the register of shareholders) holding more than 5% shares in the Company

	As of			
	March 31, 2023		March 31, 2022	
	No. of shares ('000')	% holding	No. of shares ('000')	% holding
Bharti Telecom Limited	2,299,875	38.54	2,109,641	35.85
Pastel Limited	627,228	10.51	814,327	13.84
Indian Continent Investment Limited	355,593	5.96	355,593	6.04

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## e) Shareholding of Promoters

### Shares held by promoters as of March 31, 2023:

S No.	Promoter Name	As of				% Change during the year
		March 31, 2023		April 1, 2022		
		No. of shares ('000')	% of total shares	No. of shares ('000')	% of total shares	
1	Bharti Telecom Limited	2,299,875	38.54	2,109,641	35.85	2.69

### Shares held by promoters as of March 31, 2022:

S No.	Promoter Name	As of				% Change during the year
		March 31, 2022		April 1, 2021		
		No. of shares ('000')	% of total shares	No. of shares ('000')	% of total shares	
1	Bharti Telecom Limited	2,109,641	35.85	1,966,236	35.80	0.05

## f) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

- During the year ended March 31, 2023, 11,930,543 equity shares of ₹ 5 each were issued to the FCCB holders pursuant to option exercised in accordance with Offering Circular (refer note 4 (iii)).
- During the year ended March 31, 2021, 36,469,913 equity shares of ₹ 5 each were issued on preferential basis to Lion Meadow Investment Limited, an affiliate to Warburg Pincus LLC as partial consideration for acquisition of equity shares of Bharti Telemedia Limited.
- During the year ended March 31, 2020, 970,668 equity shares of ₹ 5 each were issued to the shareholders of TTML as per the terms of the scheme of arrangement.
- During the year ended March 31, 2019, 5 equity shares of ₹ 5 each were issued to the shareholders of Telenor as per the terms of the scheme of amalgamation.

## g) Shares held by Bharti Airtel Welfare Trust against employee share-based payment plans (face value: ₹5 each)

	For the year ended			
	March 31, 2023		March 31, 2022	
	No. of shares ('000')	Amount	No. of shares ('000')	Amount
Opening balance	2,943	1,555	3,332	1,549
Purchased during the year	625	499	1,022	598
Exercised during the year	(648)	(321)	(1,411)	(592)
<b>Closing balance</b>	<b>2,920</b>	<b>1,733</b>	<b>2,943</b>	<b>1,555</b>

## h) Dividend

	For the year ended	
	March 31, 2023	March 31, 2022
<b>A Declared and paid during the year</b>		
Final dividend for 2021-22: ₹ 3 per share (2020-21: ₹ Nil per share)	16,984	-
	<b>16,984</b>	-
<b>B Proposed dividend*</b>		
Proposed dividend for 2022-23: ₹ 4 per share (2021-22: ₹ 3 per share)	22,696	16,770
	<b>22,696</b>	<b>16,770</b>

\*It represents dividend of ₹ 4 per fully paid-up equity share of face value of ₹ 5 each and ₹ 1 per partly paid-up equity share of face value of ₹ 5 each (paid-up ₹ 1.25 per equity share) on shares issued till the date these Financial Statements are approved for issue by the Company's Board of Directors. The proposed dividend is subject to approval of Shareholders at the Annual General Meeting, accordingly, no corresponding liability has been recognised.

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## 16. Reserves and surplus

- a) **Retained earnings:** Retained earnings represent the amount of accumulated earnings of the Company, re-measurement differences on defined benefits plans, gains / (losses) on common control transactions and any transfer from general reserve.
- b) **Securities premium:** Securities premium is used to record the premium on issue of equity shares. The same is utilised in accordance with the provisions of the Act.
- c) **General reserve:** The Company had transferred a portion of its profit before declaring dividend in respective prior years to general reserve, as stipulated under the erstwhile Companies Act, 1956. Mandatory transfer to general reserve is not required under the Act.  
Further, on exercise of the stock options, the difference between the consideration (i.e. the exercise price and the related amount of share-based payment reserve) and the cost (viz. related amount of loan provided to Bharti Airtel Welfare Trust) of the corresponding stock options, is transferred to general reserve.
- d) **Share-based payment reserve:** The Share based payment reserve is used to record the fair value of equity-settled share based payment transactions with employees.
- e) **Capital reserve:** It pertains to capital reserve acquired pursuant to the scheme of arrangements under the Companies Act, 1956 accounted under pooling of interest method and excess of fair value of net assets acquired over consideration paid in a business combination. This reserve is not available for distribution as dividend.
- f) **FVTOCI reserve:** The Company has elected to recognise changes in the fair value of certain investments in equity securities in OCI. These changes are accumulated within the Fair value through OCI reserve within equity.
- g) **Equity component of FCCBs:** The equity component is the residual amount after deducting the fair value of the financial liability component from the net proceeds of the FCCBs.

## 17. Borrowings

### Non-current

	As of	
	March 31, 2023	March 31, 2022
<b>Unsecured</b>		
Term loans	67,594	45,105
Non-convertible debentures	31,485	31,034
Non-convertible bonds	145,250	133,798
Liability component of FCCBs	74,153	73,126
Deferred payment liabilities *^	1,129,905	717,468
	<b>1,448,387</b>	<b>1,000,531</b>
Less: Interest accrued (refer note 18)	(42,077)	(24,238)
Less: Current maturities of long-term borrowings	(44,010)	(3,065)
	<b>1,362,300</b>	<b>973,228</b>

\* During the year ended March 31, 2022, the Union Cabinet announced major reforms in Telecom Sector in the month of September 2021. Accordingly, DoT on October 2021 (in pursuance to these reforms), has granted an option to the Company for a moratorium of 4 years towards the deferred spectrum liability in respect of spectrum purchased through various auctions except for that purchased through 2021 auction. The Company has opted for the moratorium and the same was granted by DoT during November 2021. The DoT has subsequently shared the revised payment schedule in respect of these deferred spectrum payment liabilities by revising the instalment amounts without any increase in the existing time period specified for making the installment payments.

^Refer note 4(iv) & 4(vi)

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## Current

	As of	
	March 31, 2023	March 31, 2022
<b>Unsecured</b>		
Term loans*	36	4,662
Commercial papers	-	95,285
Bank overdraft	64	-
	<b>100</b>	<b>99,947</b>
Less: Interest accrued (refer note 18)	-	(1)
	<b>100</b>	<b>99,946</b>
<b>Current maturities of long-term borrowings</b>		
<b>Unsecured</b>		
Term loans	9,335	3,065
Non-convertible debentures	29,998	-
Deferred payment liabilities	4,677	-
	<b>44,010</b>	<b>3,065</b>
	<b>44,110</b>	<b>103,011</b>

\*Including working capital demand loans.

## Analysis of borrowings

The details given below are gross of debt origination cost.

### 17.1 Repayment terms of borrowings

The table below summarises the details of the Company's borrowings based on contractual undiscounted payments.

	Interest rate (range)	Frequency of instalments	As of March 31, 2023				
			Number of instalments outstanding per facility (range)*	Within one year	Between one and two years	Between two and five years	Over five years
Term Loans	6.4% to 8.3%	Half yearly	1-8	9,432	15,573	42,298	-
	7.1% to 8.7%	Monthly	1	36	-	-	-
Non-convertible bonds	3.3% to 4.4%	One time	1	-	-	82,301	61,725
Liability component of FCCBs	1.5%	One time	1	-	77,198	-	-
Non-convertible debentures	5.4%	One time	1	30,000	-	-	-
Deferred payment Liability for spectrum	7.2% to 10.0%	Annual	2-16	4,677	5,018	20,063	743,858
Deferred payment Liability for adjusted gross revenue	8.0%	Annual	5	-	-	111,190	206,700
Bank Overdraft	8.4% to 9.0%	On Demand	NA	64	-	-	-
				<b>44,209</b>	<b>97,789</b>	<b>255,852</b>	<b>1,012,283</b>

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

	Interest rate (range)	Frequency of instalments	As of March 31, 2022 Number of instalments outstanding per facility (range)*	Within one year	Between one and two years	Between two and five years	Over five years
Term Loans	6.4% to 8.3%	Half yearly	1-8	3,149	3,099	38,815	-
	5.5% to 7.2%	Monthly	1	843	-	-	-
	8.3%	One Time	1	1	-	-	-
	4.7%	On Demand	1	3,820	-	-	-
Non Convertible debentures	5.4%	One Time	1	-	30,000	-	-
Non Convertible bonds	3.3% to 4.4%	One Time	1	-	-	75,915	56,936
Liability component of FCCBs	1.5%	One Time	1	-	-	77,934	-
Deferred payment Liability for spectrum	7.3% to 10.0%	Annual	5-16	-	-	11,759	392,936
Deferred payment Liability for adjusted gross revenue	8.0%	Annual	6	-	-	28,397	262,972
Commercial papers	4.0% to 4.2%	One Time	1	96,250	-	-	-
				<b>104,063</b>	<b>33,099</b>	<b>232,820</b>	<b>712,844</b>

\* The instalments amount due are equal / equated per se.

## 17.2 Interest rate and currency of borrowings

	Weighted average rate of interest	Total borrowings	Floating rate borrowings	Fixed rate borrowings
INR	8.0%	1,188,907	62,599	1,126,308
USD	3.1%	217,974	-	217,974
<b>March 31, 2023</b>		<b>1,406,881</b>	<b>62,599</b>	<b>1,344,282</b>
INR	7.9%	871,077	40,844	830,233
USD	3.0%	205,726	-	205,726
<b>March 31, 2022</b>		<b>1,076,803</b>	<b>40,844</b>	<b>1,035,959</b>

## 18. Other financial liabilities

### Non-current

	As of March 31, 2023	As of March 31, 2022
Payables against capital expenditure	416	400
Interest accrued	38,026	21,404
Others*	13,432	12,397
	<b>51,874</b>	<b>34,201</b>

\*It mainly includes committed liability due to a wholly-owned subsidiary.

### Current

	As of March 31, 2023	As of March 31, 2022
Payables against capital expenditure	105,716	55,166
Interest accrued	4,051	2,834
Security deposits*	2,598	2,261
Employee payables	2,089	2,022
Payable against business / asset acquisitions	4,104	4,104
Unpaid / unclaimed dividend\$	18	10
Others#	6,009	8,105
	<b>124,585</b>	<b>74,502</b>

\*It includes deposits received from subscriber / channel partners which are repayable on disconnection after adjusting the outstanding amount thereby, if any.

\$No amount is due to be transferred to Investor Education and Protection Fund.

#It mainly includes refund payable to inactive customers and unclaimed liability.

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## 19. Provisions

### Non-current

	As of	
	March 31, 2023	March 31, 2022
<b>Provision for employee benefits</b>		
Gratuity	1,696	1,707
Other employee benefit plans^	95	139
<b>Other provision</b>		
ARO#	743	757
	<b>2,534</b>	<b>2,603</b>

### Current

	As of	
	March 31, 2023	March 31, 2022
<b>Provision for employee benefits</b>		
Gratuity	787	616
Other employee benefit plans^	912	856
<b>Other provision</b>		
Sub-judice matters@	211,219	207,626
Others	-	48
	<b>212,918</b>	<b>209,146</b>

^Refer note 26.2 for movement of provisions towards various employee benefits.

#The movement of provisions towards ARO is as below:

	For the year ended March 31, 2023
Opening balance	757
Net additions / (reversal)	(41)
Net interest costs	27
<b>Closing balance</b>	<b>743</b>

The provision for ARO is in relation to the site restoration related obligation arising from the land taken on lease and represent the management's best estimate of the costs which will be incurred in the future to meet the Company's obligation under these lease arrangements.

@The movement of provisions towards sub-judice matters is as below:

	For the year ended March 31, 2023
Opening balance	207,626
Provision / adjustment during the year (net) <sup>#</sup>	16,044
Payment	(12,451)
<b>Closing balance*</b>	<b>211,219</b>

#It includes provision of ₹ 12,004 towards AGR pursuant to merger with TTSL / TTML and provision of ₹ 4,134 towards AGR pertaining to merger with Telenor.

\*Closing balance includes ₹ 158,437 and ₹ 24,653 respectively for TTSL / TTML and Telenor. The Company has recognised an indemnification asset towards the said provisions.

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## 20. Other current liabilities

	As of	
	March 31, 2023	March 31, 2022
<b>Current</b>		
Taxes payable*	22,467	19,519
Others#	3,342	26
	<b>25,809</b>	<b>19,545</b>

\*Taxes payable mainly pertains to GST and payable towards sub-judice matters related to entry tax and entertainment tax.

#Others primarily include advance received from subscribers and advance received on sale of hardware / goods.

## 21. Trade payables

	As of	
	March 31, 2023	March 31, 2022
Due to micro and small enterprises	731	481
Others*	259,258	255,282
	<b>259,989</b>	<b>255,763</b>

\*It includes amount due to related parties (refer note 34) and payable towards sub-judice matters.

### Micro, Small & Medium Enterprises Development Act, 2006 ('MSMED') disclosure

The dues to micro and small enterprises as required under MSMED Act, 2006, based on the information available with the Company, is given below:

Sr. No.	Particulars	For the year ended	
		March 31, 2023	March 31, 2022
1	Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	731	481
2	Amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
3	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
4	Amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
5	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-

### Trade payables ageing as of March 31, 2023:

	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Dues to micro and small enterprises	-	529	101	65	9	27	731
(ii) Others (A)	96,544	9,548	1,717	437	316	1,889	110,451
(iii) Disputed dues – Others (B)	-	22	15,315	14,572	27,649	91,249	148,807
<b>Total dues to micro and small enterprises</b>							<b>731</b>
<b>Total Others (A + B)</b>							<b>259,258</b>

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## Trade payables ageing as of March 31, 2022:

	Unbilled	Not due	Outstanding for following periods from due date of payment date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Dues to micro and small enterprises	-	196	230	26	5	24	481
(ii) Others (A)	115,371	1,564	1,382	1,072	979	1,375	121,743
(iii) Disputed dues – Others (B)	-	33	14,578	27,665	63,183	28,083	133,539
<b>Total dues to micro and small enterprises</b>							<b>481</b>
<b>Total Others (A + B)</b>							<b>255,282</b>

## 22. Contingencies and commitments

### (I) Contingent liabilities

#### Claims against the Company not acknowledged as debt:

		As of	
		March 31, 2023	March 31, 2022
(i) Taxes, duties and other demands (under adjudication / appeal / dispute)			
- Sales Tax, Service Tax and GST		9,656	12,352
- Income Tax		7,010	7,832
- Customs Duty		499	840
- Entertainment tax		80	80
- Entry Tax		2,815	2,599
- Stamp Duty		407	352
- DoT demands		112,297	99,303
- Other miscellaneous demands		143	119
(ii) Claims under legal cases including arbitration matters			
- Access charges / Port charges		234	234
- Others		1,208	422
		<b>134,349</b>	<b>124,133</b>

The category wise detail of major contingent liabilities has been given below:-

#### a) Sales tax, Service tax and GST

The claims for sales tax comprised of cases relating to the appropriateness of declarations made by the Company under relevant sales tax legislations, which were primarily procedural in nature and the applicable sales tax on disposals of certain property and equipment items, ITC eligibility and VAT on value added services. Pending final decisions, the Company has deposited amounts under protest with statutory authorities for certain cases.

The service tax demands relate to Cenvat claimed on tower and related material, levy of service tax on SMS termination and employee talk time, Cenvat credit disallowed for procedural lapses and usage in excess of 20% limit.

The GST demand relates to miscellaneous interest, differences between ITC claimed and as available over portal, claims related to transitional credit.

#### b) Income Tax demand

Income tax demands mainly include the appeals filed by the Company before various appellate authorities against the disallowance by income tax authorities of certain expenses being claimed and non-deduction of tax at source with respect to pre-paid dealers / distributor's margin. During the year, the Company has reassessed the existing possible obligations and accordingly disclosed for such amounts.

#### c) Customs Duty

There are certain demands related to Non-submission of Export Obligation Discharge Certificate, classification issue, valuation of goods imported and levy of anti-dumping duty on certain products.

#### d) Entry Tax

In certain states, an entry tax is levied on receipt of material from outside the state. This position has been challenged by the Company in the respective states, on the grounds that the specific entry tax is ultra vires the Constitution. Classification issues have also been raised, whereby, in view of the Company, the material proposed to be taxed is not covered under the specific category.

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

During the year ended March 31, 2017, the Supreme Court of India upheld the constitutional validity of entry tax levied by few States. However, Supreme Court did not conclude certain aspects such as present levies in each State is discriminatory in nature or not, leaving them open to be decided by regular benches of the Courts.

## e) DoT demands / assessments includes

- i. DoT had enhanced the microwave rates by introducing slab-wise rates based on the number of carriers vide circulars issued in 2006 and 2008 from erstwhile basis being allocated frequency. The Company had challenged the matter in Telecom Disputes Settlement and Appellate Tribunal ('TDSAT') and it has set aside the respective circulars of DoT vide its Judgement dated April 22, 2010. Thereafter, DoT has challenged the order of TDSAT before the Supreme Court, which is pending for adjudication. An amount of ₹ 25,682 which pertains to pre-migration to Unified License ('UL') / Unified Access Service License ('UASL') is disclosed as contingent liability as of March 31, 2023.
- ii. In 2013, DoT introduced UL Regime and notified guidelines which mandates migration to new UL regime upon expiry of existing licenses. Accordingly, Company migrated to UL regime in 2014. The Company and Internet Service Provider ('ISP') Association challenged the Guidelines and provisions of UL on the ground that DoT has discriminated amongst ISP Licensees in violation of principle of level playing field amongst ISPs. TDSAT stayed the payment of license fee on revenue from Pure Internet Service. In October 2019, TDSAT delivered its judgement in the ISP Association case (ISPAI Judgement) and set aside the provision to pay license fee on the revenue from pure internet service under UL. TDSAT, following ISPAI judgement, allowed the petition filed by the Company and set aside the demand notices.
- iii. Demands for the contentious matters in respect of subscriber verification norms and regulations including validity of certain documents allowed as proof of address / identity. TDSAT and High Courts have granted interim reliefs to the Company and the matters are pending for adjudication.
- iv. Penalty for alleged failure to meet certain procedural requirements for EMF radiation self-certification compliance.
- v. Additional demand received for the period already covered by the AGR judgement which mainly pertains to spectrum usage charges.

In addition to the amounts disclosed in the table above, the contingent liability on DoT matters includes the following:

1. In respect of levy of one time spectrum charge ('OTSC'), the DoT has raised demand on the Company in January 2013. The Company challenged the OTSC demand and the High Court of Bombay vide its order dated January 28, 2013, stayed enforcement of the demand and directed DoT not to take any coercive action. The DoT has filed its reply and this matter is currently pending before High Court of Bombay. The DoT revised demands on the Company aggregating ₹ 79,403 in June 2018, including a retrospective charge and a prospective charge till the expiry of the initial terms of the respective licenses. The said revised demand has subsequently also been brought within the ambit of the earlier order of no coercive action by the High Court of Bombay. The Company intends to continue to pursue its legal remedies.

Further, in a similar matter on a petition filed by another telecom service provider, the TDSAT, vide its judgement dated July 4, 2019, has set aside the DoT order for levy of OTSC with retrospective effect. Accordingly, as per the said order of the TDSAT; DoT can levy OTSC on the Spectrum beyond 6.2 MHz allotted after July 1, 2008, only from the date of allotment of such spectrum and in case of Spectrum beyond 6.2 MHz allotted before July 1, 2008, only prospectively i.e. w.e.f. January 1, 2013.

Further, demand for OTSC on spectrum allotted beyond start-up and up-to the limit of 6.2 MHz has been set aside. The TDSAT has asked DoT to issue revise demands, if any, in terms of the above directions. The said telecom service provider filed an appeal before the Supreme Court against the judgement passed by TDSAT. On March 16, 2020, the Supreme Court dismissed the appeal of the

DoT has filed appeal against ISPAI judgement before Supreme Court. On January 5, 2021, the Supreme Court admitted DoT's appeal, and also allowed the Company's intervention application, with a direction that DoT shall not be required to refund any amounts pursuant to TDSAT judgement and parties shall be bound by the final directions as may be passed by the Supreme Court.

On March 31, 2021, DoT issued amendment to the ISP Licenses granted under the old regime i.e. under 2002 and 2007 with immediate effect (April 1, 2021). Amongst others, DoT included the revenue from pure internet services in the AGR for the purposes of license fees in such contracts (which was earlier allowed as permissible deduction under old regime). Accordingly, demand up to March 31, 2021 has been assessed to be a contingent liability (March 31, 2023: ₹ 35,551 and March 31, 2022: ₹ 30,728).

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

telecom service providers and did not interfere with the TDSAT judgement. Thereafter, the telecom service provider had filed a review petition against the judgement dated March 16, 2020. The Supreme Court allowed the review petition and restored the telecom service providers' appeal. The matter is pending adjudication before the Supreme Court.

DoT's appeal against the said TDSAT Order for the levy on Spectrum below 6.2 MHz is pending. The Supreme Court vide order dated August 21, 2020, stayed the TDSAT judgement July 4, 2019 in a case of another telecom service provider. The Supreme Court, vide order dated December 7, 2020, directed status quo to be maintained in case of another telecom service provider.

On account of prudence, out of the total demands of ₹ 79,403, the Company had recorded a charge of ₹ 17,914 during the year ended March 31, 2020 and interest thereon till March 31, 2023 amounting ₹ 67,015. Balance demand of ₹ 61,489 has continued to be contingent liability.

- DoT had issued notices to the Company (as well as other telecom service providers) to stop provision of 3G services to its customers (under 3G Intra Circle Roaming ('ICR') arrangements executed with other service providers) in such service areas where the service provider has not been

allocated 3G spectrum, and levied a penalty of ₹ 3,500 on the Company. The Company contested the notices before TDSAT, which in 2014 held 3G ICR arrangements between service providers to be competent and compliant to the licensing conditions and quashed the notice imposing penalty. The DoT has challenged the order of TDSAT before the Supreme Court which is yet to be listed for hearing.

Considering the nature of above disputes / litigations, it is difficult to reliably ascertain the amount or timing of outflow on settlement.

## Guarantees:

Corporate guarantees outstanding as of March 31, 2023 and March 31, 2022 amounting to ₹ 349,854 and ₹ 362,579 respectively have been issued by Company on behalf of its subsidiaries. These guarantees primarily relate to loans and bonds taken by these subsidiaries from banks and financial institutions amounting to ₹ 168,716 and ₹ 226,812 as of March 31, 2023 and March 31, 2022 respectively.

## (II) Commitments

### Capital commitments

The Company has contractual commitments towards capital expenditure (net of related advances) of ₹ 191,685 and ₹ 73,681 as of March 31, 2023 and March 31, 2022 respectively.

## 23. Revenue from operations

	For the year ended	
	March 31, 2023	March 31, 2022
Service revenue	847,172	707,881
Sale of products	29	69
	<b>847,201</b>	<b>707,950</b>

## Disaggregation of revenue

Revenue is disaggregated by geographical market, major products / service lines and timing of revenue recognition as follows

	Mobile Services		Airtel Business		Homes Services		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Geographical markets</b>								
India	691,014	578,422	80,528	70,424	39,144	29,625	810,686	678,471
Outside India	2,829	1,616	33,686	27,863	-	-	36,515	29,479
	<b>693,843</b>	<b>580,038</b>	<b>114,214</b>	<b>98,287</b>	<b>39,144</b>	<b>29,625</b>	<b>847,201</b>	<b>707,950</b>
<b>Major Product / Services lines</b>								
Data and Voice Services	688,232	572,979	96,999	83,957	37,901	28,840	823,132	685,776
Others	5,611	7,059	17,215	14,330	1,243	785	24,069	22,174
	<b>693,843</b>	<b>580,038</b>	<b>114,214</b>	<b>98,287</b>	<b>39,144</b>	<b>29,625</b>	<b>847,201</b>	<b>707,950</b>

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

	Mobile Services		Airtel Business		Homes Services		Total	
	March 31, 2023	March 31, 2022						
<b>Timing of Revenue Recognition</b>								
Products and services transferred at a point in time	791	150	39	64	202	240	1,032	454
Products and services transferred over time	693,052	579,888	114,175	98,223	38,942	29,385	846,169	707,496
	<b>693,843</b>	<b>580,038</b>	<b>114,214</b>	<b>98,287</b>	<b>39,144</b>	<b>29,625</b>	<b>847,201</b>	<b>707,950</b>

**Mobile Services:** These services cover voice and data telecom services provided through wireless technology (2G / 4G / 5G) in India. This includes the captive national long distance networks which primarily provide connectivity to the mobile services business in India.

**Airtel Business:** These services cover end-to-end telecom solutions being provided to large Indian and global corporations by serving as a single point of contact for all telecommunication needs across data and voice (domestic as well as international long distance), network integration and managed services.

**Homes Services:** These services cover voice and data communications through fixed-line network and broadband technology for homes.

## Contract Balances

The following table provides information about unbilled revenue and deferred revenue from contract with customers:

	As of	
	March 31, 2023	March 31, 2022
Unbilled Revenue (refer note 10)	14,120	12,137
Deferred Revenue (non-current)	15,311	17,514
Deferred Revenue (current)	55,305	50,999

Significant changes in the unbilled revenue and deferred revenue balances during the year are as follows:

	For the year ended	
	March 31, 2023	March 31, 2022
Unbilled Revenue		
Revenue recognised that was included in deferred revenue at the beginning of the year	50,999	
Increase due to cash received, excluding amounts recognised as revenue during the year	53,102	
Transfers from unbilled revenue recognised at the beginning of the year to receivables	12,137	
Deferred Revenue		

## Reconciliation of costs to obtain or fulfil contracts with customers

	For the year ended	
	March 31, 2023	March 31, 2022
Opening balance	36,234	21,581
Costs incurred and deferred	32,493	27,438
Less: Cost amortised	22,393	12,785
<b>Closing balance</b>	<b>46,334</b>	<b>36,234</b>

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## 24. Other income

	For the year ended	
	March 31, 2023	March 31, 2022
Dividend income	15,181	450
Interest income	2,499	1,427
Net gain on FVTPL investments and derivative financial instruments	5,489	1,062
Lease rentals	396	245
Government grant	447	447
Sale of scrap	332	252
Miscellaneous income	1,994	2,157
	<b>26,338</b>	<b>6,040</b>

## 25. Network operating expenses

	For the year ended	
	March 31, 2023	March 31, 2022
Passive infrastructure charges	49,419	45,793
Power and fuel	79,640	74,402
Repair and maintenance	37,170	34,474
Internet bandwidth and leased line charges	12,543	12,348
Others*	5,085	4,860
	<b>183,857</b>	<b>171,877</b>

\*It mainly includes charges towards managed services, installation, insurance and security.

## 26. Employee benefits expense

	For the year ended	
	March 31, 2023	March 31, 2022
Salaries and bonus	15,236	14,328
Contribution to provident and other funds	999	876
Staff welfare expenses	1,140	984
Defined benefit plan / other long-term benefits	766	610
Share based payment expense	961	617
Others*	562	539
	<b>19,664</b>	<b>17,954</b>

\*It mainly includes recruitment and training expenses.

### 26.1 Share-based payment plans

The following table provides an overview of all share option plans of the Company:

Scheme	Plan	Vesting period (years)	Contractual term (years)
<b>Equity settled Plans</b>			
Scheme I	2006 Plan	1 - 5	7
Scheme 2005	Long-term Incentive (LTI) Plan	1 - 3	7

The stock options vesting are subject to service and certain performance conditions mainly pertaining to certain financial parameters.

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The movement in the number of stock options and the related weighted average exercise price are as follows:

	For the year ended			
	March 31, 2023		March 31, 2022	
	Number of share options ('000)	Weighted average exercise price (₹)	Number of share options ('000)	Weighted average exercise price (₹)
<b>2006 Plan</b>				
Outstanding at beginning of year	-	-	113	5.00
Granted	-	-	-	-
Exercised	-	-	(113)	5.00
Outstanding at end of year	-	-	-	-
Exercisable at end of year	-	-	-	-
<b>LTI Plan</b>				
Outstanding at beginning of year	3,223	5.00	3,048	5.00
Granted	3,283	5.00	1,956	5.00
Exercised	(648)	5.00	(1,297)	5.00
Forfeited / expired	(347)	5.00	(484)	5.00
Outstanding at end of year	5,511	5.00	3,223	5.00
Exercisable at end of year	1,395	5.00	904	5.00

Range of weighted average remaining contractual life, weighted average fair value and weighted average share price for the options are as follows:

	March 31, 2023	March 31, 2022
Remaining contractual life for the options outstanding as of (years)	0.4 to 6.4	0.4 to 6.4
Fair value for the options granted during the year ended (₹)	347.7 to 692.8	347.7 to 595.1
Share price for the options exercised during the year ended (₹)	640.9 to 851.2	581.7 to 716.6

The fair value of options is measured using Black-Scholes valuation model. The key inputs used in the measurement of the grant date fair valuation of equity settled plans is given in the table below:

	For the year ended	
	March 31, 2023	March 31, 2022
Risk free interest rates	6.9% to 7%	5.5% to 5.8%
Expected life	48 to 60 months	48 to 60 months
Volatility	28.7%	32.8%
Dividend yield	0.4%	0.3%
Exercise price (₹)	5	5
Share price on the date of grant (₹)	709.85	607.8

The expected life of the stock options is based on the Company's expectations and is not necessarily indicative of exercise patterns that may actually occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the expected life of the options is indicative of future trends, which may not necessarily be the actual outcome. Further, the expected volatility is based on the weighted average volatility of the comparable benchmark companies.

## 26.2 Employee benefits

The details of significant employee benefits are as follows:

	For the year ended			
	March 31, 2023		March 31, 2022	
	Gratuity	Compensated absences	Gratuity	Compensated absences
<b>Obligation:</b>				
Balance as at beginning of the year	2,327	856	2,338	912
Current service cost	361	214	303	178
Interest cost	168	62	158	62
Benefits paid	(483)	(176)	(472)	(192)
Transfers	(7)	4	(13)	(9)
Remeasurements	123	(48)	13	(95)
<b>Present value of obligation</b>	<b>2,489</b>	<b>912</b>	<b>2,327</b>	<b>856</b>

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

	For the year ended			
	March 31, 2023		March 31, 2022	
	Gratuity	Compensated absences	Gratuity	Compensated absences
<b>Assets:</b>				
Balance as at beginning of the year	4	-	4	-
Interest income	2	-	0	-
<b>Fair value of plan assets</b>	<b>6</b>	-	<b>4</b>	-
<b>Liability recognised in the balance sheet</b>	<b>2,483</b>	<b>912</b>	<b>2,323</b>	<b>856</b>
<b>Current portion</b>	787	912	616	856
<b>Non-Current portion</b>	1,696	-	1,707	-

As of March 31, 2023, expected contributions for the next annual reporting period is ₹ 545.

## Amount recognised in OCI

	For the year ended	
	March 31, 2023	March 31, 2022
Experience losses	149	72
(Gains) / losses from change in demographic assumptions	(11)	11
Gains from change in financial assumptions	(15)	(70)
<b>Remeasurements on defined benefit plans</b>	<b>123</b>	<b>13</b>

## Due to its defined benefits plans, the Company is exposed to the following significant risks:

**Changes in bond yields** - A decrease in bond yields will increase plan liability.

**Salary risk** - The present value of the defined benefits plans liability is calculated by reference to the future salaries of the plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The financial (per annum rates) and demographic assumptions used to determine defined benefits obligations are as follows:

	As of	
	March 31, 2023	March 31, 2022
Discount rate	7.38%	7.20%
Rate of return on plan assets	7.20%	6.70%
Rate of salary increase	7.00%	7.00%
Rate of attrition	19% to 43%	12% to 35%
Retirement age	58	58

## Sensitivity analysis

The Company regularly assesses these assumptions with the projected long-term plans and prevalent industry standards.

The impact of sensitivity due to changes in the significant actuarial assumptions on the defined benefits obligations is given in the table below:

	Change in assumption	As of	
		March 31, 2023	March 31, 2022
		<b>Effect on defined benefits obligations for gratuity</b>	
Discount Rate	+1%	(69)	(80)
	-1%	74	86
Salary Growth Rate	+1%	73	86
	-1%	(69)	(81)

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The above sensitivity analysis is determined based on a method that extrapolates the impact on the net defined benefit obligations, as a result of reasonable possible changes in the significant actuarial assumptions. Further, the above sensitivity analysis is based on a reasonably possible change in a particular underlying actuarial assumption, while assuming all other assumptions to be constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The table below summarises the maturity profile and duration of the gratuity liability:

	As of	
	March 31, 2023	March 31, 2022
Within one year	787	616
Within one - three years	807	694
Within three - five years	403	407
Above five years	596	721
Weighted average duration (in years)	2.90	4.45

## 27. Sales and marketing expenses

	For the year ended	
	March 31, 2023	March 31, 2022
Sales commission and distribution	32,534	22,829
Advertisement and marketing	6,835	5,133
Business promotion	1,166	1,103
Other ancillary expenses	5,848	2,432
	<b>46,383</b>	<b>31,497</b>

## 28. Other expenses

	For the year ended	
	March 31, 2023	March 31, 2022
Content costs	6,508	3,632
Customer care expenses	3,077	3,239
IT expenses	6,114	5,343
Collection and recovery expenses	2,032	1,179
Legal and professional fees^	927	901
Allowance for doubtful debts (refer note 13)	2,602	1,620
Travelling and conveyance	1,048	656
Bad debts written off	139	117
Cost of good sold	4,435	2,531
Charity and donation*	21	187
Others#	3,164	3,280
	<b>30,067</b>	<b>22,685</b>

<sup>^</sup>Details of Auditor's remuneration (excluding GST) included in legal and professional fees:

	For the year ended	
	March 31, 2023	March 31, 2022
Audit fee	85	85
Reimbursement of expenses	6	6
Other services (including certification)@	12	16
	<b>103</b>	<b>107</b>

<sup>@</sup>Professional service fee relating to Rights issue amounting to ₹ 10 has been adjusted with security premium during the year ended March 31, 2022. Hence, the same is not included in above.

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## \*Additional information pertaining to Corporate Social Responsibility (CSR)

	For the year ended	
	March 31, 2023	March 31, 2022
(i) amount required to be spent by the Company during the year	Nil	Nil
(ii) amount of expenditure incurred	₹ 6.48	₹ 149.23
(iii) shortfall at the end of the year	Nil	Nil
(iv) total of previous years shortfall	MCA vide notification dated January 22, 2021 laid down provisions for mandatory spend of required CSR contribution applicable for the year ended March 31, 2021 onwards. Owing to losses in three immediate preceding financial years, the Company is not under obligation to make any CSR contribution for the FY 2022-23, resultant there is no shortfall. Thus the shortfall for financial year ended March 31, 2023 and March 31, 2022 is Nil.	
(v) nature of CSR activities	The Company's CSR activities focus on promoting education for the underprivileged with special emphasis on girl child, livelihood enhancement education programmes, eradicating hunger, promoting preventive health care and sanitation.	
(vi) details of related party transactions	Contributed ₹ 6.48 to Bharti Foundation	Contributed ₹ 134.93 to Bharti Foundation

#It includes short-term and low value lease payments, printing and stationery, security, repairs and maintenance expenses, etc. Further, it includes political contributions amounting to ₹ 300 and ₹ 720 made under Section 182 of the Act during the year ended March 31, 2023 and March 31, 2022 respectively.

## 29. Depreciation and amortisation expenses

	For the year ended	
	March 31, 2023	March 31, 2022
Depreciation on PPE (refer note 5)	144,203	136,252
Depreciation on ROU (refer note 35)	52,482	44,469
Amortisation (refer note 6)	66,865	62,577
	<b>263,550</b>	<b>243,298</b>

## 30. Finance costs

	For the year ended	
	March 31, 2023	March 31, 2022
Interest expense	79,534	84,369
Interest expense - leases liabilities	27,509	17,239
Net exchange loss	18,644	7,523
Other finance charges*	19,631	23,077
	<b>145,318</b>	<b>132,208</b>

\*It mainly includes bank charges, trade finance charges, charges relating to derivative instruments and interest charges towards sub judice matters.

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## 31. Exceptional items

Exceptional items comprise of the following:

- i. For the year ended March 31, 2023:
  - a) Provision on account of impairment of investment in one of the joint ventures ₹ 42,764.
- ii. For the year ended March 31, 2022:
  - a) Net gain of ₹ 7,221 on account of transfer of spectrum right to another telecom operator.
  - b) Charge of ₹ 19,920 on account of one-time commercial settlement with a customer.
  - c) Gain of ₹ 9,525 on account of settlement with a strategic vendor.
  - d) Charge of ₹ 16,922 on account of impairment of investment and additional committed liability.

### Tax expense include:

Nil towards exceptional items for the year ended March 31, 2023.

Net benefit of ₹ 799 towards exceptional items for the year ended March 31, 2022.

## 32. Earnings per share ("EPS")

The details used in the computation of basic and diluted EPS:

	<b>For the year ended</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Loss attributable to equity shareholders as per Statement of Profit and Loss (A)	(896)	(38,637)
Weighted average number of equity shares for calculation of basic earnings per share (B) (in thousands)	5,643,644	5,549,342
Weighted average number of equity shares for calculation of diluted earnings per share (C) (in thousands)	5,643,644	5,549,342
Equity shares of face value ₹ 5 per share		
1. Basic (A/B)	(0.16)	(6.96)
2. Diluted (A/C)	(0.16)	(6.96)

For the year ended March 31, 2023, FCCBs and unpaid portion of partly paid up shares (March 31, 2022: FCCBs and unpaid portion of partly paid up shares) were excluded from the calculation of diluted weighted average number of equity shares as their effect would have been anti-dilutive.

## 33. Segment reporting

The Company publishes these Financial Statements along with the Consolidated Financial Statements. In accordance with Ind AS 108, 'Operating Segments', the Company has disclosed the segment information only in the Consolidated Financial Statements.

## 34. Related party disclosures

### Subsidiaries

#### Indian

Bharti Hexacom Limited

Bharti Airtel Services Limited

Bharti Telemedia Limited

Indo Teleports Limited

Nxtra Data Limited

Nettel Infrastructure Investments Limited (amalgamated with the Company w.e.f. February 1, 2023, refer note 4(i))

Telesonic Networks Limited (amalgamated with the Company w.e.f. February 1, 2023, refer note 4(i))

Airtel Digital Limited

Airtel International LLP

Airtel Limited

OneWeb India Communications Private Limited (Acquired w.e.f. April 13, 2021)

Bharti Airtel Employees Welfare Trust

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## Foreign

Airtel Africa plc  
Airtel Africa Mauritius Limited  
Airtel (Seychelles) Limited  
Airtel Congo RDC S.A.  
Airtel Congo S.A.  
Airtel Gabon S.A.  
Gabon Towers S.A. (under liquidation)  
Airtel Madagascar S.A.  
Airtel Malawi plc  
Airtel Mobile Commerce (Kenya) Limited  
Airtel Mobile Commerce (Seychelles) Limited  
Airtel Mobile Commerce (Tanzania) Limited  
Airtel Mobile Commerce B.V.  
Airtel Mobile Commerce Holdings B.V.  
Airtel Mobile Commerce Limited  
Airtel Mobile Commerce Madagascar S.A.  
Airtel Mobile Commerce (Rwanda) Limited  
Airtel Mobile Commerce Tchad S.A.  
Airtel Mobile Commerce Uganda Limited  
Airtel Mobile Commerce Zambia Limited  
Airtel Mobile Commerce DRC B.V.  
Airtel Mobile Commerce Gabon B.V.  
Airtel Mobile Commerce Niger B.V.  
Airtel Money Kenya Limited  
Airtel Digital Services Holdings B.V.  
Airtel Africa Services (UK) Limited  
Airtel Money (RDC) S.A.  
Airtel Money Niger S.A.  
Airtel Money S.A.  
Airtel Money Trust (Terminated on January 28, 2022)  
Airtel Money Trust Fund  
Airtel Money Transfer Limited  
Airtel Money Tanzania Limited  
Airtel Mobile Commerce Congo B.V.  
Airtel Mobile Commerce (Seychelles) B.V.  
Airtel Mobile Commerce Madagascar B.V.  
Airtel Mobile Commerce Kenya B.V.  
Airtel Mobile Commerce Rwanda B.V.  
Airtel Mobile Commerce Malawi B.V.  
Airtel Mobile Commerce Uganda B.V.  
Airtel Mobile Commerce Tchad B.V.  
Airtel Mobile Commerce Zambia B.V.  
Airtel Mobile Commerce (Nigeria) Limited  
Airtel Mobile Commerce Nigeria B.V.

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

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 (France) SAS  
Bharti Airtel (Hong Kong) Limited  
Bharti Airtel (Japan) Private Limited  
Bharti Airtel (UK) Limited  
Bharti Airtel (USA) Limited  
Network i2i (Kenya) Limited  
Network i2i (UK) 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 International (Mauritius) Limited  
Bharti Airtel International (Mauritius) Investments Limited  
Bharti Airtel International (Netherlands) B.V.  
Bharti Airtel Kenya B.V.  
Bharti Airtel Kenya Holdings B.V.  
Bharti Airtel Lanka (Private) Limited  
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 Rwanda Holdings Limited  
Bharti Airtel Services B.V.  
Bharti Airtel Tanzania B.V.  
Bharti Airtel Uganda Holdings B.V.  
Bharti Airtel Zambia Holdings B.V.  
Bharti International (Singapore) Pte. Ltd.  
Bharti Airtel Overseas (Mauritius) Limited  
Bharti Airtel Holding (Mauritius) Limited  
Celtel (Mauritius) Holdings Limited  
Celtel Niger S.A.  
Channel Sea Management Company (Mauritius) Limited  
Congo RDC Towers S.A.  
Indian Ocean Telecom Limited

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Madagascar Towers S.A. (ceased to be a subsidiary w.e.f. November 2, 2021)  
Malawi Towers Limited (ceased to be a subsidiary w.e.f. March 24, 2022)  
Mobile Commerce Congo S.A.  
Montana International  
Network i2i Limited  
Partnership Investments S.a.r.l  
Société Malgache de Téléphone Cellulaire S.A.  
Tanzania Towers Limited (liquidated on April 12, 2021)  
The Airtel Africa Employee Benefit Trust  
The Registered Trustees of Airtel Money Trust Fund  
Airtel Mobile Commerce Services Limited  
Airtel Africa Telesonic Holdings B.V. (incorporated on June 29, 2021) & (Liquidated on December 6, 2021)  
Airtel Africa Telesonic B.V. (incorporated on June 29, 2021) & (Liquidated on December 6, 2021)  
SmartCash Payment Service Bank Limited (incorporated on November 30, 2021)  
Airtel Africa Telesonic Holdings Limited (incorporated on October 6, 2021)  
Airtel Africa Telesonic Limited (incorporated on October 6, 2021)  
Airtel Congo Telesonic Holdings (UK) Limited (incorporated on April 11, 2022)  
Airtel DRC Telesonic Holdings (UK) Limited (incorporated on April 11, 2022)  
Airtel Gabon Telesonic Holdings (UK) Limited (incorporated on April 11, 2022)  
Airtel Kenya Telesonic Holdings (UK) Limited (incorporated on April 11, 2022)  
Airtel Madagascar Telesonic Holdings (UK) Limited (incorporated on April 11, 2022)  
Airtel (M) Telesonic Holdings (UK) Limited (formerly known as Airtel Malawi Telesonic Holdings (UK) Limited) (incorporated on April 11, 2022)  
Airtel Niger Telesonic Holdings (UK) Limited (incorporated on April 11, 2022)  
Airtel Nigeria Telesonic Holdings (UK) Limited (incorporated on April 11, 2022)  
Airtel Rwanda Telesonic Holdings (UK) Limited (incorporated on April 11, 2022)  
Airtel Seychelles Telesonic Holdings (UK) Limited (incorporated on April 11, 2022)  
Airtel Tanzania Telesonic Holdings (UK) Limited (incorporated on April 11, 2022)  
Airtel Uganda Telesonic Holdings (UK) Limited (incorporated on April 11, 2022)  
Airtel Zambia Telesonic Holdings (UK) Limited (incorporated on April 11, 2022)  
Airtel Tchad Telesonic Holdings (UK) Limited (incorporated on April 11, 2022)  
Airtel (M) Telesonic Limited (incorporated on August 25, 2022)  
Airtel Kenya Telesonic Limited (incorporated on July 22, 2022)  
Airtel Nigeria Telesonic Limited (incorporated on August 26, 2022)  
Airtel Rwanda Telesonic Limited (incorporated on August 30, 2022)  
Airtel Telesonic Uganda Limited (incorporated on September 9, 2022)  
Airtel Zambia Telesonic Limited (incorporated on September 22, 2022)  
Airtel (Seychelles) Telesonic Limited (incorporated on September 21, 2022)  
Airtel Mobile Commerce Tanzania B.V. (incorporated on November 3, 2022)  
Nxtra Africa Data Holdings Limited (formerly known as Airtel Africa Data Center Holdings Limited) (incorporate on November 24, 2022)  
Nxtra Nigeria Data Holdings (UK) Limited (formerly known as Airtel Nigeria Data Center Holdings (UK) Limited) (incorporate on November 28, 2022)  
Nxtra Kenya Data Holdings (UK) Limited (formerly known as Airtel Kenya Data Center Holdings (UK) Limited) (incorporate on November 28, 2022)

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Nxtra DRC Data Holdings (UK) Limited (formerly known as Airtel DRC Data Center Holdings (UK) Limited) (incorporate on November 28, 2022)

Nxtra Gabon Data Holdings (UK) Limited (formerly known as Airtel Gabon Data Center Holdings (UK) Limited) (incorporate on November 28, 2022)

Nxtra Congo Data Holdings (UK) Limited (formerly known as Airtel Congo Data Center Holdings (UK) Limited) (incorporate on November 28, 2022)

Airtel Congo RDC Telesonic S.A.U. (incorporated on January 31, 2023)

Nxtra Africa Data (Nigeria) Limited (incorporated on March 16, 2023)

## **Ultimate controlling entity**

Bharti Enterprises (Holding) Private Limited. It is held by private trusts of Bharti family, with Mr. Sunil Bharti Mittal's family trust effectively controlling the said company

## **Entity having control over the Company**

### **Indian**

Bharti Telecom Limited

## **Entities having significant influence over the Company**

### **Foreign**

Pastel Limited

Singapore Telecommunications Limited

## **Associates**

### **Indian**

Airtel Payments Bank Limited

Juggernaut Books Private Limited

Hughes Communications India Private Limited (w.e.f January 4, 2022)

HCIL Comtel Private Limited (w.e.f. January 4, 2022) (subsidiary of Hughes Communications India Private Limited)

Hughes Global Education India Private Limited (w.e.f. January 4, 2022) (subsidiary of Hughes Communications India Private Limited)

Lavelle Networks Private Limited (w.e.f February 10, 2022)

### **Foreign**

Seychelles Cable Systems Company Limited

Robi Axiata Limited

RedDot Digital Limited (Subsidiary of Robi Axiata Limited)

## **Joint Ventures**

### **Indian**

Indus Towers Limited

SmarTx Services Limited (subsidiary of Indus Towers Limited)

FireFly Networks Limited

Indus Towers Employees Welfare Trust

### **Foreign**

Bridge Mobile Pte Limited

Bharti Airtel Ghana Holdings B.V.

Airtel Ghana Limited (ceased w.e.f October 12, 2021)

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Airtel Mobile Commerce (Ghana) Limited (ceased w.e.f. October 12, 2021)

Millicom Ghana Company Limited (under liquidation)

Mawezi RDC S.A. (incorporated on March 1, 2023)

## **Other entities with whom transactions have taken place during the reporting periods**

### **Fellow Companies (subsidiaries / associates other than that of the Company)**

#### **Subsidiaries**

Bharti Enterprises Limited (formerly known as Bharti Ventures Limited)

Bharti Management Services Limited (formerly known as Bharti Axa General Insurance Company Limited) (w.e.f. March 31, 2023)

#### **Associates**

##### **Indian**

Bharti Life Ventures Private Limited

Bharti Axa Life Insurance Company Limited

Bharti Management Services Limited (formerly known as Bharti Axa General Insurance Company Limited) (upto March 30, 2023)

#### **Others related parties\***

##### **Entities where Key Management Personnel and their relatives exercise significant influence**

Hike Private Limited

Bharti Foundation

Bharti (RBM) Holdings Private Limited

#### **Others**

Beetel Teletech Limited

Del Monte Foods Private Limited

Jersey Airtel Limited

Centum Learning Limited

Bharti Realty Limited

Bharti Land Limited

Guernsey Airtel Limited

Gourmet Investments Private Limited

Oak Infrastructure Developers Limited

Indian School of Business

IFFCO Kisan Sanchar Limited

Bharti Global Limited

Bharti Real Estates Limited

Deber Technologies Private Limited

Alborz Developers Limited

Populus Realty Limited

Vinta Realty Limited

Indian Continent Investment Limited

Viridian Limited

Urbancap Technologies India Private Limited

Dixon Electro Appliances Private Limited

AMPSolar Evolution Private Limited

\*'Other related parties' though not 'Related Parties' as per the definition under Ind AS 24,

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

'Related party disclosures' have been included by way of a voluntary disclosure, following the best corporate governance.

## **Key Management Personnel ('KMP')**

Sunil Bharti Mittal, Chairman

Gopal Vittal, Managing Director & CEO

Badal Bagri, Chief Financial Officer (Upto October 8, 2021)

Soumen Ray, Chief Financial Office (India & South Asia) (w.e.f. December 21, 2021)

Pankaj Tewari, Company Secretary

## **Non-executive Directors**

Chua Sock Koong

Craig Edward Ehrlich (upto August 3, 2021)

Dinesh Kumar Mittal

Kimsuka Narasimhan

Manish Kejriwal (upto September 25, 2022)

Nisaba Godrej (w.e.f. August 4, 2021)

Pradeep Kumar Sinha (w.e.f. May 18, 2022)

Rakesh Bharti Mittal

Shyamal Mukherjee (w.e.f. May 18, 2022)

Shishir Priyadarshi (upto October 31, 2022)

Tao Yih Arthur Lang

V. K. Viswanathan

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

In the ordinary course of business, there are certain transactions with the related parties, and all these transactions are on arm length basis. The transactions with related parties (other than with KMPs which are disclosed in note 34 (c)) for the year ended March 31, 2023 and March 31, 2022 respectively, are described below:

## (a) The summary of transactions with the above-mentioned parties is as follows:

	March 31, 2023			For the year ended			March 31, 2022			
	Subsidiaries	Joint ventures	Associates	Entities having significant influence	Other related parties#	Subsidiaries	Joint Ventures	Associates	Entities having significant influence	
Purchase of fixed assets / bandwidth	593	390	-	-	10,829	1,182	-	-	-	105
Sale of fixed assets / IRU given	1,535	-	-	-	-	601	-	-	-	640
Investments	6,834	8,106	0	-	-	96	24,378	1,148	-	-
Rendering of services	23,471	85	173	737	82	4,084	89	201	543	80
Receiving of services	49,577	31,339	4,090	162	446	38,383	25,151	3,719	188	567
Expenses incurred on behalf of others	4,482	9	251	-	-	4,152	9	280	-	0
Expenses incurred on behalf of the Company	11,042	-	114	-	187	4,425	-	64	-	185
Donation	-	-	-	-	6	-	-	-	-	140
Security deposit given / advances paid	-	-	-	-	107	-	-	-	-	105
Advance received/refund of security deposit given	-	36	-	-	49	-	-	-	-	298
Loans and advances given	48,508	-	-	-	-	56,650	-	-	-	-
Repayment / adjustment of loans and advances given	19,025	-	-	-	-	55,526	8	-	-	-
Loans taken	-	-	-	-	-	-	-	-	-	5,360
Repayment of loans taken	-	-	-	-	3,820	-	-	-	-	9,650
Interest charged by others	392	-	-	-	87	40	42	-	712	154
Interest charged by the Company	2,024	-	-	-	-	677	-	-	-	-
Reimbursement of energy expenses	-	56,800	-	-	52	-	48,812	-	-	0
Reimbursement of energy expenses charged to related party	4,853	-	-	-	-	4,295	50	-	-	-
Receiving of assets (ROU)	3,688	172,781	-	-	(1,507)	2,508	23,692	-	-	2,014
Repayment of lease liabilities	952	43,243	-	-	1,166	-	40,167	-	-	894
Dividend paid	654	-	-	-	8,325	1,046	898	-	-	-
Dividend income	1,329	13,852	-	-	-	450	-	-	-	-

# Other related parties / fellow companies

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The significant related party transactions are summarised below:

Sr. No.		For the year ended	
		March 31, 2023	March 31, 2022
<b>(i) Sale of fixed assets</b>			
<b>Subsidiary</b>			
Bharti Hexacom Limited		839	387
Bharti Airtel Services Limited		576	152
<b>Other related party</b>		-	640
Beetel Teletech Limited		-	
<b>(ii) Purchase of fixed assets</b>			
<b>Subsidiaries</b>			
Bharti Hexacom Limited		39	582
Bharti Airtel Services Limited		553	601
<b>Other related party</b>			
Beetel Teletech Limited		4,006	105
Bharti Realty Limited		5,800	-
Dixon Electro Appliances Private Limited		1,023	-
<b>(iii) Rendering of services</b>			
<b>Subsidiaries</b>			
Bharti Hexacom Limited		13,357	(4,330)
Bharti Airtel (UK) Ltd.		5,855	4,970
Nxtra Data Limited		913	696
Airtel Digital Limited		1,197	584
Bharti International (Singapore) Pte Limited		718	716
<b>Entity having significant influence over the Company:</b>			
Singapore Telecommunications Ltd.		737	543
<b>(iv) Receiving of services</b>			
<b>Subsidiaries</b>			
Bharti Hexacom Limited		10,261	8,885
Bharti Airtel (UK) Limited		9,326	6,361
Bharti Airtel Services Limited		793	344
Nxtra Data Limited		12,184	10,322
Network i2i Limited		6,248	4,997
Airtel Digital Limited		7,573	4,676
Bharti International (Singapore) Pte Limited		1,530	1,456
Airtel Uganda Limited		708	512
<b>Joint Venture#</b>			
Indus Towers Limited		31,184	24,995
<b>Associate</b>			
Airtel Payments Bank Limited		4,072	3,708
<b>(v) Reimbursement of energy expenses paid</b>			
<b>Joint Venture</b>			
Indus Towers Limited		56,800	48,806
<b>(vi) Reimbursement of energy expenses received</b>			
<b>Subsidiary</b>			
Nxtra Data Limited		4,789	4,295
<b>(vii) Expenses incurred on behalf of others</b>			
<b>Subsidiaries</b>			
Bharti Hexacom Limited		1,623	1,208
Bharti Telemedia Limited		1,077	1,318
Airtel Digital Limited		593	539
<b>(viii) Expenses incurred on behalf of the Company</b>			
<b>Subsidiaries</b>			
Bharti Airtel Services Limited		5,130	3,218
Airtel Digital Limited		5,828	1,078

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Sr. No.		For the year ended	
		March 31, 2023	March 31, 2022
<b>(ix)</b>	<b>Loans and advances given</b>		
	<b>Subsidiaries</b>		
	Bharti Airtel Services Limited	15,315	13,899
	Nxtra Data Limited	4,277	32,367
	Airtel Digital Limited	3,512	9,526
	Network i2i Limited	24,755	-
	Indo Teleports Limited	50	259
	Airtel Limited	0	-
	Bharti Airtel Employees Welfare Trust	600	600
<b>(x)</b>	<b>Repayment / adjustment of loans and advances given</b>		
	<b>Subsidiaries</b>		
	Bharti Airtel Services Limited	7,569	12,326
	Nxtra Data Limited	4,277	32,367
	Airtel Digital Limited^	6,041	9,955
	Indo Teleports Limited^	716	285
	Bharti Airtel Employees Welfare Trust	423	594
	<b>Joint Venture</b>		
	Firefly Networks Limited	-	8
<b>(xi)</b>	<b>Loan taken</b>		
	<b>Other related party</b>		
	Alborz Developers Limited	-	2,150
	Populus Realty Limited	-	1,450
	Vinta Realty Limited	-	1,760
<b>(xii)</b>	<b>Repayment of loan taken</b>		
	<b>Entity having control over the Company</b>		
	Bharti Telecom Limited	-	9,650
	<b>Other related party</b>		
	Alborz Developers Limited	1,240	910
	Populus Realty Limited	820	630
	Vinta Realty Limited	1,760	-
<b>(xiii)</b>	<b>Purchase of investments</b>		
	<b>Subsidiaries</b>		
	Airtel Digital Limited^	6,000	-
	OneWeb India Communications Private Limited	-	95
	Nxtra Data Limited	-	1
	Indo Teleports Limited^	834	-
	<b>Joint Venture</b>		
	Indus Towers Limited	8,106	24,378
	<b>Associates</b>		
	Hughes Communications India Pvt. Ltd.	0	998
	Lavelle Networks Private Limited	-	150
<b>(xiv)</b>	<b>Interest charged by the Company</b>		
	<b>Subsidiaries</b>		
	Bharti Airtel Services Limited	549	-
	Network i2i Limited	1,073	207
<b>(xv)</b>	<b>Interest charged by the others</b>		
	<b>Entity having control over the Company</b>		
	Bharti Telecom Limited	-	712
<b>(xvi)</b>	<b>Receiving of assets (ROU)**</b>		
	<b>Subsidiaries</b>		
	Bharti Airtel Services Limited	3,688	2,508

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Sr. No.		For the year ended	
		March 31, 2023	March 31, 2022
	<b>Joint venture</b>		
	Indus Towers Limited	172,781	23,692
	<b>Other related party</b>		
	Bharti Realty Limited	(1,507)	2,014
(xvii)	<b>Dividend income</b>		
	<b>Subsidiaries</b>		
	Bharti Airtel Services Limited	1,329	450
	<b>Joint Venture</b>		
	Indus Towers Limited	13,852	-
(xviii)	<b>Dividend paid</b>		
	<b>Subsidiaries</b>		
	Bharti Airtel Services Limited	646	898
	<b>Entity having control over the Company</b>		
	Bharti Telecom Limited	6,006	-
	<b>Entities having significant influence over the Company</b>		
	Pastel Limited	2,319	-
	<b>Other related party</b>		
	Indian Continent Investment Limited	1,012	-

<sup>^</sup> Loan conversion into equity amounting ₹ 2,415 and 694 respectively for Airtel Digital Limited and Indo Teleports Limited

# Amount does not include GST

\* Amount disclosed above is net of termination. During the year ended March 31, 2023, the Company has made payment of ₹ 45,361 in respect of the lease liabilities.

## (b) The outstanding balances of the above-mentioned related parties are as follows:

	Subsidiaries	Joint ventures	Associates	Entities having significant influence	Other related parties*
<b>As of March 31, 2023</b>					
Trade payables	5,153	35,086	18	156	1,109
Trade receivables	654	-	522	-	107
Loans and advances (including accrued interest)	44,740	-	-	-	-
Guarantees and collaterals	349,854	-	-	-	-
Unutilized facilities	78,447	-	-	-	-
Lease liabilities@	5,675	261,454	-	-	4,304
Other financial assets (amount recoverable from related party)	741	1,458	91	-	934
<b>As of March 31, 2022</b>					
Trade payables	23,107	26,056	66	192	342
Trade receivables	1,325	2	131	-	42
Loans and advances (including accrued interest)	12,997	-	-	-	-
Borrowings (including accrued interest)	-	-	-	-	3,820
Guarantees and collaterals	362,579	-	-	-	-
Unutilized facilities	130,437	40	-	-	-
Lease liabilities@	2,548	115,161	-	-	3,266
Other financial assets (amount recoverable from related party)	1,167	1,510	117	-	923

\* Other related parties / fellow companies

@ It includes discounted value of future cash payouts.

Outstanding balances at year end are un-secured and settlement occurs in cash.

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The Company has agreed to ensure appropriate financial support only if and to the extent required by its subsidiaries namely Bharti Airtel Lanka (Private) Limited, Indo Teleports Limited, Airtel Limited, Bharti International (Singapore) Pte Limited, Bharti Airtel Holding (Mauritius) Limited, Network i2i Limited, Airtel Africa Mauritius Limited, Bharti Airtel International (Mauritius) Investments Limited.

## **(c) Transactions and balances with Key Management Personnel ('KMP') and Directors**

KMPs are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director, whether executive or otherwise.

Remuneration to KMP and directors were as follows:

	<b>For the year ended</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Short-Term employee benefits	286	218
Performance linked Incentive ('PLI')	128	113
Post-employment benefit	22	21
Share-based payment	131	108
Other benefits	76	113
	<b>643</b>	<b>573</b>

- Value of PLI, as shown above, represents incentive at 100% performance level. However, the same will be paid in the next year on the basis of actual performance parameters. During the year ended March 31, 2023 and 2022, PLI of ₹ 135 and ₹ 138 respectively has been paid.
- As the liabilities for the gratuity and compensated absences are provided on an actuarial basis, and calculated for the Company as a whole rather than each of the individual employees, the said liabilities pertaining specifically to key managerial personnel are not known and hence, not included in the above table.

### **3. In addition to the above:**

- ₹ 6 has been paid to one of the KMP during the year ended March 31, 2022 towards post-employment benefits, upon his resignation from the Company.
  - ₹ 4 and ₹ Nil have been paid as dividend to KMP during the year ended March 31, 2023 and March 31, 2022 respectively.
4. "Other Benefits" include commission to Non-Executive Directors (including Independent Directors) and sitting fees paid to the Independent Directors.

## **(d) The details of loans and advances as required by Schedule V of SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015 are given in the table below:**

	<b>March 31, 2023</b>		<b>March 31, 2022</b>	
	<b>Outstanding balance</b>	<b>Maximum amount outstanding during the year</b>	<b>Outstanding balance</b>	<b>Maximum amount outstanding during the year</b>
<b>Subsidiaries</b>				
Indo Teleports Limited	-	706	666	731
Nxtra Data Limited	-	1,093	-	6,065
Bharti Airtel Services Limited	11,015	12,871	3,207	4,019
Airtel Digital Limited	-	3,969	2,529	3,962
Network i2i Limited	32,007	32,007	5,055	5,055
Airtel Limited	0	0	-	-
Bharti Airtel Employees Welfare Trust	1,718	1,983	1,540	1,632
<b>Joint Venture</b>				
Firefly Networks Limited	-	-	-	8
	<b>44,740</b>	<b>52,629</b>	<b>12,997</b>	<b>21,472</b>

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## 35. Leases

### Company as a lessee

#### ROU

The following table presents the reconciliation of changes in the carrying value of ROU assets for the year ended March 31, 2023 and March 31, 2022:

	<b>Bandwidth</b>	<b>Plant and equipment</b>	<b>Building</b>	<b>Land</b>	<b>Total</b>
<b>Balance at April 1, 2021</b>	<b>40,146</b>	<b>148,929</b>	<b>8,699</b>	<b>14,626</b>	<b>212,400</b>
Additions	5,184	39,907	2,795	5,624	53,510
Depreciation expense	(4,001)	(36,139)	(1,885)	(2,444)	(44,469)
Termination / other adjustments	163	2,338	(891)	(3,369)	(1,759)
<b>Balance at March 31, 2022</b>	<b>41,492</b>	<b>155,035</b>	<b>8,718</b>	<b>14,437</b>	<b>219,682</b>
<b>Balance at April 1, 2022</b>	<b>41,492</b>	<b>155,035</b>	<b>8,718</b>	<b>14,437</b>	<b>219,682</b>
Additions	2,055	229,936	4,152	3,469	239,612
Depreciation expense	(3,655)	(44,353)	(1,926)	(2,548)	(52,482)
Termination / other adjustments	-	(5,814)	(2,268)	(1,704)	(9,786)
<b>Balance at March 31, 2023</b>	<b>39,892</b>	<b>334,804</b>	<b>8,676</b>	<b>13,654</b>	<b>397,026</b>

- Bandwidth**

The Company's leases of bandwidth comprise of dark fiber.

- Plant and equipment**

The Company leases passive infrastructure for providing telecommunication services under composite contracts that include lease of passive infrastructure and land on which the passive infrastructure is built as well as maintenance, security, provision of energy and other services.

- Building**

The Company's leases of building comprise of lease of offices, warehouses and shops.

- Land**

The Company's leases of land comprise of land taken on lease on passive infrastructure is built and offices.

### Amounts recognised in Statement of Profit and Loss

#### Leases under Ind AS 116

	<b>For the year ended</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Interest on lease liabilities	27,509	17,239
Expenses relating to short-term leases	51	35
Expenses relating to leases of low value assets, excluding short-term leases of low value assets	222	192
	<b>27,782</b>	<b>17,466</b>

### Amount recognised in Statement of Cash Flows

	<b>For the year ended</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Cash outflow for leases	44,499	49,845

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be paid after the reporting date.

	<b>For the year ended</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Not later than one year	90,341	63,646
Later than one year but not later than five years	260,089	140,410
Later than five years	203,412	84,882
	<b>553,842</b>	<b>288,938</b>

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## Company as a lessor – operating lease

The Company 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 Company, such arrangements are recognised as operating lease. The contracted price is recognised as revenue during the tenure of the agreement. Unearned IRU revenue received in advance is presented as deferred revenue within liabilities in the Balance Sheet.

## Amounts recognised in Statement of Profit and Loss

	For the year ended	
	March 31, 2023	March 31, 2022
Rental income	400	245

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

	As of	
	March 31, 2023	March 31, 2022
Less than one year	411	250
One to two years	402	192
Two to three years	407	5
Three to four years	412	1
Four to five years	424	1
More than five years	568	2
	<b>2,624</b>	<b>451</b>

Company has entered into non-cancellable lease arrangements to provide dark fiber on IRU basis and tower assets on site-sharing basis. Due to the nature of these transactions, it is not possible to compute gross carrying amount, depreciation for the year and accumulated depreciation of the asset given on operating lease as of March 31, 2023 and March 31, 2022 and accordingly, the related disclosures are not provided.

## 36. Financial and capital risk

### 1. Financial risk

The business activities of the Company expose it to a variety of financial risks, namely market risks (that is, foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's risk management strategies focus on the unpredictability of these elements and seek to minimise the potential adverse effects on its financial performance. Further, the Company uses certain derivative financial instruments to mitigate some of these risk exposures (as discussed below in this note).

The financial risk management for the Company is driven by the Company's senior management ('CSM'), in close co-ordination with the operating entities' internal / external experts subject to necessary supervision. The Company does not undertake any speculative transactions either through derivatives or otherwise. The CSM are accountable to the Board of Directors and Audit Committee. They ensure that the Company's financial risk-taking activities are governed by appropriate financial risk governance framework, policies and procedures. The Board of Directors of the respective operating entities periodically reviews the exposures to financial risks, and the measures taken for risk mitigation and the results thereof.

#### i. Foreign currency risk

Foreign exchange risk arises on all recognised monetary assets and liabilities, and any highly probable forecasted transactions, which are denominated in a currency other than the functional currency of the Company. The Company has foreign currency trade payables, receivables and borrowings. However, foreign exchange exposure mainly arises from borrowings and trade payables denominated in foreign currencies.

The foreign exchange risk management policy of the Company requires it to manage the foreign exchange risk by transacting as far as possible in the functional currency. Moreover, the Company monitors the movements in currencies in which the borrowings / capex vendors are payable and manage any related foreign exchange risk, which inter-alia include entering into foreign exchange derivative contracts - as considered appropriate and whenever necessary. For

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

further details as to foreign currency borrowings, refer note 17. Further, for the details as to the fair value of various outstanding derivative financial instruments, refer note 37.

## Foreign currency sensitivity

The impact of foreign exchange sensitivity on profit / (loss) for the year and OCI is given in the table below:

	Change in currency exchange rate	Effect on profit / (loss) before tax	Effect on equity (OCI)
<b>For the year ended March 31, 2023</b>			
US Dollars	+5%	(3,628)	-
	-5%	3,628	-
Others	+5%	56	-
	-5%	(56)	-
<b>For the year ended March 31, 2022</b>			
US Dollars	+5%	(6,435)	-
	-5%	6,435	-
Others	+5%	27	-
	-5%	(27)	-

The sensitivity disclosed in the above table is mainly attributable to, in case of to foreign exchange gains / (losses) on translation of USD denominated borrowings, derivative financial instruments, trade payables, and trade receivables.

The above sensitivity analysis is based on a reasonably possible change in the underlying foreign currency against the respective functional currency while assuming all other variables to be constant.

Based on the movements in the foreign exchange rates historically and the prevailing market conditions as at the reporting date, the Company's management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

## ii. Interest rate risk

As the Company does not have exposure to any floating-interest bearing assets, its interest income and related cash inflows are not affected by changes in market interest rates. Consequently, the Company's interest rate risk arises mainly from borrowings.

### Borrowings

Borrowings with floating and fixed interest rates expose the Company to cash flow and fair value interest rate risk respectively. However, the short-term borrowings of the Company do not have a significant fair value or cash flow interest rate risk due to their short tenure. Accordingly, the components of the debt portfolio are determined by the CSM in a manner which enables the Company to achieve an optimum debt-mix basis its overall objectives and future market expectations.

The Company monitors the interest rate movement and manages the interest rate risk based on its risk management policies, which inter-alia include entering into interest swaps contracts - as considered appropriate and whenever necessary.

### Interest rate sensitivity of borrowings

The impact of the interest rate sensitivity on profit / (loss) before tax is given in the table below:

	Increase / decrease (basis points)	Effect on profit / (loss) before tax
<b>For the year ended March 31, 2023</b>		
INR - borrowings	+100	(626)
	-100	626
<b>For the year ended March 31, 2022</b>		
INR - borrowings	+100	(408)
	-100	408

The sensitivity disclosed in the above table is attributable to floating-interest rate borrowings.

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The above sensitivity analysis is based on a reasonably possible change in the underlying interest rate of the Company's borrowings in INR, USD (being the significant currencies in which it has borrowed funds), while assuming all other variables (in particular foreign currency rates) to be constant.

Based on the movements in the interest rates historically and the prevailing market conditions as at the reporting date, the Company's management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

## iii. Price risk

The Company invests its surplus funds in various mutual funds (debt fund, equity fund, liquid schemes and income funds etc.), short-term debt funds, government securities and fixed deposits. In order to manage its price risk arising from investments, the Company diversifies its portfolio in accordance with the limits set by the risk management policies.

## iv. Credit risk

Credit risk refers to the risk of default on its obligation by the counter-party, the risk of deterioration of credit-worthiness of the counter-party as well as concentration risks of financial assets, and thereby exposing the Company to potential financial losses.

The Company is exposed to credit risk mainly with respect to trade receivables, investment in bank deposits / debt securities / mutual funds and derivative financial instruments.

### Trade receivables

The Trade receivables of the Company are typically non-interest bearing unsecured and derived from sales made to a large number of independent customers. As the customer base is widely distributed both economically and geographically, there is no concentration of credit risk.

As there is no independent credit rating of the customers available with the Company, the management reviews the credit-worthiness of its customers based on their financial position, past experience and other factors.

Credit risk related to the trade receivables is managed / mitigated by each business unit, basis the Company's established policy and procedures, by setting appropriate payment terms and credit period, and by setting and monitoring internal limits on exposure to individual customers. The credit period provided by the Company to its customers generally ranges from 14-30 days except Airtel business segment wherein it ranges from 7-90 days.

The Company uses a provision matrix to measure the ECL of trade receivables, which comprise a very large numbers of small balances. Refer note 13 for details on the impairment of trade receivables.

Based on the industry practices and the business environment in which the entity operates, management considers that the trade receivables are impaired if the payments are more than 90 / 120 days past due from due date / invoice date.

The ageing analysis of trade receivables as of the reporting date is as follows:

	Neither past due nor impaired	Past due but not impaired				Total
		Less Than 30 days	30 to 60 days	60 to 90 days	Above 90 days	
March 31, 2023	4,964	7,548	3,868	2,520	2,265	21,165
March 31, 2022	8,785	7,966	3,452	2,801	4,713	27,717

The Company performs ongoing credit evaluations of its customers' financial condition and monitors the credit-worthiness of its customers to which it grants credit in its ordinary course of business. The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amount due. Where the financial asset has been written-off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in the Statement of Profit and Loss.

### Financial instruments and cash deposits

The Company's treasury, in accordance with the board approved policy, maintains its cash and cash equivalents, deposits and investment in mutual funds and enters into derivative financial instruments - with banks, financial and other institutions, having good reputation and past track record, and high credit rating. Similarly, counter-parties of

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

the Company's other receivables carry either no or very minimal credit risk. Further, the Company reviews the credit-worthiness of the counter-parties (on the basis of its ratings, credit spreads and financial strength) of all the above assets on an ongoing basis, and if required, takes necessary mitigation measures.

## v. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. Accordingly, as a prudent liquidity risk management measure, the Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including bilateral loans, debt, and overdraft from both domestic and international banks at an optimised cost. It also enjoys strong access to domestic and international capital markets across debt and equity.

Moreover, the CSM regularly monitors the rolling forecasts of the entity's liquidity reserve (comprising of the amount of available un-drawn credit facilities and cash and cash equivalents) and the related requirements, to ensure they have sufficient cash on an on-going basis to meet operational needs while maintaining sufficient headroom at all times on its available un-drawn committed credit facilities, so that there is no breach of borrowing limits or relevant covenants on any of its borrowings. For details as to the borrowings, refer note 17.

Based on past performance and current expectations, the Company believes that the cash and cash equivalents, cash generated from operations and available un-drawn credit facilities, will satisfy its working capital needs, capital expenditure, investment requirements, commitments and other liquidity requirements associated with its existing operations, through at least the next twelve months.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:-

	As of March 31, 2023						
	Carrying amount	On Demand	Less than 6 months	6 to 12 months	1 to 2 years	> 2 years	Total
Interest bearing borrowings**#	1,448,487	64	11,953	54,418	117,578	2,260,840	2,444,853
Other financial liabilities#	134,382	6,701	113,789	44	8	13,840	134,382
Trade payables	259,989	-	259,989	-	-	-	259,989
Lease liabilities	410,553	-	54,138	36,203	69,614	393,887	553,842
<b>Financial liabilities (excluding derivatives)</b>	<b>2,253,411</b>	<b>6,765</b>	<b>439,869</b>	<b>90,665</b>	<b>187,200</b>	<b>2,668,567</b>	<b>3,393,066</b>
Derivative assets	1,044	-	901	62	-	81	1,044
Derivative liabilities	(532)	-	(439)	(93)	-	-	(532)
<b>Net derivatives</b>	<b>512</b>	<b>-</b>	<b>462</b>	<b>(31)</b>	<b>-</b>	<b>81</b>	<b>512</b>

	As of March 31, 2022						
	Carrying amount	On Demand	Less than 6 months	6 to 12 months	1 to 2 years	> 2 years	Total
Interest bearing borrowings**#	1,100,478	-	99,328	29,928	72,348	1,683,073	1,884,677
Other financial liabilities#	84,465	6,360	62,862	2,446	400	12,397	84,465
Trade payables	255,763	-	255,763	-	-	-	255,763
Lease liabilities	222,811	-	40,177	23,469	40,415	184,877	288,938
<b>Financial liabilities (excluding derivatives)</b>	<b>1,663,517</b>	<b>6,360</b>	<b>458,130</b>	<b>55,843</b>	<b>113,163</b>	<b>1,880,347</b>	<b>2,513,843</b>
Derivative assets	316	-	227	89	-	-	316
Derivative liabilities	(176)	-	(174)	(2)	-	-	(176)
<b>Net derivatives</b>	<b>140</b>	<b>-</b>	<b>53</b>	<b>87</b>	<b>-</b>	<b>-</b>	<b>140</b>

\*It includes contractual interest payment based on interest rate prevailing at the end of the reporting period over the tenor of the borrowings.

#Interest accrued has been included in interest bearing borrowings and excluded from other financial liabilities.

The Company from time to time in its usual course of business guarantees certain indebtedness of its subsidiaries. The outflow in respect of these guarantees arises only on any default / non-performance of the subsidiary with respect to the guaranteed debt / advance. Such loans are due for re-payment between 2 to 25 years from the reporting date (refer note 22).

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## vi. Reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities in the Statement of Cash Flows:

Balance sheet caption	Statement of cash flows line item	April 1, 2022	Cash flows	Non-cash changes				March 31, 2023
				Interest capitalised	Interest expense	Foreign exchange movement	Others	
Borrowings*	Proceeds / repayments of borrowings (including short-term)	380,175	(80,242)	-	-	17,482	(2,574)	314,841
Interest accrued	Interest and other finance charges paid	24,238	(34,878)	14,172	126,674	-	(88,129)	42,077
Lease liabilities	Payment of lease liabilities	222,811	(44,499)	-	-	-	232,241	410,553

Balance sheet caption	Statement of cash flows line item	April 1, 2021	Cash flows	Non-cash changes				March 31, 2022
				Interest capitalised	Interest expense	Foreign exchange movement	Others	
Borrowings*	Proceeds / repayments of borrowings (including short-term)	310,357	60,048	-	-	6,889	2,881	380,175
Interest accrued	Interest and other finance charges paid	104,665	(104,427)	2,837	124,685	-	(103,522)	24,238
Lease liabilities	Payment of lease liabilities	216,714	(49,845)	-	-	-	55,942	222,811

\*It does not include deferred payment liabilities, lease liabilities and bank overdraft.

## vii. Disclosure of non-cash transactions

	For the year ended	
	March 31, 2023	March 31, 2022
ROU additions during the year by means of lease	239,612	53,510
Acquisition of intangible assets and IAUD acquired by means of deferred payment liability	332,495	116,153
Allotment of 11,930,543 equity shares against the conversion request of FCCBs	6,931	-
Conversion of outstanding unsecured loans (including interest) to Airtel Digital Limited and Indo Teleports Limited, wholly-owned subsidiaries, into equity investment	3,109	-

## 2. Capital risk

The Company's objective while managing capital is to safeguard its ability to continue as a going concern (so that it is enabled to provide returns and create value for its shareholders, and benefits for other stakeholders), support business stability and growth, ensure adherence to the covenants and restrictions imposed by lenders and / or relevant laws and regulations, and maintain an optimal and efficient capital structure so as to reduce the cost of capital. However, the key objective of the Company's capital management is to, ensure that it maintains a stable capital structure with the focus on total equity, uphold investor, creditor and customer confidence, and ensure future development of its business activities. In order to maintain or adjust the capital structure, the Company may issue new shares, declare dividends, return capital to shareholders, etc.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements.

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The Company monitors capital using a gearing ratio calculated as below:

	As of	
	March 31, 2023	March 31, 2022
Borrowings (refer note 17)	1,406,410	1,076,239
Less: Cash and cash equivalents	13,925	3,102
<b>Net debt (A)</b>	<b>1,392,485</b>	<b>1,073,137</b>
Equity	789,934	748,705
<b>Total capital</b>	<b>789,934</b>	<b>748,705</b>
<b>Capital and Net Debt (B)</b>	<b>2,182,419</b>	<b>1,821,842</b>
<b>Gearing Ratio (A/B)</b>	<b>63.80%</b>	<b>58.90%</b>

## 37. Fair value of financial assets and liabilities

The category wise details as to the carrying value and fair value of the Company's financial instruments are as follows:

	Level	Carrying value as of		Fair Value as of		
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
<b>Financial Assets</b>						
<b>FVTPL</b>						
Derivatives						
- Forward and option contracts	Level 2	1,044	316	1,044	316	
Investments - quoted	Level 1	24,907	7,974	24,907	7,974	
Investments - unquoted	Level 2	496	243	496	243	
<b>FVTOCI</b>						
Investments - unquoted	Level 2	69	69	69	69	
<b>Amortised cost</b>						
Investments - quoted		10,292	-	10,292	-	
Loans		41,763	11,288	41,763	11,288	
Trade receivables		21,165	27,717	21,165	27,717	
Cash and cash equivalents		13,925	3,102	13,925	3,102	
Other bank balances		505	312	505	312	
Other financial assets		218,064	211,790	218,064	211,790	
		<b>332,230</b>	<b>262,811</b>	<b>332,230</b>	<b>262,811</b>	
<b>Financial Liabilities</b>						
<b>FVTPL</b>						
Derivatives						
- Forward and option contracts	Level 2	532	176	532	176	
<b>Amortised cost</b>						
Borrowings - fixed rate	Level 1	247,529	322,085	247,180	338,492	
Borrowings - fixed rate	Level 2	1,091,505	696,064	1,154,715	732,302	
Borrowings - fixed rate		44,784	17,246	44,784	17,246	
Borrowings - floating rate		22,592	40,844	22,592	40,844	
Trade payables		259,989	255,763	259,989	255,763	
Other financial liabilities		176,459	108,703	176,459	108,703	
		<b>1,843,390</b>	<b>1,440,881</b>	<b>1,906,251</b>	<b>1,493,526</b>	

The following methods / assumptions were used to estimate the fair values:

- The carrying value of other bank balances, trade receivables, trade payables, short-term borrowings, floating-rate long-term borrowings, other current financial assets and liabilities approximate their fair value mainly due to the short-term maturities of these instruments / being subject to floating-rates.
- The fair value of non-current financial assets, other long-term borrowings and other financial liabilities is estimated by discounting future cash flows using current rates applicable to instruments with similar terms, currency, credit risk and remaining maturities.
- The fair values of derivatives are estimated by using pricing models, wherein the inputs to those models are based on readily observable market parameters. The valuation models used by the Company reflect the contractual terms of the derivatives (including the period to maturity), and market-based parameters such as interest rates, foreign exchange rates, volatility etc. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgement and inputs thereto are readily observable.

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The following table describes the key inputs used in the valuation (basis discounted cash flow technique) of the Level 2 financial assets / liabilities as of March 31, 2023 and March 31, 2022:

<b>Financial assets / liabilities</b>	<b>Inputs used</b>
- Forward and option contracts	- Forward currency exchange rates, interest rates
- Investments	- Prevailing interest rates in the market, future cashflows
- Fixed rate borrowings	- Prevailing interest rates in market, future payouts

During the year ended March 31, 2023 and year ended March 31, 2022, there were no transfers between Level 1 and Level 2 fair value measurements.

## 38. Title deeds of immovable properties not held in name of the Company

**As of March 31, 2023 and March 31, 2022**

<b>Relevant line item in the Balance Sheet</b>	<b>Description of item of property</b>	<b>Gross carrying value</b>	<b>Title deeds held in the name of</b>	<b>Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director</b>	<b>Property held since which date</b>	<b>Reason for not being held in the name of the Company</b>
PPE	Land	2,630	TTS defense	No	July 1, 2019	1. Ownership of land gross block amounting ₹ 2,630 and building gross block amounting ₹ 235 is transferred and vested in the Company through merger scheme of relevant consumer mobile businesses of TTS defense and TTML as per the Scheme of arrangement under Section 230 to Section 232 of the Companies Act, 2013 approved by National Company Law Tribunal. The titles are pending mutation in the name of the Company.
PPE	Land	133	Amrit Bottlers Pvt. Limited	No	February 12, 2010	
<b>Total</b>		<b>2,763</b>				
PPE	Building	203	TTS defense	No	July 1, 2019	2. The Company is in possession, pending the contemplated conveyance of the property (land amounting ₹ 133 and building gross block ₹ 251) in favour of it. The conveyance deed is yet to be executed, owing the certain difference of opinion between the parties. Parties are presently engaged in mutual discussions to resolve the differences.
PPE	Building	32	TTML	No	July 1, 2019	
PPE	Building	251	Amrit Bottlers Pvt. Limited	No	February 12, 2010	
<b>Total</b>		<b>486</b>				
ROU	Land	15	TTS defense	No	July 1, 2019	Right to use of land & building is vested in the Company through merger scheme of relevant consumer mobile businesses of TTS defense as per the Scheme of arrangement under Section 230 to Section 232 of the Companies Act, 2013 approved by National Company Law Tribunal. The duly executed agreements are pending mutation in the name of the Company.
ROU	Building	235	TTS defense	No	July 1, 2019	
<b>Total</b>		<b>250</b>				

Further, PPE includes certain immovable properties having gross carrying value of ₹ 1,222 (net carrying value of ₹ 285) as of March 31, 2023, acquired as part of scheme of arrangements / amalgamations, which are still registered in the name of erstwhile group companies/ pending mutation in the name of the Company.

## 39. Other matters

In 1996, the Company had obtained the permission from DoT to operate its Punjab license through one of its wholly-owned subsidiary. However, DoT cancelled the permission to operate in April 1996 and subsequently reinstated in March 1998. Accordingly, for the period from April 1996 to March 1998 ('blackout period') the license fee was disputed and not paid by the Company.

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Subsequently, basis the demand from DoT in 2001, the Company paid the disputed license fee of ₹ 4,856 for black-out period under protest. Consequently, the license was restored subject to arbitrator's adjudication on the dispute. The arbitrator adjudicated the matter in favour of DoT, which was challenged by the Company before Delhi High Court. In 2012, Delhi High Court passed an order setting aside the arbitrator's award, which was challenged by DoT and is pending before its division bench. Meanwhile, the Company had filed a writ petition for recovery of the disputed license fee and interest thereto. However, the single bench, despite taking the view that the Company is entitled to refund, dismissed the writ petition. The Company therefore has filed appeal against the said order with division bench and is currently pending. DoT had also filed an appeal against the single judge order. Both these appeals are tagged together and are listed for final hearing.

## 40. Ratios

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	% Variance
Current ratio - [no. of times]	Current assets	Current liabilities	0.52	0.44	18.7%
Debt-equity ratio - [no. of times]*	Non-current borrowings (+) current borrowings (-) cash and cash equivalents	Equity	1.76	1.43	23.0%
Debt service coverage ratio - [no. of times]	Profit before depreciation, amortisation, finance costs, exceptional items and tax	Interest expenses (+) principal repayments of long-term debt (+) payment of lease liabilities	2.94	0.83	254.0%
Return on equity ratio - [no. of times]	Loss for the year	Average equity	(0.00)	(0.05)	97.8%
Trade receivables turnover ratio - [no. of days]	Average trade receivables	Revenue from operations / no. of days for the period	11	15	(31.1%)
Net capital turnover ratio - [no. of times]	Revenue from operations	Working capital (i.e. Current assets – Current liabilities)	(2.25)	(1.65)	(36.3%)
Net profit ratio (%)	Loss for the year	Revenue from operations	(0.1%)	(5.5%)	98.1%
Return on capital employed (%)	Adjusted EBIT	Average capital employed#	7.7%	5.5%	40.6%
Return on investment (%)	Income generated from investments at FVTPL	Time weighted average investments at FVTPL	6.9%	5.3%	29.1%

\*excluding lease liabilities

# Average capital employed = Average of (Equity + Net Debt - Current investments)

### Explanation where variance in ratios is more than 25%

#### Debt service coverage ratio

Increase because of lower dept repayments in current year

#### Return on equity ratio

Increase in business profits

#### Trade receivables turnover ratio

Decrease led by increase in revenue

#### Net capital turnover ratio

Due to improvement in working capital and increase in revenue

#### Net profit ratio

Improvement in business profits

#### Return on capital employed

Increase due to increase in EBIT led by higher business profits

#### Return on investment

Increase in lending rates and associated weighted average cost of capital

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Considering the principal activities of the Company, inventory turnover ratio and trade payables turnover ratio are not relevant.

## 41. Relationship with struck off companies

### Struck Off Companies Listing \_ FY 22-23

Nature of transactions	Name of struck off company	Companies with Outstanding Balance of More than INR 1 Mn	Companies with Outstanding Balance of Less than INR 1 Mn	Balance outstanding as of March 31, 2023	Balance outstanding as of March 31, 2022
Receivable	Parim Infoconn Private Limited			1	-
Payable	Kurtis Technologies Private Limited			-	1

4UFormulations Private Limited; Aarshtree Works Private Limited; Aaryanram Mart Retail Private Limited; Actisai Foodline Private Limited; Adarsh Metal Industries Private Limited; Aditya Inkjet Technologies Private limited; Airmaxx Telecom India Private Limited; Alloevella Medicines And Wellness Private Limited; Alpha Centauri Online Retail PrivateLimited; Amerisafe Financial Solutions (Opc) Private Limited; Anant Cement Co Private Limited; Anu Electro Controls Private Limited; Asio Technology (Opc) Private Limited; Athithi Bags Private Limited; Athithi Garments Private Limited; Atmidataware Private Limited; Baani Consultancies Private Limited; Ballglobe Private Limited; Banaswarna Television Private Limited; Bugsnield Infocom (Opc) Private Limited; Burgerwalaas Hr Private Limited; C M I Limited; Car & Care Auto Services Private Limited; Celexsa Technologies Private Limited; Centiventure Technologies India Private Limited; Cheel Exporter And Logistics Private Limited; Chemiron Impex Pvt. Ltd.; Cloudric Technologies Private Limited; Coexcelinfrasol Private Limited; Connectwell Network Private Limited; Creative Construction Group (Chennai)Private Limited; Credit Lifesciences Private Limited; Daytoday Technologies (Opc) Private Limited; Dev Motion Pictures Private Limited; Dhatureeahwar Mega Marketing Private Limited; Dhurawat Infra Solutions Private Limited; Discos Sales Pvt Ltd; Dream Casters Marketing Private Limited; Dyna Hotels & Restaurants Private Limited; Eame Annapoorni Private Limited; Eemot Impex Private Limited (Opc); Etel Uniagri Technicals Private Limited; Evermore Trading Private Limited; Eweb A1Professionals Private Limited; Exelence Marketing Services PrivateLimited; Ezee Flights Travel Private Limited; Fiton Healthcare Private Limited; Fly High Aviation Private Limited; Flying Peregrine Falcon Logisticsprivate Limited; Friends Global Services Private Limited; Gig Galaxy Private Limited; Gr8 Cabs Private Limited; Gw Technologies Private Limited; Gvtex Technologies Private Limited; H & T Facilities Management (Opc) Private Limited; Harisha Infratrade & Developers Private Limited; Hometexfab India Private Limited; Indcool Electrical Private Limited; Irukkankudi Mariamman Enterprises Private Limited; J.R. Exports (India) Private Limited; Jbj Television Network Private Limited; Jdlexunity Global Private Limited; Jee Lighting System Private Limited; Kaiser Global Private Limited; Keonics Magnavision Computers Limited; Khaapanji India Services Private Limited; Kiran Computers Private Limited; Knotty Labs Private Limited; Koolair Systems Private Limited; Kreditin Private Limited; Kumbat Electricals Private Limited; Lifeshreshakti Corporate Services; Ls Advisory Private Limited; M R Infraresource Private Limited; M. Venkata Rao Projects Private Limited; Magical Paradise Tech Private Limited; Matchmaker Technologies Private Limited; Megaaopes Solutions (Opc) Privatelimited; Migold Marketing Private Limited; Mother Land Hospitality Private Limited; Myprotree Foundations Private Limited; Naia Designs Private Limited; Nature Conservancy Consultancy Private Limited; New Asiatic Metal Trading Private Limited; Niles Gold India Private Limited; Nithyam Multi Services Private Limited; Nnb Services Private Limited; Overarching Solutions Private Limited; Paras Brand Solutions Private Limited; Patil Engineering Private Limited; Patil Engineering Private Limited; Paul Vision India Private Limited; Pcd Compusoft Private Limited; Perisoft Technologies Private Limited; Pinnacle (India) Private Limited; Prajwalraj It Solutions Private Limited; Print Express Private Limited; Propstudio Realtors Private Limited; Protinus Infotech Private Limited; Proviso India Private Limited; Ps Investors Brick Private Limited; Rajveer Tele Store (Opc) Private Limited; Rakuso Teletragic Private Limited; Rxice Events (Opc) Private Limited; S S Medical Management Consultants Private Limited; S3 Per Square Feet Private Limited; Sausha R&D Private Limited; Schmid Telecom India Private Limited; Sensational Buildtech Private Limited; Shakun And Company (Services) Pvt Ltd; Shanthi Green Energy Private Limited; Shrifal Infracon Private Limited; Slitt India Private Limited; Smartfid Technologies Private Limited

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Nature of transactions	Name of struck off company	Balance outstanding as of March 31, 2023	Balance outstanding as of March 31, 2022
Receivable	Sparkle India ISP Private Limited; Spider Prints Private Limited; Spinway International Private Limited; Sss Tech Engineers Private Limited; Super Gems Private Limited; Synergy Technologies Private Limited; Synergy Telecommunications Private Limited; Technoble Solutions India Private Limited; Tera Ventura Agro And Textiles Private Limited; Tractors India Ltd; Transact-One Financial Services Private Limited; Underground Pipeline And Non-Destructive Testing Services Private Limited; Ut Solutions (Opc) Private Limited; Vani Private Limited; Vewold Technology Private Limited; Vijyanta Dnari Security Services; Virtual-Masters Private Limited; Visaland Immigration Consultants (Opc) Private Limited; Vision Infocomm Private Limited; Viva Concrete Technologies Private Limited; Vivacura Global Pharmaceuticals Private Limited; Vkaseptic Nature Private Limited; Vkedutech Info Private Limited; Vs Healthcare Private Limited; Webhoq Private Limited; Way2Journey Excursion Private Limited; Webgo Technologies Private Limited; Webhoq Private Limited; Western Food And Beverage Private Limited; Xeno Erp Private Limited; Yashoda Hospital Private Limited; Zephyrs Recruiting Solutions Private Limited; Nature Conservancy Consultancy Private Limited; ACL Management Pvt Ltd; Blendz Lifestyle Pvt Ltd; Dynapt Technologies Private Limited; Enmail Com Pvt Limited; Getit Infoservices Limited; Market Probe India Pvt Ltd; Nivio Technologies India Pvt Ltd; Nivio Technologies India Pvt Ltd; Parastech Personnel Decisions International India Pvt Limited; Shakti Teleservices (P) Ltd; Sultipuous Eateries Company Pvt Ltd; Safety Training India Pvt Ltd; Ravit Infra Private Limited; Tiedot Technologies Trading And Services Private Limited; Alpha Gateway It Solutions Pvt Ltd; Paras Brand Solutions Private Limited; Ahead Communication Pvt Ltd; Alliance Net & Gateway Private Limited; S.S. Telesolutions Pvt. Ltd.; Spider Prints Pvt. Ltd.; Sahu Jain Services Ltd; Santrupti Engineers Private Limited; E2E Solutions Private Limited; Elena Management And Services Pvt Ltd; Anee Infrate Solutions Pvt Ltd; R R Movers And Logistics Pvt Ltd; Excelence Marketing Services Private Limited; Platinum Holdings Private Limited; Planet M Retail Ltd; Transact One Financial Services Pvt. Ltd.; Harisha InfraTrade & Developer Pvt Ltd; Chemiron Impex Private Limited; Clique Net India Pvt. Ltd.; Dyna Hotels And Restaurants Pvt. Ltd.; Gallyvaant Hotels & Resorts Pvt. Ltd.; Zephyrs Recruiting Solutions Pvt Ltd; Afan Healthcare And Infotech Pvt Ltd; Attis Global Solutions Pvt.Ltd ; Bali Globe Private Limited; Kwals Hospitality Opc Private Limited; Deed Technologies India Pvt. Ltd; CrowdSourcing Teleservices (Opc) Private Limited; A V Chiptronics Technology Pvt Ltd; Aadharshila Builders Pvt Ltd; Aargee Contracts Pvt. Ltd; Access Computech Private Limited; Aditya Inkjet Technologies Pvt Ltd; Ajay It Solutions Private Limited; Aka Consultants India Pvt. Ltd; Amets Software Private Limited; Anant Concrete Products Pvt. Ltd; Apex Auto Limited; Asirix Infotech Private Limited; Authentic Exports Imports Pvt. Ltd; B Lab. Pvt. Ltd; Chemical Construction Co. P. Ltd; Dataacee Chennai Pvt. Ltd; Dream Touch Trade India Private Limited; Eweels Logistics Services India Private Limited; Ezee Flight; Frlain Energy Pvt Ltd; Gamma Associates Pvt Ltd; Gem Granites Private Limited; Gmessys Smart Systems Private Limited; Hackberry Ind Trading Private Limited; Haldiram Snacks Pvt Ltd; Henry Marketing Private Limited; Hitech Events; Ids Increation India Private Limited; Indicure Health Tours Pvt Ltd; Indo British Garments Pvt. L; Infaura Educational Technology Private Limited; Integra Micro System; International Cylinders Pvt Ltd; International Trade Link Pvt Ltd; J S Fashion International Pvt Ltd; Jyve Geomatics Private Limited; Kanika Investment Limited; Ksk Energy Ventures Limited; Kumbhat Electricals Pvt. Ltd; La Casa InfraTech Private Limited; M Venkata Rao Infra Projects Private Limited; Manirochem India Pvt. Ltd ; Marriott Hotels India Private Limited; Mediatrix Advertising Private Limited; Mookh Salons And Academy Private Limited; N N B Services Private Limited; Nandini Exim Private Limited; Navratna Blue Crete Industries Private Limited; New Asiatic Metal Trading Pvt Ltd; Neway Engineers MsW Pvt Ltd; Oracle Trading Company Pvt Ltd; Patil Engineering; Pinnacle India; Prescient Technologies Pvt Ltd; Quantum Engineers And Fabricators Private Limited; R N S Motors Limited; Rcdk Advisory Services Private Limited; Riwara Facilities Management Services (Opc) Pvt Ltd; S3 Solutions Pvt. Ltd; Senator Inns Private Limited; Shubham Properties Pvt Ltd; Spunk Indo Marketing Pvt Ltd; Sri Arjaneya Agro Tech Private Limited; Sss Engineering; Sunnitron Exports Pvt Ltd; Sunray Hospitality Private Limited; Synergy Technologies Pvt Ltd; Ultra Petro Trade Pvt Ltd; Unicheck Analytical Laboratories Pvt Ltd; Vandana Overseas Private Limited; Vineet Securities Pvt Ltd; Xpress Professional Consultants Pvt Ltd; Zhooyi Media Works India Pvt Ltd; Beaute Lah Products Private Limited; Dbrc Technologies Private Limited; Khaggaraj Impex Private Limited; Kurtis Technologies Private Limited; NI Info Private Limited; Rajmahal Motels Private Limited; Shaping Culture Bpo Private Limited	7	8

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Nature of transactions	Name of struck off company	Balance outstanding as of March 31, 2023	Balance outstanding as of March 31, 2022
Payable	Voyo Technologies India Private Limited; Webgo Technologies Private Ltd; Chennene Bombay Private Limited; Cream Packs Private Limited; GI Technology Private Limited; Jwt Mindset Advertising Private Limited; V2B Solutions Private Limited; Vfor Solutions India Private Limited; Vision Personnel Ventures Private Limited; Pacific Intelligence Security Private Limited; Parim Infocomm Private Limited; F2Connect Private Limited; Lomafy Networking Private Limited; Azzori Private Limited; Lavaya Care Private Limited; Zippy King Private Limited	-	2
Receivable	Ainee Infratec And Construction Private Limited; Aswanthh Sivanandham Engineering Private Limited; Atharv Infocom Private Limited; Cpc Net Private Limited; Kanishk Wealth Management Private Limited; Mars Skyways Marketing And Consultancy Private Limited; Nit-Man Multi Services Private Limited; Octel Cloud Solutions Private Limited; Shri Sai Balaji Multimedia Private Limited; Indus Software Technologies Private Limited; Implore Infosolutions Pvt Ltd; Ainee Infratec & Construction Pvt Ltd; United Telecom E Services Pvt Ltd; Mars Skyways Marketing & Consultancy Pvt Ltd; Shri Sai Balaji Multimedia Pvt Ltd; Daksh Finman Consulting Pvt Ltd; Octel Cloud Solutions Pvt Ltd; Corporate Solutions And Marketing Services India Private Limited; Kanishk Wealth Management Pvt Ltd; Glittek Granites Ltd; IPA Private Limited; Impact Agencies Pvt Ltd; Invest Propmart Private Limited; Metro Fab Engineers Pvt Ltd; Peeraj Enterprises Pvt Ltd; Pooja Castings Private Limited; Rainbow Packaging Pvt Ltd; Rushi Herbal Pvt Ltd; Space Worx Services Pvt Ltd; Unique Compusoft P Ltd; Vani Pvt Ltd; Kurtis Technologies Private Limited; Amba Auto Industries Pvt Ltd	3	-

## Companies with Nil Outstanding Balance

AV Chiptroniks Technology Private Limited; Abhinav Awas Private Limited; Acecov Private Limited; Achiever World Cars Private Limited; Ad Worldwide-Tech Co Private Limited; Adysoft Developers And Edutech Private Limited; Alib Technology Private Limited; Alacare Private Limited; Alertx Intelligence Private Limited; Amisan Solutions Private Limited; Andi Madam Housing Promoters Private Limited; Aone Vehicles Private Limited; Air Trans India Logistics Private Limited; Arth Niti Sallagar Private Limited; Ascendentium Management Services Private Limited; Bcc Fuba India Limited; Binalchandray Infraengineers Private Limited; Billmo Solutions Private Limited; Boons Tech Private Limited; By Pass Swimming & Resort Ltd; Caliph Foods Private Limited; Cassiopiea Consultants Private Limited; Cinema Cinema Sale And Service Private Limited; Dckn It Services Private Limited; Dhalsana Infotech Private Limited; Coalchem Tradelink Private Limited; Connectwell Network Private Limited; Creative Kawach Studio Private Limited; Claim Easy Policy (Cpc) Private Limited; Dentistree Dental Care Private Limited; Dynamicalcastechologies Privatelimited; Edwind Software Private Limited; Eliewell Private Limited; Fayinx Technologies Private Limited; Flinthridge Technology Private Limited; Flivza Trading Private Limited; Fleetkart Logistics Private Limited; Genesys Technovation Private Limited; Gomtel Technology Private Limited; Graphic Box Private Limited; Halsana Infotech Private Limited; Hmpl Consulting Private Limited; Hpz Network Private Limited; Hwcc India Private Limited; Icube Business Solutions Private Limited; Intellic Tech Private Limited; Ishgouri Foods Private Limited; Jiffy Services (India) Private Limited; Kanika Investment Ltd; Kans Builders Private Limited; Karm Events And Management Privateumited; Key Retail Shopping Private Limited; M.N. Consultancy Services Private Limited; Manaswi Minerals Private Limited; Manikya Spirits & Breweries Private Limited; Marques Automotive Private Limited; Mtur Automotive Private Limited; New Gurgaon Consultancy Private Limited; P C Patel Agro Farm Pvt Ltd ; Pioneer Securities Pvt Ltd; Premiji Hotels Private Limited; Prm Automotives Private Limited; Qathan And Engineering (Cpc) Private Limited; Quadratic Consultants Private Limited; Requisite Development Services Private Limited; Risinglane Consulting Private Limited; Rk Maurya Industries International India Limited; Rmp Infotec Private Limited; Rushi Herbal Pvt Ltd ; SV Electronics Limited; Saan Infratech Private Limited; Saar Chem-Trade Private Limited; Sahayog Security And Manpower Services Private Limited; Shivashrit Engineers Private Limited; Shriyam Manufacturers Private Limited; Springfield Forestry Private Limited; Spunk Indo Marketings Private Limited; Super Sound And Vision Pvt Ltd; Tackile Parcel Service Private Limited; Sri Sadhguru Sai Corporate Services Private Limited; Technophile (India) Insurance Surveyors & Loss Assessors Private Limited

# Notes to Standalone Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Nature of transactions	Name of struck off company	Balance outstanding as of March 31, 2023	Balance outstanding as of March 31, 2022
Payable	Trade4Asia Private Limited; Transmit Telecom Call Center Private Limited; Trinetra Gold Private Limited; Tvmserver Hosting Solutions Private Limited; Unicheck Analytical Laboratories Private Limited; Unique Compusoft Private Limited; Varsha Logistics Private Limited; Ved Plus Impex Private Limited; Winmax Leathers Private Limited; Zenitan Digi Sol Private Limited; Zintol Fair Price Private Limited; Technobale Solutions India Private Limited; Aeiquom Ventures Pvt Ltd; Ankur Mercantile Pvt Ltd; Bajaj Brothers Pvt Ltd; BC To Ad Hyperlink Limited; Bookcab Travels India Private Limited; Boss Agro Chemicals P Ltd; Cassiopeia Consultants Pvt Ltd; Cmii Limited; Discos Sales Private Limited; Downtown Technologies Private Limited; Express Network Private Ltd; Good Guys Ventures Pvt Ltd; Gupta Roadlines Private Limited; Icube Business Solutions Pvt Ltd; Inani Textiles Private Limited; Ironite Company Of India Lt; Jiffy Services India Pvt Ltd; Jr Exports Pvt Ltd; Jvs Exports Private Limited; Keld Ellerhoff India Pvt Ltd; M/S Prometric Testing Pvt Ltd; Mas Technocreate Pvt Ltd; Pioneer Securities Pvt Ltd; Premiji Hotels Pvt Ltd; Pyxis Advisory Services Private Limited; RA Agencies Private Limited; Rmp Infotec Pvt Ltd; Saar Chem Trade Private Limited; Seeds And Grains India Pvt Ltd; Shahi Brothers Private Limited; Shivam Hotels Private Limited; Sri Vijayaram Chit Funds Pvt Ltd; Sterling Enterprises Private Limited; Super Gems India Pvt Ltd; Suviron Products Private Limited; Sy Electronics Ltd; Fairdeal Motors & Workshop Pvt Ltd; Opg Securities (Ifsc) Private Limited; M S Option Matrix Infotech Pvt Ltd; Shakun & Company Services Private Limited; Thermadyne Pvt Ltd; Umanag Trading Private Limited; Bengal Stores Ltd; BK Infrastructure Pvt Ltd; Webgo Technologies Private Ltd; Jammu-Aeo; Commscope Solutions India Pvt Ltd; Rainbow Childrens Medicare Pvt Ltd (Cn-1); Crown Agents (India) Private Limited; Crs Technologies India Private Limited; Dillinger India Steel Service Centre Private Limited; Elinx Software Private Limited; Flumenlogix Solutions Private Limited; Hilt Reality (OPC) Private Limited; Laxminfin Advisors Pvt Ltd; C Gate Builders And Developers Private Limited; Enfie Technologies Private Limited; Gaheli Center Of Researchand Development Pvt Ltd; Nonagon Trading Private Limited; Rsr India Mercantiles Limited; Sketch And Build Consultants Pvt Limited; Vinn Bpo Services India Private Ltd-T Dst-Coinbatore; Chanson Hospitality Private Limited; Griebs Web Solutions Private Ltd; Asent Reference & Direction Pvt Ltd; Gvn Holdings Pvt Limited; M/S Right Doctors Healthcare Technologies Pvt Ltd; Regatta Solution Pvt Ltd; Print Express Pvt Ltd; Right Drugs Pvt Ltd; Sumangalam Propmart; Panhee Kitchen Pvt Ltd; Phillip Agri Commodities Pvt Ltd; Sterling Cryo Gases Pvt Ltd; Ak Enterprises Private Limited; Amba Auto Industries Pvt Ltd; Germ Busters Private Limited; Pacific Intelligence Security Private Limited; Chemene Bombay Private Limited; Cream Packs Private Limited; GI Technology Private Limited; Germ Busters Private Limited; Jwt Mindset Advertising Private Limited; Kinden India Private Limited	Daksh Finman Consulting Private Limited; Deed Technologies India Private Limited; Earl Grey Hotels Private Limited; Galaxy Mercantile Limited; Innomark Solutions Private Limited; J.S.P. Mobile Solutions Private Limited; Knorr Bremse Systems(Commercialvehicles)India Pvt. Ltd; Magus Estates And Hotels Private Limited; Microland Limited; Multivision Infotech (India) Private Limited ; Piccadilly Holiday Resorts Ltd; United Telecoms E-Services Private Limited; Acube Promotion House Pvt Ltd; Multivision Infotech India Pvt Ltd; One Management And Entertainment Private Limited; V Multiply Solutions Pvt Limited	-

## 42. Compliance with approved Schemes of Arrangements

All the Schemes of Arrangements, approved by the Competent Authority under the relevant provisions of the Act, have been accounted for in the books of account of the Company in accordance with the Scheme and accounting standards.

## 43. Events after the reporting period

- i. Subsequent to the year ended March 31, 2023, the Company has entered into a binding term-sheet to combine operations of Bharti Airtel Lanka (Private) Limited, its wholly-owned subsidiary, with Dialog Axiata Plc ('Dialog'). The proposed transaction envisages the Company will be granted a stake in Dialog which is subject to signing of definitive agreements and necessary closing conditions including applicable regulatory and shareholder approvals.
- ii. Subsequent to the year ended March 31, 2023, the Company has, in accordance with the terms of the Offering Circular dated January 14, 2020 w.r.t FCCBs, allotted 844,407 equity shares of the face value of ₹ 5 each fully paid up at a conversion price of ₹ 521 per equity share, against the conversion request of FCCBs of USD 6.1 Mn.

# Independent Auditor's Report

To The Members of **BHARTI AIRTEL LIMITED**

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of **BHARTI AIRTEL LIMITED** ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which includes the Group's share of profit in its associates and joint ventures, which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the other auditor on separate financial statements of the associate referred to in the Other Matter section below, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards ('Ind AS') as notified by the Ministry of Corporate Affairs ('MCA') under section 133 of the Companies Act, 2013 ('Act'), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time)and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31, 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act ("SAs"). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report.

We are independent of the Group, its associates and joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by other auditor in terms of their report referred to in the Other Matter section below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

### Emphasis of Matter

#### **Material uncertainty at one of the largest customer of Indus Towers Limited, a Joint Venture and its consequential impact on Joint Venture Company's business operations**

We draw attention to Note 4(f) of the Consolidated Financial Statements, which describes the impact on business operations, receivables, property, plant and equipment and financial position of the Joint Venture Company on account of the Joint Venture Company's one of the largest customer's financial condition and its ability to continue as a going concern.

The customer's assumption of going concern is essentially dependent on its ability to raise additional funds as required and successful negotiations with lenders and vendors for continued support and generation of cash flow from its operations that it needs to settle its liabilities as they fall due.

Our opinion is not modified in respect of this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matter	Auditor's Response
1	<p><b>Revenue from operations:</b></p> <p>We considered accuracy of revenues relating to prepaid and postpaid Mobile Services, and Digital TV Services segments as a key audit matter because of the complexity of the IT systems, significance of volumes of data processed by the IT systems and the impact of changing pricing models (tariff structures, incentive arrangements and discounts, etc.).</p> <p>Refer note 2.19 "Revenue recognition" for accounting policies, note 3.2.a 'Revenue recognition and presentation' under the head Critical judgements in applying the Group's accounting policies', and note 24 on disclosures related to Revenue in the consolidated financial statements.</p>	<p><b>Principal Audit Procedures</b></p> <p>We obtained an understanding, evaluated the design and tested the operating effectiveness of (i) the general IT controls, automated controls, interfaces, control over plan configuration and system generated reports relevant for revenue recognition by involving our IT specialist; (ii) controls over recording of revenue relating to prepaid and postpaid mobile services, and Digital TV Services segments;</p> <p>We tested inter se reconciliations between relevant IT systems (such as billing system, prepaid application systems, active customer database) and with general ledger, and performed verification of revenue recognised, deferred and unbilled revenue.</p> <p>We made test calls to determine the accuracy of revenue recorded.</p> <p>We verified the appropriateness of the accounting policies and the disclosures related to Revenue in notes 2.19, 3.2.a and 24 respectively in the consolidated financial statements</p>
2	<p><b>Assessment of recoverability relating to Deferred tax assets("DTA) recognized on carry forward losses:</b></p> <p>The DTA balance as at March 31, 2023 of ₹1,89,519 Mn primarily relates to DTA on carry forward losses.</p> <p>The Group exercises significant judgement in assessing the recoverability of DTA relating to carry forward losses in respect of Bharti Airtel Limited ('the Parent'). In estimating the recoverability of DTA on carry forward losses, management uses inputs such as internal business and tax projections over a 10 year period.</p> <p>Recoverability of DTA on carry forward losses is considered a key audit matter as it is sensitive to the assumptions used by management in projecting the future taxable income, the reversal of deferred tax liabilities which can be scheduled, and tax planning strategies.</p> <p>Refer note 2.12 "Taxes" for accounting policies, note 3.1.b 'Taxes' under the head "Key sources of estimation uncertainties", and note 12 "Income tax" for disclosures related to taxes in the consolidated financial statements.</p>	<p><b>Principal Audit Procedures</b></p> <p>We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the process for determining the recoverability of the DTA relating to carry forward losses which included amongst others controls over the assumptions and judgements used in the projections of future taxable income and tax projections.</p> <p>To assess the Parent management's ability to estimate future taxable income, we compared the previous forecasts to actual results to determine its reasonableness and examined the consistency of projections used for assessing DTA recoverability with business projections used for goodwill impairment assessment.</p> <p>We involved our tax specialists in evaluating the tax planning strategies, opinion obtained by the Parent's management from its tax advisors and interpretation of tax laws used by the Parent's management in the tax projections for supporting the recoverability of DTA.</p>
3	<p><b>Provisions and contingencies relating to regulatory and tax matters:</b></p> <p>The Group has recognised provisions for probable outflows relating to legal, tax and regulatory matters and have disclosed contingencies for legal, tax and regulatory matters where the obligations are considered possible.</p> <p>The Group in consultation with the legal, tax and other advisers assess a likelihood that a pending matter relating to tax, legal or regulatory will succeed. In performing this assessment, the Group applies judgement and has recognised provisions based on whether additional amounts will be payable and has disclosed contingent liabilities where economic outflows are considered possible.</p> <p>We have considered the provisions recorded and the contingencies relating to tax, legal and regulatory matters as a key audit matter as there is significant judgement to determine the possible outcome of matters under dispute and determining the amounts involved, which may vary depending on the outcome of the matters.</p> <p>Refer note 2.18 "Contingencies" for accounting policies, 3.1.e 'Contingent liabilities and provisions' under the head "Key sources of estimation uncertainties", note 4(m) on AGR dues provision, note 20 "Provisions" for disclosure related to provisions for subjudice matters, and note 23 (i) in respect of details of Contingent liabilities in the consolidated financial statements.</p>	<p><b>Principal Audit Procedures:</b></p> <p>We obtained an understanding, evaluated the design and tested the operating effectiveness of internal controls relating to:</p> <p>(1) identification, evaluation, recognition of provisions, disclosure of contingencies for matters under review or appeal with relevant adjudicating authorities by considering the assumptions and information used by management in performing this assessment;</p> <p>(2) completeness and accuracy of the underlying data / information used in the assessment. For tax matters, with the help of our tax specialist, we evaluated the reasonableness of the management's positions by considering tax regulations and past decisions from tax authorities, new information and opinions obtained by the component management from its external tax advisors, where applicable. For regulatory matters, we evaluated the reasonableness of the management's positions by considering relevant assessment orders, court judgements, statutes, interpretations and amendments, circulars and external legal opinion obtained by the component management, where applicable. We also evaluated the disclosures provided in the notes to the consolidated financial statements concerning these matters.</p>

## **Information Other than the Financial Statements and Auditor's Report thereon**

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to the Board's Report, Business Responsibility & Sustainability Report and Corporate Governance Report, but does not include the Consolidated Financial Statements, Standalone Financial Statements and our auditor's reports thereon.
- Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information, compare with the financial statements of associate audited by the other auditor, to the extent it relates to this entity and, in doing so, place reliance on the work of the other auditor and consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to associate, is traced from their financial statements audited by the other auditor.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income/loss, consolidated changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and its joint ventures and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Parent, as aforesaid.

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

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

## **Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Parent, its subsidiary companies, its associates and joint venture companies which are companies incorporated in India has adequate internal financial controls with reference to Consolidated Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude

that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of entities within the Group and its associates and joint ventures to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entity included in the Consolidated Financial Statements, which have been audited by the other auditor, such other auditor remains responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in

our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Other Matter**

The Consolidated Financial Statements also include the Group's share of net profit after tax of ₹ 164 Mn and total comprehensive income of ₹ 183 Mn for the year ended March 31, 2023, as considered in the Consolidated Financial Statements, in respect of an associate, whose financial information have not been audited by us. These financial information have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate is based solely on the report of the other auditor.

Our opinion on the Consolidated Financial Statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on the separate financial statements of the associate referred to in the Other Matter section above we report, to the extent applicable that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the report of the other auditor.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
  - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the Parent as on March 31, 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies, associate companies

and joint venture companies incorporated in India whose audit under section 143 of the Act has been completed, none of the directors of the aforesaid Group companies, its associate companies and joint venture companies incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the adequacy of the internal financial controls with reference to Consolidated Financial Statements and 'the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent, subsidiary companies, associate companies and joint venture companies incorporated in India whose audit under section 143 of the Act has been completed and procedures performed by us (as applicable). Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to Consolidated Financial Statements of those companies.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended.

In our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies, associate companies and joint venture companies incorporated in India whose audit under section 143 of the Act has been completed, the remuneration paid by the Parent and such subsidiary companies, associate companies and joint venture companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and joint ventures (Refer Note 23(i) to the Consolidated Financial Statements).
  - ii) Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts (Refer Note 20 to the Consolidated Financial Statements).
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary companies, associate companies and joint venture companies incorporated in India. (Refer Note 19 to the Consolidated Financial Statements).

- iv) (a) The respective Managements of the Parent and its subsidiaries, associates and joint ventures which are companies incorporated in India, whose financial statements/information have been audited under the Act or for the purpose of group reporting, have represented to us and other auditor (as applicable) that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent or any of such subsidiaries, associates and joint ventures to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiaries, associates and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
(b) The respective Managements of the Parent and its subsidiaries, associates and joint ventures which are companies incorporated in India, and whose audit of financial statements/information have been completed under the Act or for the purpose of group reporting, have represented to us and other auditors (as applicable) that, to the best of their knowledge and belief, no funds have been received by the Parent or any of such subsidiaries, associates and joint ventures from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiaries, associates and joint ventures shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries, associates and joint ventures which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.  
(v) The final dividend proposed in the previous year, declared and paid by the Parent during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 16(h) to the Consolidated Financial Statements, the Board of Directors of the Parent has proposed final dividend for the year which is subject to the approval of the members of the Parent at the ensuing Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable. No final dividend has been proposed, declared or paid by any of the subsidiaries, associates and joint ventures which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable.

The interim dividend paid by joint venture, which is a company incorporated in India, whose financial statements have been audited under the Act, during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

- vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books

of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. April 1, 2023 to the Parent and its subsidiaries, associates and joint ventures which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014, as amended, is not applicable for the financial year ended March 31, 2023.

2. With respect to the matters specified in clause (xxi) of paragraph (3) and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the Consolidated Financial Statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that in respect of those companies where audits have been completed under section 143 of the Act, there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the Consolidated Financial Statements except for the following:

S.no.	Name of the company	CIN	Nature of relationship	Clause Number of CARO order with qualification or adverse remark
1	Bharti Airtel Limited	L74899HR1995PLC095967	Parent	Clause 3(i)(a) (A) <sup>1</sup> , (b) <sup>2</sup> & (c) <sup>3</sup> , Clause 3(ix)(d) <sup>4</sup>
2	Bharti Telemedia Limited	U92200DL2006PLC156075	Subsidiary	Clause 3(i)(b) <sup>2</sup> , Clause 3(xix) <sup>6</sup>
3	Bharti Airtel Services Limited	U64201DL1997PLC091001	Subsidiary	Clause 3(i)(b) <sup>2</sup> , (c) <sup>3</sup> , Clause 3(ix)(d) <sup>4</sup> , Clause 3(xix) <sup>6</sup>
4	Airtel Limited	U64200HR2021PLC093754	Subsidiary	Clause 3(xvii) <sup>5</sup>
5	OneWeb India Communications Private Limited	U74999UP2020PTC126575	Subsidiary	Clause 3(xvii) <sup>5</sup>
6	SmarTx Services Limited	U64202DL2015PLC285515	Joint Venture	Clause 3(xvii) <sup>5</sup> , Clause (xix) <sup>6</sup>
7	Indo Teleports Limited	U32204DL2008PLC183976	Subsidiary	Clause 3(ix)(d) <sup>4</sup> , Clause (xix) <sup>6</sup>
8	Hughes Communications India Private Limited	U64202DL1992PTC048053	Associate	Clause 3(xvii) <sup>5</sup>

<sup>1</sup> Clause pertains to non-updation of situation details of certain Property, Plant and Equipment (PPE)

<sup>2</sup> Clause pertains to physical verification not conducted in respect of CPE, bandwidth and certain PPE

<sup>3</sup> Clause pertains to title deeds of certain of immovable properties not held in name of the company

<sup>4</sup> Clause pertains to short term funds used for long term purposes

<sup>5</sup> Clause pertains to cash losses incurred

<sup>6</sup> Clause pertains to going concern based on support from Parent

Further, the statutory audit report on the financial statements for the year ended March 31, 2023, of the following related entities of the Parent has not been issued until the date of this report:

S.no.	Name of the company	CIN	Nature of relationship
1	Bharti Hexacom Limited	U74899DL1995PLC067527	Subsidiary
2	Nxtra Data Limited	U72200DL2013PLC254747	Subsidiary
3	Juggernaut Books Private Limited	U22219DL2015PTC280186	Associate
4	Lavelle Networks Private Limited	U72200KA2015PTC078612	Associate

Accordingly, no comments for the said subsidiaries, associate companies and joint venture companies have been included for the purpose of reporting under this clause.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

(Firm's Registration No.117366W/W-100018)

**Vijay Agarwal**

(Partner)

(Membership No. 094468)

(UDIN: 23094468BGYIOG8850)

# **Annexure “A” to the Independent Auditor’s Report**

**(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)**

## **Report on the Internal Financial Controls with reference to Consolidated Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

In conjunction with our audit of the Consolidated Financial Statements of the Company as at and for the year ended March 31, 2023, we have audited the internal financial controls with reference to Consolidated Financial Statements of **BHARTI AIRTEL LIMITED** (hereinafter referred to as “Parent”) and its subsidiary companies, its associate companies and joint venture companies, which are companies incorporated in India, as at that date.

### **Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the Parent, its subsidiary companies, its associate companies and joint venture companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to Consolidated Financial Statements based on the internal control with reference to Consolidated Financial Statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (“the Guidance Note”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (“the Act”).

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent, its subsidiary companies, its associate companies and joint venture companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Consolidated Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial with

reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements , assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditor of the associate company which is a company incorporated in India, in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system with reference to Consolidated Financial Statements of the Parent, its subsidiary companies, its associate companies and its joint venture companies, which are companies incorporated in India.

### **Meaning of Internal Financial Controls with reference to Consolidated Financial Statements**

A company’s internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated Financial Statements to future periods

are subject to the risk that the internal financial control with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditor referred to in the Other Matter paragraph below, the Parent, its subsidiary companies, its associate companies and joint venture companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to Consolidated Financial Statements established by the respective companies considering the essential components of internal control stated in the Guidance Note.

### **Other Matter**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements insofar as it relates to one associate company, which is a company incorporated in India, is based solely on the corresponding report of the auditor of such company incorporated in India.

Our opinion is not modified in respect of the above matter.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm's Registration No.117366W/W-100018)

**Vijay Agarwal**

(Partner)

(Membership No. 094468)

(UDIN: 23094468BGYIOG8850)

Place: New Delhi

Date: May 16, 2023

# Consolidated Balance Sheet

(All amounts are in millions of Indian Rupee)

	Notes	As of	
		March 31, 2023	March 31, 2022
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	952,241	905,725
Capital work-in-progress	5	110,293	42,386
Right-of-use assets	36	546,466	322,286
Goodwill	6	337,741	338,313
Other intangible assets	6	937,490	874,509
Intangible assets under development	6	383,961	17,161
Investment in joint ventures and associates	7	281,838	284,268
<b>Financial assets</b>			
- Investments	9	656	609
- Derivative instruments	10	854	218
- Other financial assets	11	25,963	22,515
Income tax assets (net)		20,399	17,479
Deferred tax assets (net)	12	189,519	199,250
Other non-current assets	13	103,898	91,562
		<b>3,891,319</b>	<b>3,116,281</b>
<b>Current assets</b>			
Inventories		2,576	3,750
<b>Financial assets</b>			
- Investments	9	47,045	8,614
- Derivative instruments	10	1,283	561
- Trade receivables	14	39,815	40,562
- Cash and cash equivalents	15	71,794	60,959
- Other bank balances	15	62,392	73,984
- Other financial assets	11	220,865	214,697
Other current assets	13	129,243	117,152
		<b>575,013</b>	<b>520,279</b>
<b>Total assets</b>		<b>4,466,332</b>	<b>3,636,560</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	16	28,366	27,950
Other equity		747,263	637,593
<b>Equity attributable to owners of the Parent</b>		<b>775,629</b>	<b>665,543</b>
Non-controlling interests ('NCI')		288,814	253,807
		<b>1,064,443</b>	<b>919,350</b>
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
- Borrowings	18	1,515,686	1,135,350
- Lease liabilities		508,295	290,562
- Derivative instruments	10	3,523	174
- Other financial liabilities	19	97,311	90,116
Deferred revenue	24	30,901	30,258
Provisions	20	4,744	4,639
Deferred tax liabilities (net)	12	20,762	24,488
Other non-current liabilities	21	1,029	1,363
		<b>2,182,251</b>	<b>1,576,950</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
- Borrowings	18	139,762	193,795
- Lease liabilities		96,460	77,072
- Derivative instruments	10	1,117	995
- Trade payables	22	328,946	292,741
- Other financial liabilities	19	241,951	194,415
Deferred revenue	24	84,995	75,929
Provisions	20	257,292	243,449
Current tax liabilities (net)		17,972	20,725
Other current liabilities	21	51,143	41,139
		<b>1,219,638</b>	<b>1,140,260</b>
<b>Total liabilities</b>		<b>3,401,889</b>	<b>2,717,210</b>
<b>Total equity and liabilities</b>		<b>4,466,332</b>	<b>3,636,560</b>

The accompanying notes 1 to 44 form an integral part of these Consolidated Financial Statements.

As per our report of even date

For **Deloitte Haskins & Sells LLP**

**Chartered Accountants**

(Firm's Registration No. 117366W / W-100018)

**For and on behalf of the Board of Directors of Bharti Airtel Limited**

**Vijay Agarwal**

**Partner**

Membership No. 094468

**Sunil Bharti Mittal**

**Chairman**

DIN: 00042491

**Gopal Vittal**

**Managing Director & CEO**

DIN: 02291778

Date: May 16, 2023

Place: New Delhi

**Soumen Ray**

**Chief Financial Officer  
(India & South Asia)**

**Pankaj Tewari**

**Company Secretary**

# Consolidated Statement of Profit and Loss

(All amounts are in millions of Indian Rupee; except per share data)

	Notes	For the year ended	
		March 31, 2023	March 31, 2022
<b>Income</b>			
Revenue from operations	24	1,391,448	1,165,469
Other income	25	9,366	5,343
		<b>1,400,814</b>	<b>1,170,812</b>
<b>Expenses</b>			
Network operating expenses	26	285,433	250,205
Access charges		76,207	67,611
License fee / Spectrum charges		117,517	110,636
Employee benefits expense	27	48,308	44,333
Sales and marketing expenses	28	72,454	53,035
Other expenses	30	78,794	64,310
		<b>678,713</b>	<b>590,130</b>
<b>Profit before depreciation, amortisation, finance costs, share of profit / loss of associates and joint ventures, exceptional items and tax</b>		<b>722,101</b>	<b>580,682</b>
Depreciation and amortisation expenses	29	364,318	330,907
Finance costs	31	192,999	166,162
Share of profit of associates and joint ventures (net)	7	(7,521)	(24,232)
<b>Profit before exceptional items and tax</b>		<b>172,305</b>	<b>107,845</b>
Exceptional items (net)	32	6,698	(16,986)
<b>Profit before tax</b>		<b>165,607</b>	<b>124,831</b>
<b>Tax expense</b>			
Current tax	12	34,831	30,331
Deferred tax	12	7,902	11,448
		<b>42,733</b>	<b>41,779</b>
<b>Profit for the year</b>		<b>122,874</b>	<b>83,052</b>
<b>Other comprehensive income</b>			
Items to be reclassified to profit or loss:			
- Net (loss) / gain due to foreign currency translation differences		(8,730)	7,687
- Net loss on net investment hedge		(17,075)	(6,401)
- Tax credit on above	12	4,365	1,269
		<b>(21,440)</b>	<b>2,555</b>
Items not to be reclassified to profit or loss:			
- Re-measurement loss on defined benefit plans	27.2	(176)	(44)
- Tax credit on above	12	48	10
- Share of other comprehensive income of associates and joint ventures (net)	7	46	35
		<b>(82)</b>	<b>1</b>
<b>Other comprehensive (loss) / income for the year</b>		<b>(21,522)</b>	<b>2,556</b>
<b>Total comprehensive income for the year</b>		<b>101,352</b>	<b>85,608</b>
<b>Profit for the year attributable to:</b>		<b>122,874</b>	<b>83,052</b>
Owners of the Parent		83,459	42,549
Non-controlling interests		39,415	40,503
<b>Other comprehensive (loss) / income for the year attributable to:</b>		<b>(21,522)</b>	<b>2,556</b>
Owners of the Parent		(28,100)	(4,526)
Non-controlling interests		6,578	7,082
<b>Total comprehensive income for the year attributable to:</b>		<b>101,352</b>	<b>85,608</b>
Owners of the Parent		55,359	38,023
Non-controlling interests		45,993	47,585
<b>Earnings per share (Face value: ₹ 5 each)</b>			
Basic	33	14.80	7.67
Diluted	33	14.57	7.63

The accompanying notes 1 to 44 form an integral part of these Consolidated Financial Statements.

As per our report of even date

**For and on behalf of the Board of Directors of Bharti Airtel Limited**

For **Deloitte Haskins & Sells LLP**

**Chartered Accountants**

(Firm's Registration No. 117366W / W-100018)

**Vijay Agarwal**

Partner

Membership No. 094468

**Sunil Bharti Mittal**

Chairman

DIN: 00042491

**Gopal Vittal**

Managing Director & CEO

DIN: 02291778

Date: May 16, 2023

Place: New Delhi

**Soumen Ray**

Chief Financial Officer  
(India & South Asia)

**Pankaj Tewari**

Company Secretary

# Consolidated Statement of Changes in Equity

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Equity attributable to owners of the Parent										Non-controlling interests ('NCI')		Total equity	
Equity share capital		Reserves and surplus				Share-based payment reserve		NCI reserve		Other components of equity (refer note 17)			
No. of shares (in '000)	Amount	Securities premium	Retained earnings	General reserve	Capital reserve					Total			
<b>As of April 1, 2021</b>	<b>5,492,027</b>	<b>27,460</b>	<b>530,019</b>	<b>(44,366)</b>	<b>23,232</b>	<b>18,227</b>	<b>877</b>	<b>133,652</b>	<b>(99,574)</b>	<b>562,067</b>	<b>222,739</b>	<b>812,266</b>	
Profit for the year	-	-	42,549	-	-	-	-	-	-	42,549	40,503	83,052	
Other comprehensive income / (loss)	-	-	10	-	-	-	-	(4,536)	(4,526)	7,082	2,556		
<b>Total comprehensive income / (loss)</b>	<b>-</b>	<b>-</b>	<b>42,559</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,536)</b>	<b>(4,536)</b>	<b>38,023</b>	<b>47,585</b>	<b>85,608</b>	
<b>Transactions with owners of equity</b>													
Issue of equity shares, net of expenses (refer note 4 (l))	392,288	490	51,736	-	-	-	-	-	-	51,736	-	52,226	
Employee share-based payment expense	-	-	-	-	-	720	-	-	-	720	56	776	
Purchase of treasury shares	-	-	-	-	-	-	-	(598)	(598)	-	(598)	-	
Exercise of share options	-	-	-	(90)	-	(591)	-	-	592	(89)	(21)	(110)	
Transaction with NCI (net of expenses) (refer note 4 (q) & 4 (r))	-	-	-	-	-	(14,644)	-	(14,644)	-	(14,644)	(15)	(14,659)	
Dividend (including tax) to NCI	-	-	-	-	-	-	-	-	-	-	(16,537)	(16,537)	
Impact of common control transaction (refer note 4(g))	-	-	783	-	-	-	-	-	-	783	-	783	
Movement on account of court approved schemes	-	-	(405)	-	-	-	-	-	-	(405)	-	(405)	
<b>As of March 31, 2022</b>	<b>5,884,315</b>	<b>27,950</b>	<b>581,755</b>	<b>(1,429)</b>	<b>23,142</b>	<b>18,227</b>	<b>1,006</b>	<b>119,008</b>	<b>(104,116)</b>	<b>637,593</b>	<b>253,807</b>	<b>919,350</b>	
Profit for the year	-	-	83,459	-	-	-	-	-	-	83,459	39,415	122,874	
Other comprehensive (loss) / income	-	-	(75)	-	-	-	-	(28,025)	(28,025)	(28,100)	6,578	(21,522)	
<b>Total comprehensive income / (loss)</b>	<b>-</b>	<b>-</b>	<b>83,384</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(28,025)</b>	<b>(28,025)</b>	<b>55,359</b>	<b>45,993</b>	<b>101,352</b>	
<b>Transactions with owners of equity</b>													
Issue of equity shares, net of expenses (refer note 4(a) & (e))	83,107	416	58,756	-	-	-	-	-	-	58,756	-	59,172	
Employee share-based payment expense	-	-	-	-	-	1,059	-	-	-	1,059	38	1,097	
Purchase of treasury shares	-	-	-	-	-	-	-	(499)	(499)	-	(499)	-	
Exercise of share options	-	-	-	(145)	-	(317)	-	-	321	(141)	(13)	(154)	
Transactions with NCI (net of expenses) (refer note 4(b) & (h))	-	-	-	-	-	12,594	-	12,594	-	12,594	6,089	18,683	

# Consolidated Statement of Changes in Equity

(All amounts are in millions of Indian Rupee, unless stated otherwise)

	Equity attributable to owners of the Parent						Total equity ('NCI')					
	Equity share capital			Reserves and surplus								
	No. of shares (in '000)	Amount	Securities premium	Retained earnings	General reserve	Capital reserve	Share-based payment reserve	Components of equity (refer note 17)	Total			
Dividend to Company's shareholders	-	-	-	(16,976)	-	-	-	-	(16,976)	-	(16,976)	
Dividend (including tax) to NCI	-	-	-	-	-	-	-	-	-	(17,100)	(17,100)	
Impact of common control transaction (refer note 4(g))	-	-	-	96	-	-	-	-	96	-	96	
Movement on account of court approved schemes	-	-	-	(578)	-	-	-	-	(578)	-	(578)	
<b>As of March 31, 2023</b>	<b>5,967,422</b>	<b>28,366</b>	<b>640,511</b>	<b>64,497</b>	<b>22,997</b>	<b>18,227</b>	<b>1,748</b>	<b>131,602</b>	<b>(132,319)</b>	<b>747,263</b>	<b>288,814</b>	<b>1,064,443</b>

The accompanying notes 1 to 44 form an integral part of these Consolidated Financial Statements.

As per our report of even date

For **Deloitte Haskins & Sells LLP**

**Chartered Accountants**

(Firm's Registration No. 117366W / W-1000018)

**Vijay Agarwal**

Partner

Membership No. 094468

**Sunil Bharti Mittal**

Chairman

DIN: 00042491

**Gopal Vittal**

Managing Director & CEO

DIN: 022911778

**Soumen Ray**

Chief Financial Officer  
(India & South Asia)

**Pankaj Tevari**

Company Secretary

Date: May 16, 2023

Place: New Delhi

# Consolidated Statement of Cash Flows

(All amounts are in millions of Indian Rupee)

	For the year ended	
	March 31, 2023	March 31, 2022
<b>Cash flows from operating activities</b>		
Profit before tax	<b>165,607</b>	<b>124,831</b>
<b>Adjustments for:</b>		
Depreciation and amortisation expenses	364,318	330,907
Finance costs	188,434	165,241
Net gain on fair value through profit or loss (FVTPL) instruments	(2,474)	(1,067)
Interest income	(3,080)	(2,206)
Net loss on derivative financial instruments	3,013	947
Share of profit of associates and joint ventures (net)	(7,521)	(24,232)
Exceptional items (net)	6,698	(11,705)
Employee share based payment expense	1,115	776
Loss on sale of property, plant and equipment	22	74
Provision for doubtful debts / bad debts written off	5,664	3,048
Other non-cash items	485	(222)
<b>Operating cash flows before changes in assets and liabilities</b>	<b>722,281</b>	<b>586,392</b>
<b>Changes in assets and liabilities</b>		
Trade receivables	(5,583)	(7,131)
Trade payables	12,671	(4,877)
Inventories	(1,157)	(1,181)
Provisions	6,494	2,736
Other financial and non-financial liabilities	(11,991)	11,655
Other financial and non-financial assets	(31,554)	(15,674)
<b>Net cash generated from operations before tax</b>	<b>691,161</b>	<b>571,920</b>
Income tax paid (net)	(37,915)	(21,754)
<b>Net cash generated from operating activities (a)</b>	<b>653,246</b>	<b>550,166</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment and capital work-in-progress	(260,566)	(265,406)
Proceeds from sale of property, plant and equipment	885	13,791
Purchase of intangible assets and intangible assets under development	(4,819)	(8,593)
Payment towards spectrum (including deferred payment liability)*	(123,684)	(174,482)
Proceeds from sale of spectrum	-	10,048
Proceeds from sale of business (refer note 4(j))	-	998
(Purchase of) / proceeds from sale of current investments (net)	(12,000)	21,298
Proceeds from sale of non-current investments	311	-
Purchase of non-current investments	(323)	(89)
Proceeds from sale of tower subsidiary (net of cash acquired)	-	5,887
Investment in joint venture / associates	(8,106)	(26,208)
Repayment of loan given to joint venture	-	8
Dividend received	13,992	-
Interest received	3,508	4,052
<b>Net cash used in investing activities (b)</b>	<b>(390,802)</b>	<b>(418,696)</b>

# Consolidated Statement of Cash Flows

(All amounts are in millions of Indian Rupee)

	<b>For the year ended</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Cash flows from financing activities</b>		
Net proceeds from issue of shares (refer note 4 (a) and (l))	52,242	52,226
Proceeds from borrowings	136,077	254,785
Repayment of borrowings	(178,227)	(337,212)
Payment of lease liabilities	(75,986)	(76,427)
(Repayment of) / proceeds from short-term borrowings (net)	(70,972)	63,649
Purchase of treasury shares	(499)	(598)
Interest and other finance charges paid	(66,893)	(131,588)
Proceeds from exercise of share options	3	7
Dividend paid	(35,898)	(14,438)
Proceeds from issuance of compulsorily convertible preference shares	-	10,880
Purchase of shares from NCI	(641)	(13,523)
Payments of maturity of derivatives (net)	(3,901)	(704)
Proceeds from sale of shares of subsidiary to NCI	-	40,911
<b>Net cash used in financing activities (c)</b>	<b>(244,695)</b>	<b>(152,032)</b>
<b>Net increase / (decrease) in cash and cash equivalents during the year (a+b+c)</b>	<b>17,749</b>	<b>(20,562)</b>
Effect of exchange rate on cash and cash equivalents	(1,522)	3,919
Cash and cash equivalents as at beginning of the year	73,987	90,630
<b>Cash and cash equivalents as at end of the year (refer note 15)</b>	<b>90,214</b>	<b>73,987</b>

\*Cash flows towards spectrum acquisition are based on the timing of payouts to Department of Telecommunications ('DoT') (viz. upfront / deferred).

The above Statement of Cash Flows has been prepared under the 'indirect method' as set out in Ind AS 7 'Statement of Cash flows'.

Please refer note 37(1)(vi), for reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities in the Statement of Cash Flows.

Please refer note 37(1)(vii) for non-cash investing and financing transactions that are excluded from Statement of Cash Flows.

The accompanying notes 1 to 44 form an integral part of these Consolidated Financial Statements.

As per our report of even date

**For and on behalf of the Board of Directors of Bharti Airtel Limited**

For **Deloitte Haskins & Sells LLP**

**Chartered Accountants**

(Firm's Registration No. 117366W / W-100018)

**Vijay Agarwal**

**Partner**

Membership No. 094468

**Sunil Bharti Mittal**

**Chairman**

DIN: 00042491

**Gopal Vittal**

**Managing Director & CEO**

DIN: 02291778

Date: May 16, 2023

**Soumen Ray**

**Pankaj Tewari**

Place: New Delhi

**Chief Financial Officer**

**Company Secretary**

**(India & South Asia)**

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## 1. Corporate information

Bharti Airtel Limited ('the Company' or 'the Parent') is domiciled and incorporated in India as a public limited company listed on the National Stock Exchange of India Limited and the BSE Limited. The registered office of the Company is situated at Airtel Center, Plot no. 16, Udyog Vihar, Phase – IV, Gurugram – 122015, Haryana, India.

The Company together with its subsidiaries (hereinafter referred to as 'the Group') has presence primarily in India, Africa and South Asia. The principal activities of the Group, its joint ventures and associates consist of provision of telecommunication services, tower infrastructure services, Direct-To-Home (DTH) digital television services and mobile money services. The details as to the services provided by the Group are further provided in note 34 and note 44 respectively.

## 2. Summary of significant accounting policies

### 2.1 Basis of preparation

These Consolidated Financial Statements ('Financial Statements') have been prepared to comply in all material respects with the Indian Accounting Standards ('Ind AS') as notified by the Ministry of Corporate Affairs ('MCA') under section 133 of the Companies Act, 2013 ('Act'), read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other accounting principles generally accepted in India.

The Financial Statements are approved for issue by the Company's Board of Directors on May 16, 2023.

The Financial Statements are based on the classification provisions contained in Ind AS 1, 'Presentation of Financial Statements' and Division II of Schedule III (as amended) to the Act. Further, for the purpose of clarity, various items are aggregated in the Consolidated Balance Sheet ('Balance Sheet') and Consolidated Statement of Profit and Loss ('Statement of Profit and Loss'). Nonetheless, these items are disaggregated separately in the notes to the Financial Statements, where applicable or required.

All the amounts included in the Financial Statements are reported in million of Indian Rupee ('Rupee' or '₹') and are rounded off to the nearest million, except per share data and unless stated otherwise. Further, due to rounding off, certain amounts are appearing as '0'.

The preparation of the said Financial Statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Group's accounting policies. The areas where estimates are significant to the Financial Statements, or areas involving a higher degree of judgement or complexity, are disclosed in note 3.

The accounting policies, as set out in the following paragraphs of this note, have been consistently applied, by all the Group entities, to all the periods presented in the said Financial Statements, except in case of adoption of any new standards and / or amendments during the year.

To provide more reliable and relevant information about the effect of certain items in the Balance Sheet and Statement of Profit and Loss, the Group has changed the classification of certain items.

### New amendments adopted during the year

#### Amendments to Ind AS

MCA vide notification no. G.S.R. 255(E) dated March 23, 2022 has issued the Companies (Indian Accounting Standards) Amendment Rules, 2022 which amends following Ind AS (as applicable to the Group):

- Ind AS 103, Business Combinations
- Ind AS 109, Financial Instruments
- Ind AS 16, Property, Plant and Equipment
- Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets

The amendments are applicable for annual periods beginning on or after April 1, 2022, however, these do not have material impact on the Financial Statements of the Group.

#### Amendments to Ind AS issued but not yet effective

MCA vide notification no. G.S.R. 242(E) dated March 31, 2023 has issued the Companies (Indian Accounting Standards) Amendment Rules, 2023 which amends following Ind AS (as applicable to the Group):

- Ind AS 102, Share-based Payments
- Ind AS 103, Business Combinations
- Ind AS 107, Financial Instruments: Disclosures
- Ind AS 109, Financial Instruments
- Ind AS 115, Revenue from Contracts with Customers
- Ind AS 1, Presentation of Financial Statements
- Ind AS 12, Income Taxes
- Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors
- Ind AS 34, Interim Financial Reporting

The amendments are applicable for annual periods beginning on or after April 1, 2023. The Group has evaluated the amendments and the impact is not expected to be material.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## 2.2 Basis of measurement

The Financial Statements have been prepared on the accrual and going concern basis, and the historical cost convention except where the Ind AS requires a different accounting treatment. The principal variations from the historical cost convention relate to financial instruments classified as fair value through profit or loss ('FVTPL') or fair value through other comprehensive income ('FVTOCI') (refer note 2.10 (b)), liability for cash-settled awards (refer note 2.16 (d)), the component of carrying values of recognised liabilities that are designated in fair value hedges (refer note 2.10 (d)) - which are measured at fair value.

### Fair value measurement

Fair value is the price at the measurement date, at which an asset can be sold or a liability can be transferred, in an orderly transaction between market participants. The Group's accounting policies require measurement of certain financial instruments at fair values (either on a recurring or non-recurring basis).

The Group is required to classify the fair valuation method of the financial / non-financial assets and liabilities, either measured or disclosed at fair value in the Financial Statements, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurement). Accordingly, the Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The three levels of the fair-value-hierarchy are described below:

Level 1: Quoted (unadjusted) prices for identical assets or liabilities in active markets

Level 2: Significant inputs to the fair value measurement are directly or indirectly observable

Level 3: Significant inputs to the fair value measurement are unobservable

## 2.3 Basis of consolidation

### a. Subsidiaries

Subsidiaries include all the entities over which the Group has control. The Group controls an entity when it is exposed or has right to variable return from its involvement with the entity, and has the ability to affect those returns through its power (that is, existing rights that give it the current ability to direct the relevant activities) over the entity. The Group re-assesses whether or not it controls the entity, in case the underlying facts and circumstances indicate that there are changes to above-mentioned parameters that determine the existence of control. The Financial Statements of all

entities used for the purpose of consolidation are drawn upto the same reporting date as that of Parent Company i.e. year ended on March 31.

Subsidiaries are fully consolidated from the date on which control is acquired by the Group, and they are deconsolidated from the date that control ceases. NCI is the equity in a subsidiary not attributable to the Parent and presented separately from the Parent's equity. Profit or loss and OCI are attributed to the controlling and NCI in proportion to their ownership interests, even if this results in the NCI having a deficit balance. However, in case where there are binding contractual arrangements that determine the attribution of the earnings, the attribution specified by such arrangement is considered.

The profit or loss on disposal (associated with loss of control) is recognised in the Statement of Profit and loss being the difference between (i) the aggregate of the fair value of consideration received and the fair value of any retained interest, and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary less any NCI. In addition, any amounts previously recognised in the OCI in respect of that deconsolidated entity, are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in the OCI are reclassified to the Statement of Profit and Loss. Any retained interest in the entity is remeasured to its fair value with the resultant change in carrying value being recognised in Statement of Profit and Loss.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as a transaction with equity holders. Any difference between the amount of the adjustment to NCI and any consideration exchanged is recognised in 'NCI reserve', a component of equity.

### b. 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.

Investment in joint ventures and associates are accounted for using equity method from the date on which the Group obtains joint control over the joint venture / starts

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

having significant influence over the associate. The said investments are tested for impairment whenever circumstances indicate that their carrying values may exceed the recoverable amount (viz. higher of the fair value less costs to sell and the value-in-use).

## c. Method of consolidation

Accounting policies of the respective individual subsidiary, joint venture and associate are aligned wherever necessary to ensure consistency with the accounting policies that are adopted by the Group under Ind AS and other generally accepted accounting principles.

The Standalone Financial Statements of subsidiaries are fully consolidated on a line-by-line basis, after adjusting for business combination adjustments (refer note 2.4). Intra-group balances and transactions, and income and expenses arising from intra-group transactions, are eliminated while preparing the said Financial Statements. The unrealised gains resulting from intra-group transactions are also eliminated. Similarly, the unrealised losses are eliminated, unless the transaction provides evidence as to impairment of the asset transferred.

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 losses, as adjusted for post-acquisition changes in the Group's share of the net assets of investees. Any excess of the cost of the investment over the Group's share of net assets in its joint ventures / associates at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment. The unrealised gains / losses resulting from transactions with joint ventures and associates are eliminated against the investment to the extent of the Group's interest in the investee. However, unrealised losses are eliminated only to the extent that there is no evidence of impairment. If as a result of equity method accounting, the Group's interest in its joint venture and / or associate is reduced to zero, additional losses are provided for, and a liability is recognised, only to the extent that the entity has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture. In such a case, if the associate or joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

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.

## 2.4 Business combinations

The Group accounts for business combinations using the acquisition method of accounting. Accordingly, the identifiable assets acquired and the liabilities assumed of the acquiree are recorded at their acquisition date fair values (except certain assets and liabilities which are required to be measured as per the applicable standard). The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries. The consideration transferred for the acquisition of a subsidiary is aggregation of the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Parent in exchange for control of the acquiree.

The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is subsequently measured at fair value with changes in fair value recognised in Statement of Profit and Loss. Contingent consideration that is classified as equity is not re-measured and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, along with the amount of any NCI in the acquiree and the acquisition-date fair value (with the resulting difference being recognised in Statement of Profit and Loss) of any previous equity interest in the acquiree, over the fair value of the identifiable net assets of the acquiree is recorded as goodwill.

Acquisition-related costs are expensed in the period in which the costs are incurred.

If the initial accounting for a business combination is incomplete as at the reporting date in which the combination occurs, the identifiable assets and liabilities acquired in a business combination are measured at their provisional fair values at the date of acquisition. Subsequently adjustments to the provisional values are made retrospectively within the measurement period, if new information is obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

or would have resulted in the recognition of those assets and liabilities as of that date; otherwise the adjustments are recorded in the period in which they occur.

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequent to initial recognition, it is measured at the higher of:

- (i) the amount that would be recognised in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets', and
- (ii) the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with Ind AS 115 'Revenue from Contracts with Customers'.

## 2.5 Foreign currency transactions

### a. Functional and presentation currency

The Financial Statements are presented in Indian Rupees, which is the functional, and presentation currency of the Company.

The items included in Financial Statements of each of the Group's entities are measured using the currency of primary economic environment in which the entity operates (i.e. 'functional currency').

### b. Transactions and balances

Transactions in foreign currencies are initially recorded in the relevant functional currency at the exchange rate prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date with the resulting foreign exchange differences, on subsequent re-statement / settlement, recognised in the Statement of Profit and Loss. Non-monetary assets and liabilities denominated in foreign currencies are translated into the functional currency using the exchange rate prevalent, at the date of initial recognition (in case they are measured at historical cost) or at the date when the fair value is determined (in case they are measured at fair value) – the resulting foreign exchange difference, on subsequent re-statement / settlement, recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in the OCI or directly in equity.

The equity items denominated in foreign currencies are translated at historical cost.

### c. Foreign operations

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 at the exchange rates prevailing at the reporting date whereas their Statements of Profit and Loss are translated into Rupees at monthly average exchange rates and the equity is recorded at the historical rate. The resulting exchange differences arising on the translation are recognised in OCI and held in foreign currency translation reserve ('FCTR'), a component of equity. On disposal of a foreign operation (that is, disposal involving loss of control), the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

## 2.6 Current versus non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current / non-current classification.

Deferred tax assets and liabilities, and all assets and liabilities which are not current (as discussed in the below paragraphs) are classified as non-current assets and liabilities.

An asset is classified as current when it is expected to be realised or intended to be sold or consumed in normal operating cycle, held primarily for the purpose of trading, expected to be realised within twelve months after the reporting period, or cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

A liability is classified as current when it is expected to be settled in normal operating cycle, it is held primarily for the purpose of trading, it is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The derivatives designated in hedging relationship and separated embedded derivatives are classified basis the hedged item and host contract respectively.

## 2.7 Property, plant and equipment ('PPE')

An item is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Group and its cost can be measured reliably. PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), assets retirement obligations ('ARO') (refer note 2.17 (b)) and any directly attributable cost of bringing the asset to its working condition and location for its intended use. Further, it includes assets installed on the premises of customers as the associated risks, rewards and control remain with the Group.

Subsequent to initial recognition, PPE are stated at cost less accumulated depreciation and impairment losses,

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

if any. When significant parts of PPE are required to be replaced at regular intervals, the Group recognises such parts as separate component of assets. When an item of PPE is replaced, then its carrying amount is derecognised from the Balance Sheet and cost of the new item of PPE is recognised. Further, in case the replaced part was not being depreciated separately, the cost of the replacement is used as an indication to determine the cost of the replaced part at the time it was acquired.

Cost of assets not ready for use, as on the Balance Sheet date, is shown as capital work-in-progress ('CWIP'), advances given towards acquisition of PPE outstanding at each Balance Sheet date are disclosed under other non-current assets.

The expenditures that are incurred after the item of PPE has been available for use, such as repairs and maintenance, are normally charged to the Statement of Profit and Loss in the period in which such costs are incurred. However, in situations where the said expenditure can be measured reliably and is probable that future economic benefits associated with it will flow to the Group, it is included in the asset's carrying value or as a separate asset, as appropriate.

Depreciation on PPE is computed using the straight-line method over the estimated useful lives. The management basis its past experience and technical assessment has estimated the useful lives, which is at variance with the life prescribed in Part C of Schedule II to the Act and has accordingly, depreciated the assets over such useful lives.

Freehold land is not depreciated as it has an unlimited useful life.

The Group has established the estimated range of useful lives for different categories of PPE as follows:

Categories	Years
Lease improvements	Lease term or 20 years, whichever is less
Aircraft	20
Buildings	20
Building on leased land	Lease term or 20 years, whichever is less
Plant and equipment	
- Network equipment (including passive infrastructure)	3 - 25
- Customer premise equipments	3 - 7
Other equipment, operating and office equipment	

Categories	Years
- Computers and servers	3 - 5
- Furniture & fixtures and office equipments	1 - 5
- Vehicles	3 - 5

The useful lives, residual values and depreciation method of PPE are reviewed, and adjusted appropriately, atleast, as at each financial year-end to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets. The effect of any change in the estimated useful lives, residual values and / or depreciation method are accounted prospectively, and accordingly, the depreciation is calculated over the PPE's remaining revised useful life. The cost and the accumulated depreciation for PPE sold, scrapped, retired or otherwise disposed of are derecognised from the Balance Sheet and the resulting gains / losses are included in the Statement of Profit and Loss within other income / other expenses.

## 2.8 Intangible assets

Intangible assets are recognised when the Group controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be measured reliably.

Goodwill represents the cost of the acquired businesses in excess of the fair value of identifiable net assets purchased (refer note 2.4). Goodwill is not amortised; however it is tested annually for impairment and whenever there is an indication that the unit may be impaired (refer note 2.9), and carried at cost less any accumulated impairment losses. The gains / (losses) on the disposal of a cash-generating-unit ('CGU') include the carrying amount of goodwill relating to the CGU sold (in case goodwill has been allocated to group of CGUs; it is determined on the basis of the relative fair value of the operations sold).

The intangible assets that are acquired in a business combination are recognised at its fair value. Other intangible assets are initially recognised at cost. Those assets having finite useful life are carried at cost less accumulated amortisation and impairment losses, if any. Amortisation is computed using the straight-line method over the expected useful life of intangible assets.

Subsequent expenditure on intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, is recognised in profit or loss as incurred.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

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

## a. Software

Software are amortised over the period of license, generally not exceeding five years.

## b. Licenses (including spectrum)

Acquired licenses and spectrum are amortised commencing from the date when the related network is available for intended use in the relevant jurisdiction. The useful life of acquired licenses and spectrum ranges up 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.

## c. Other acquired intangible assets

Other acquired intangible assets include the following:

**Rights acquired for unlimited license access:** Over the period of the agreement, which ranges upto five years

**Non-compete fee:** Over the period of the agreement, which ranges upto five years

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

Further, the cost of intangible assets under development ('IAUD') includes the following:

(a) the amount of spectrum allotted to the Group and related costs (including borrowing costs) that are directly attributable to the acquisition or construction of qualifying assets (refer note 6), if any, for which services are yet to be rolled out and are presented separately in the Balance Sheet.

(b) the amount of software / IT platform under development.

Gains or losses arising from derecognition of an intangible asset are measured as the difference

between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

## 2.9 Impairment of non-financial assets

### a. Goodwill

Goodwill is tested for impairment, atleast annually and whenever circumstances indicate that it may be impaired. For the purpose of impairment testing, the goodwill is allocated to a CGU or group of CGUs ('CGUs'), which are expected to benefit from the acquisition-related synergies and represent the lowest level within the entity at which the goodwill is monitored for internal management purposes, within an operating segment. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets.

Impairment occurs when the carrying value of a CGU / CGUs including the goodwill, exceeds the estimated recoverable amount of the CGU / CGUs. The recoverable amount of a CGU / CGUs is the higher of its fair value less costs to sell and its value in use. Value-in-use is the present value of future cash flows expected to be derived from the CGU / CGUs.

The total impairment loss of a CGU / CGUs is allocated first to reduce the carrying value of goodwill allocated to that CGU / CGUs and then to the other assets of that CGU / CGUs - on pro-rata basis of the carrying value of each asset.

Further detail including the key assumptions adopted to determine the recoverable amount of goodwill are detailed in note 6.

### b. PPE, Right-of-use-assets ('ROU'), intangible assets and IAUD

PPE (including CWIP), ROU and intangible assets with definite lives, are reviewed for impairment, whenever events or changes in circumstances indicate that their carrying values may not be recoverable. IAUD are tested for impairment, atleast annually and whenever circumstances indicate that it may be impaired.

For the purpose of impairment testing, the recoverable amount (that is, higher of the fair value less costs to sell and the value-in-use) is determined on an individual asset basis, unless the asset does not generate cash flows that are largely independent of those from other assets, in which case the recoverable amount is determined at the CGU level to which the said asset belongs. If such individual assets or CGU are considered to be impaired, the impairment to be recognised in the Statement of

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Profit and Loss is measured by the amount by which the carrying value of the asset / CGU exceeds their estimated recoverable amount and allocated on pro-rata basis.

## Reversal of impairment losses

Impairment loss in respect of goodwill is not reversed. Other impairment losses are reversed in the Statement of Profit and Loss and the carrying value is increased to its revised recoverable amount provided that this amount does not exceed the carrying value that would have been determined had no impairment loss been recognised for the said asset / CGU previously.

## 2.10 Financial instruments

### a. Recognition, classification and presentation

The financial instruments are recognised in the Balance Sheet when the Group becomes a party to the contractual provisions of the financial instrument.

The Group determines the classification of its financial instruments at initial recognition.

The Group classifies its financial assets in the following categories: a) those to be measured subsequently at fair value (either through OCI, or through profit or loss), and b) those to be measured at amortised cost. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Group has classified all the non-derivative financial liabilities to measured at amortised cost.

The entire hybrid contract, financial assets with embedded derivatives, are considered in their entirety for determining the contractual terms of the cash flow and accordingly, the embedded derivatives are not separated. However, derivatives embedded in non-financial instrument / financial liabilities (measured at amortised cost) host contracts are classified as separate derivatives if their economic characteristics and risks are not closely related to those of the host contracts.

Financial assets and liabilities arising from different transactions are offset against each other and the resultant net amount is presented in the Balance Sheet, if and only when, the Group currently has a legally enforceable right to set off the related recognised amounts and intends either to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

### b. Measurement - Non-derivative financial instruments

#### I. Initial measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at FVTPL,

transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. Other transaction costs are expensed as incurred in the statement of Profit and Loss.

The transaction price is generally the best evidence of the financial instrument's initial fair value. However, it is possible for an entity to determine that the instrument's fair value is not the transaction price. The difference between the transaction amount and the fair value (if any) is accounted for as follows:

- The difference is recognised as a gain or loss in the statement of Profit and Loss only if fair value is evidenced by a quoted price in an active market for an identical asset or liability (that is, a Level 1 input) or based on a valuation technique that uses only data from observable markets.
- In all other cases, an entity recognises the instrument at fair value and defers the difference between the fair value at initial recognition and the transaction price in the statement of financial position.

The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

#### II. Subsequent measurement - financial assets

The subsequent measurement of the non-derivative financial assets depends on their classification as follows:

##### i. Financial assets measured at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost using the effective interest rate ('EIR') method (if the impact of discounting / any transaction costs is significant). Interest income from these financial assets is included in other income.

##### ii. Financial assets at FVTOCI

Equity investments which are not held for trading and for which the Group has elected to present the change in the fair value in OCI and debt instruments that are held for collection of contractual cash flows

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

and for selling the financial assets, where the assets' cash flow represent solely payment of principal and interest, are measured at FVTOCI.

The changes in fair value are taken through OCI, except for the impairment (on debt instruments), interest (basis EIR method), dividend and foreign exchange differences which are recognised in the Statement of Profit and Loss.

When the financial asset is derecognised, the related accumulated fair value adjustments in OCI as at the date of derecognition are reclassified from equity and recognised in the Statement of Profit and Loss. However, there is no subsequent reclassification of fair value gains and losses to Statement of Profit and Loss in case of equity instruments.

### **iii. Financial assets at FVTPL**

All equity instruments and financial assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. Interest (basis EIR method) and dividend income from financial assets at FVTPL is recognised in the Statement of Profit and Loss within other income separately from the other gains / losses arising from changes in the fair value.

#### ***Impairment***

The Company assesses on a forward-looking basis the expected credit losses associated with its assets carried at amortised cost and debt instrument carried at FVTOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. If credit risk has not increased significantly, twelve month expected credit loss ('ECL') is used to provide for impairment loss, otherwise lifetime ECL is used.

However, only in case of trade receivables, the Company applies the simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

## **III. Subsequent measurement - financial liabilities**

Financial liabilities are subsequently measured at amortised cost using the EIR method (if the impact of discounting / any transaction costs is significant), except for contingent consideration and financial liability under option arrangements recognised in a business combination which is subsequently measured at FVTPL. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not re-measured. Interest related to the financial liability is recognised in profit or loss under finance cost. On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognised.

At the time of conversion of FCCB, the Group derecognised the liability component and recognised it as equity. The original equity component remains as equity (which may be transferred from one-line item within equity to another). No gain / loss on conversion is recognised in the statement of profit and loss.

### **c. Measurement - 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 FVTPL - held for trading. Such derivative financial instruments are initially recognised at fair value. They are subsequently measured at their fair value, with changes in fair value being recognised in the Statement of Profit and Loss.

### **d. Hedging activities**

#### **I. Fair value hedge**

Some of the Group entities use derivative financial instruments (e.g. 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 swaps to hedge the risk of changes in fair value of recognised borrowings attributable to the hedged interest rate risk. The effective and ineffective 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, together with any changes in the fair value of the hedged liability that is attributable to the hedged risk. If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of the hedged item is amortised to the Statement of Profit and Loss over the period to remaining maturity of the hedged item.

#### **II. Cash flow hedge**

Some of the Group's entities use derivative financial instruments (e.g. foreign currency forwards, options, swaps) to manage their exposure to foreign exchange and price risk. Further, the Group designates certain derivative financial instruments (or its components) as hedging instruments for hedging the exchange rate fluctuation risk attributable to either a recognised item or a highly probable forecast transaction ('Cash flow

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hedge'). The effective portion of changes in the fair value of derivative financial instruments (or its components) that are designated and qualify as cash flow hedges, are recognised in OCI and held as cash flow hedge reserve ('CFHR') – within other components of equity. Any gains / (losses) relating to the ineffective portion, are recognised immediately in the Statement of Profit and Loss. The amounts accumulated in equity are reclassified 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 cash flow hedge no longer meets the criteria for hedge accounting, any cumulative gains / (losses) existing in equity at that time remains in equity and is recognised (on the basis as discussed in the above paragraph) when the forecast transaction is ultimately recognised in the Statement of Profit and Loss. However, at any point of time, when a forecast transaction is no longer expected to occur, the cumulative gains / (losses) that were reported in equity is immediately transferred to the Statement of Profit and Loss.

## III. Net investment hedge

The Group hedges its net investment in certain foreign subsidiaries which are accounted for similar to cash flow hedges and accordingly, any foreign exchange differences on the hedging instrument (e.g. borrowings) relating to the effective portion of the hedge is recognised in OCI as foreign currency translation reserve ('FCTR') – within other components of equity, so as to offset the change in the value of the net investment being hedged. The ineffective portion of the gain or loss on these hedges is immediately recognised in the Statement of Profit and Loss. The amounts accumulated in equity are included in the Statement of Profit and Loss when the foreign operation is disposed or partially disposed.

### e. Derecognition

The financial assets are derecognised from the Balance Sheet when the rights to receive cash flows from the financial assets have expired, or have been transferred and the Group has transferred substantially all risks and rewards of ownership. The financial liabilities are derecognised from the Balance Sheet when the underlying obligations are extinguished, discharged, lapsed, cancelled, expires or legally released. The resultant impact of derecognition is recognised in the Statement of Profit and Loss.

## 2.11 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

The Group recognises a ROU 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 the incremental borrowing rate (as the rate implicit in the lease cannot be readily determined). Lease liabilities include the net present value of fixed payments (including any in-substance fixed payments), any variable lease payments that are based on consumer price index ('CPI'), the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

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

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

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

In the Balance Sheet, the ROU and lease liabilities are presented separately. In the Statement of Profit and Loss, interest expense on lease liabilities are presented separately from the depreciation charge for the ROU.

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Interest expense on the lease liability is a component of finance costs, which are presented separately in the Statement of Profit or Loss. In the Statement of Cash Flows, cash payments for the principal portion of lease payments and the interest portion of lease liability are presented as financing activities, and short-term lease payments and payments for leases of low-value assets and variable lease payments not included in the measurement of the lease liability, if any, as operating activities.

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 ROU and lease liabilities for short term leases that have a lease term of twelve months or less and leases of low value assets. The Group recognises lease payments associated with these leases as an expense on a straight-line basis over the lease term.

## **Sale and lease back**

In case of sale and leaseback transactions, the Group first considers whether the initial transfer of the underlying asset to the buyer-lessor is a sale by applying the requirements of Ind AS 115. If the transfer qualifies as a sale and the transaction is on market terms, the Group effectively derecognises the asset, recognises a ROU asset (and lease liability) and recognises a portion of the total gain or loss on the sale. The amount recognised is calculated by splitting the total gain or loss into:

- an amount recognised in Statement of Profit and Loss relating to the buyer-lessor's rights in the underlying asset, and
- an unrecognised amount relating to the rights retained by the seller-lessee which is deferred by way of reducing the ROU initially recognised.

## **Group as a lessor**

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

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

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

When a contract includes lease and non-lease components, the Group applies Ind AS 115 'Revenue from Contracts with Customers' to allocate the consideration under the contract to each component.

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

## **2.12 Taxes**

The income tax expense comprises of current and deferred income tax. Income tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in the OCI or directly in equity, in which case the related income tax is also recognised accordingly.

### **a. Current tax**

The current 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. The payment made in excess / (shortfall) of the respective Group entities' income tax obligation for the period are recognised in the Balance Sheet under non-current assets as income tax assets / under current liabilities as current tax liabilities.

Any interest, related to accrued liabilities for potential tax assessments are not included in income tax charge or (credit), but are rather recognised within finance costs.

The Group periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation. The Group considers whether it is probable that a taxation authority will accept an uncertain tax treatment. If the Group concludes, it is probable that the taxation authority will accept an uncertain tax treatment, it determines the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates consistently with the tax treatment used or planned to be used in its income tax filings. If the Group concludes it is not probable that the

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taxation authority will accept an uncertain tax treatment, the entity reflects the effect of uncertainty in determining the related taxable profit (tax loss), tax bases, unused tax losses, unused tax credits or tax rates.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

## b. Deferred tax

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the Financial Statements. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax assets / liabilities recognised for temporary differences arising from a business combination, affect the amount of goodwill or the bargain purchase gain that the Group recognises. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is not recognised if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. The Group considers the projected future taxable income and tax planning strategies in making this assessment.

Moreover, deferred tax is recognised on temporary differences arising on investments in subsidiaries, joint ventures and associates - unless the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the asset is realised or the liability is settled.

Deferred tax assets include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in respective

countries where the group entities operate and generate taxable income, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT is recognised as deferred tax assets in the Balance Sheet to the extent that it is probable that future taxable profit will be available against which MAT credit can be utilised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

## 2.13 Inventories

Inventories are stated at the lower of cost (determined using the first-in-first-out method) and net realisable value. The costs comprise its purchase price and any directly attributable cost of bringing the inventories to its present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

## 2.14 Cash and cash equivalents

Cash and cash equivalents include cash in hand, wallet balance (included with in balance with bank - on current account), bank balances and any deposits with original maturities of three months or less (that are readily convertible to known amounts of cash and cash equivalents and subject to an insignificant risk of changes in value). However, for the purpose of the Statement of Cash Flows, in addition to above items, any bank overdrafts / cash credits that are integral part of the Group's cash management and balances held under mobile money trust are also included as a component of cash and cash equivalents.

## 2.15 Share capital / Treasury shares

Ordinary shares are classified as Equity when the Company has an unconditional right to avoid delivery of cash or another financial asset, that is, when the dividend and repayment of capital are at the sole and absolute discretion of the Company and there is no contractual obligation whatsoever to that effect.

When the Company purchases its ordinary shares through Bharti Airtel Employees' Welfare Trust, they are treated as treasury shares, and the consideration paid is deducted from the Equity. When the treasury shares are subsequently re-issued, any difference between its carrying amount and consideration received is recognised in share-based-payment reserve.

## 2.16 Employee benefits

The Group's employee benefits mainly include wages, salaries, bonuses, defined contribution plans,

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defined benefit plans, compensated absences, deferred compensation and share-based payments. The employee benefits are recognised in the year in which the associated services are rendered by the Group employees. Short-term employee benefits are recognised in Statement of Profit and Loss at undiscounted amounts during the period in which the related services are rendered.

## a. Defined contribution plans

The contributions to defined contribution plans are recognised in profit or loss as and when the services are rendered by employees. The Group has no further obligations under these plans beyond its periodic contributions.

## b. Defined benefit plans

In accordance with the local laws and regulations, all the employees in India are entitled for the Gratuity plan. The said plan requires a lump-sum payment to eligible employees (meeting the required vesting service condition) at retirement or termination of employment, based on a pre-defined formula. Some of the entities outside India have defined benefit plans in form of 'Retirement Benefits' and 'Severance Pay'.

The Group provides for the liability towards the said plans on the basis of actuarial valuation carried out quarterly as at the reporting date, by an independent qualified actuary using the projected-unit-credit method.

The obligation towards the said benefits is recognised in the Balance Sheet, at the present value of the defined benefit obligations less the fair value of plan assets (being the funded portion). The present value of the said obligation is determined by discounting the estimated future cash outflows, using appropriate discount rate.

The interest income / (expense) are calculated by applying the above mentioned discount rate to the plan assets and defined benefit obligations. The net interest income / (expense) on the net defined benefit obligation is recognised in the Statement of Profit and Loss. However, the related re-measurements of the net defined benefit obligation are recognised directly in the OCI in the period in which they arise. The said re-measurements comprise of actuarial gains and losses (arising from experience adjustments and changes in actuarial assumptions), the return on plan assets (excluding interest). Re-measurements are not reclassified to the Statement of Profit and Loss in any of the subsequent periods.

## c. Other long-term employee benefits

The employees of the Group are entitled to compensated absences as well as other long-term benefits. Compensated absences benefit comprises

of encashment and availment of leave balances that were earned by the employees over the period of past employment.

The Group provides for the liability towards the said benefits on the basis of actuarial valuation carried out quarterly as at the reporting date, by an independent qualified actuary using the projected-unit-credit method. The related re-measurements are recognised in the Statement of Profit and Loss in the period in which they arise.

## d. Share-based payments

The Group operates equity-settled and cash-settled employee share-based compensation plans, under which the Group receives services from employees as consideration for stock options either towards shares of the Company or cash settled units.

In case of equity-settled awards, the fair value of stock options (at grant date) is recognised as an expense in the Statement of Profit and Loss within employee benefits as employee share-based payment expenses over the vesting period, with a corresponding increase in share-based payment reserve (a component of equity).

The total amount so expensed in case of equity settled awards is determined by reference to the grant date fair value of the stock options granted, which includes the impact of any market performance conditions and non-vesting conditions but excludes the impact of any service and non-market performance vesting conditions. However, the non-market performance vesting and service conditions are considered in the assumption as to the number of options that are expected to vest. The forfeitures are estimated at the time of grant and reduce the said expense rateably over the vesting period.

The fair value of the amount payable to employees in respect of share-based payments which are settled in cash, is recognised as an expense on a straight-line basis with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of such instruments. Any changes in the liability are recognised in profit or loss.

The expense so determined is recognised over the requisite vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. As at each reporting date, the Group revises its estimates of the number of options that are expected to vest, if required.

It recognises the impact of any revision to original estimates in the period of change. Accordingly, no

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expense is recognised for awards that do not ultimately vest, except for which vesting is conditional upon a market performance / non-vesting condition. These are treated as vested irrespective of whether or not the market / non-vesting condition is satisfied, provided that service conditions and all other non-market performance are satisfied.

Where the terms of an award are modified, in addition to the expense pertaining to the original award, an incremental expense is recognised for any modification that results in additional fair value, or is otherwise beneficial to the employee as measured at the date of modification.

Where an equity-settled award is cancelled (including due to non-vesting conditions not being met), it is treated as if it is vested thereon, and any un-recognised expense for the award is recognised immediately. In case of cancellation of cash-settled award, change in the value of the liability, if any, is recognised in Statement of Profit and Loss.

## 2.17 Provisions

### a. General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the said obligation, and the amounts of the said obligation can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the relevant obligation (if the impact of discounting is significant), using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to unwinding of interest over passage of time is recognised within finance costs.

The Group is involved in various legal and taxation matters, and the matters are in legal course. Management, in consultation with legal, tax and other advisers, assesses the likelihood that a pending claim will succeed. The Group recognises a provision in cases where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations arising from such claims.

### b. Asset retirement obligations ('ARO')

ARO are recognised for those lease arrangements where the Group has an obligation at the end of the lease period to restore the leased premises in a condition similar to inception of lease. ARO are provided at the present value of expected costs to settle the obligation and are recognised as part of the cost of that particular

asset. The estimated future costs of decommissioning are reviewed annually and any changes in the estimated future costs or in the discount rate applied are adjusted from the cost of the asset.

## 2.18 Contingencies

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are not recognised and are disclosed only where an inflow of economic benefits is probable.

## 2.19 Revenue recognition

Revenue is recognised upon transfer of control of promised products or services to the customer at the amount of transaction price (net of variable 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. When determining the consideration to which the Group is entitled for providing promised products or services via intermediaries, the Group assesses whether it is primarily responsible for fulfilling the performance obligation and whether it controls the promised service before transfer to customers. To the extent that the intermediary is considered a principal, the consideration to which the Group is entitled is determined to be that received from the intermediary.

Revenue is recognised when, or as, each distinct performance obligation is satisfied. The main categories of revenue and the basis of recognition are as follows:

### a. Service revenues

Service revenues mainly pertain to usage, subscription and customer onboarding charges for voice, data, messaging, other value added services and DTH services. It also includes revenue from interconnection / roaming charges for usage of the Group's network by other operators for voice, data, messaging and signaling services. Service revenues also include rental revenue for use of sites and energy revenue for the provision of energy for operation of sites.

Telecommunication services (comprising voice, data and SMS) are considered to represent a single performance obligation as all are provided over the Group's network and transmitted as data representing a digital signal on the network. The transmission consumes network bandwidth and therefore, irrespective of the nature of the communication, the customer ultimately receives access to the network and the right to consume network bandwidth.

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The Group recognises revenue from these services as they are provided. Revenue is recognised based on actual units of telecommunication services provided during the reporting period as a proportion of the total units of telecommunication services to be provided. Subscription charges are recognised over the subscription pack validity period. Customer onboarding revenue is recognised upon successful onboarding of customer i.e. upfront except for 'Digital TV services' business, in which case the customer onboarding revenue is deferred over the average expected customer life. Revenues in excess of invoicing are classified as unbilled revenue while invoicing / collection in excess of revenue are classified as deferred revenue / advance from customers.

The Group collects Goods and Services Tax ('GST') on behalf of the government and therefore, it is not an economic benefit flowing to the Company, hence it is excluded from revenue.

Service revenues also includes revenue from interconnection / roaming charges for usage of the Group's network by other operators for voice, data, messaging and signaling services. These are recognised upon transfer of control of services over time.

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

Revenues from long distance operations comprise of voice services and bandwidth services (including installation), which are recognised on provision of services over the period of respective arrangements.

Rental revenue is recognised as and when services are rendered on a monthly basis as per the contractual terms prescribed under master service agreement entered with customer. Exit Charges are recognised when uncertainty relating to the amounts receivable on exit is resolved and it is probable that a significant reversal relating to the amounts receivable on exit will not occur. Energy revenue is recognised over the period on a monthly basis upon satisfaction of performance obligation as per contracts with the customers. The transaction price is the consideration received from customers based on prices agreed as per the contract with the customers. The determination of standalone selling prices is not required as the transaction prices are stated in the contract based on the identified performance obligation.

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 commissions on transfer of money from one customer

wallet to another. Such commissions are recognised as revenue at a point in time on fulfillment of these services by the Group.

## b. Multiple element arrangements

The Company has entered into certain multiple-element revenue arrangements which involve the delivery or performance of multiple products, services or rights to use assets and other value added services. At the inception of the arrangement, all the deliverables therein are evaluated to determine whether they represent distinct performance obligations, and if so, they are accounted for separately. Total consideration related to the multiple element arrangements is allocated to each performance obligation based on their standalone selling prices. The stand-alone selling prices are determined based on the list prices at which the Company sells equipment and network services separately.

## c. Equipment sales

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

## d. Interest income

The interest income is recognised using the EIR method. For further details, refer note 2.10.

## e. Costs to obtain or fulfil a contract with a customer

The Group incurs certain costs to obtain or fulfill contracts with customers 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 recognised over the average expected customer life.

## f. Dividend income

Dividend income is recognised when the Company's right to receive the payment is established. For further details, refer note 2.10.

## 2.20 Government grants

Grants from the government are recognised where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate.

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Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Statement of Profit and Loss on a straight-line basis over the expected lives of the related assets.

## 2.21 Borrowing costs

Borrowing costs consist of interest and other ancillary costs that the Group incurs in connection with the borrowing of funds. The borrowing costs directly attributable to the acquisition or construction of any asset that takes a substantial period of time to get ready for its intended use or sale are capitalised. All other borrowing costs are recognised in the Statement of Profit and Loss within finance costs in the period in which they are incurred.

## 2.22 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.

## 2.23 Dividends paid

Dividend to shareholders is recognised as a liability on the date of approval by the shareholders. However, interim dividend is recorded as a liability on the date of declaration by the Company's Board of Directors.

## 2.24 Earnings per share ('EPS')

The Company presents the Basic and Diluted EPS.

Basic EPS is computed by dividing the profit for the period attributable to the shareholders of the Parent by the weighted average number of shares outstanding during the period excluding the treasury shares.

Diluted EPS is computed by adjusting, the profit for the year attributable to the shareholders and the weighted average number of shares considered for deriving Basic EPS, for the effects of all the shares that could have been issued upon conversion of all dilutive potential shares. The dilutive potential shares are adjusted for the proceeds receivable had the shares been actually issued at fair value. Further, the dilutive potential shares are deemed converted as at beginning of the period, unless issued at a later date during the period.

## 2.25 Discontinued operation

A discontinued operation is a component of the Group that has been disposed off or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-

ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operation are presented separately in the Statement of Profit and Loss for all the periods presented.

## 3. Key sources of estimation uncertainties and critical judgements

The estimates and judgements used in the preparation of the said Financial Statements are continuously evaluated by the Group, and are based on historical experience and various other assumptions and factors (including expectations of future events), that the Group believes to be reasonable under the existing circumstances. The said estimates and judgements are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

Although the Group regularly assesses these estimates, actual results could differ materially from these estimates - even if the assumptions underlying such estimates were reasonable when made, if these results differ from historical experience or other assumptions do not turn out to be substantially accurate. The changes in estimates are recognised in the Financial Statements in the year in which they become known.

### 3.1 Key sources of estimation uncertainties

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities are discussed below:

#### a. Impairment reviews

Property, plant and equipment (including capital work-in-progress) and intangible assets with definite lives, are reviewed for impairment, whenever events or changes in circumstances indicate that their carrying values may not be recoverable. Goodwill and IAUD are tested for impairment, atleast annually and whenever circumstances indicate that it may be impaired. For details as to the impairment policy, refer note 2.9.

In calculating the value in use, the Group is required to make significant judgements, estimates and assumptions inter-alia concerning the growth in earnings before interest, taxes, depreciation and amortisation ('EBITDA') margins, capital expenditure, long-term growth rates and discount rates to reflect the risks involved. Also, judgement is involved in determining the CGU / grouping of CGUs for allocation of the goodwill.

The Group mainly operates in developing markets and in such markets, the plan for shorter duration is not indicative of the long-term future performance. Considering this and the consistent use of such robust

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ten-year information for management reporting purpose, the Group uses ten-year plans for the purpose of impairment testing.

## b. Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. Given the wide range of international business relationships and the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the relevant tax authority.

Deferred tax assets are recognised for the unused tax losses for which there is probability of utilisation against the future taxable profit. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, future tax planning strategies and recent business performances and developments. For detail as to provisions and contingencies, refer note 20 and 23 respectively.

## c. PPE

As described at note 2.7 above, the Group reviews the estimated useful lives of PPE at the end of each reporting period. After considering market conditions, industry practice, technological developments and other factors, the Group determined that the current useful lives of its PPE remain appropriate. However, changes in economic conditions of the markets, competition and technology, among others, are unpredictable and they may significantly impact the useful lives of PPE and therefore the depreciation charges. Refer note 2.7 and 5 for the estimated useful life and carrying value of PPE respectively.

## d. Allowance for impairment of trade receivables

The expected credit loss is mainly based on the ageing of the receivable balances and historical experience. The receivables are assessed on an individual basis or grouped into homogeneous groups and assessed for impairment collectively, depending on their significance. Moreover, trade receivables are written off on a case-to-case basis if deemed not to be collectible on the assessment of the underlying facts and circumstances.

## e. Contingent liabilities and provisions

The Group is involved in various legal, tax and regulatory matters, the outcome of which may not be favorable to the Group. Management in consultation with the legal, tax and other advisers assess the likelihood that a pending claim will succeed. The Group has applied its judgement and has recognised liabilities based on whether additional amounts will be payable and has included contingent liabilities where economic outflows are considered possible but not probable.

## 3.2 Critical judgements in applying the Group's accounting policies

The critical judgements, which the management has made in the process of applying the Group's accounting policies and have the most significant impact on the amounts recognised in the said Financial Statements, are discussed below:

### a. Revenue recognition and presentation

The Group assesses its revenue arrangements in order to determine if it is acting as a principal or as an agent by determining whether it has primary obligation basis pricing latitude and exposure to credit / inventory risks associated with the sale of goods / rendering of services.

In the said assessment, both the legal form and substance of the agreement are reviewed to determine each party's role in the transaction.

### b. Separating lease and non-lease components

The consideration paid by the Group in telecommunication towers lease contracts include the use of land and passive infrastructure as well as maintenance, security, provision of energy etc. Therefore, in determining the allocation of consideration between lease and non-lease components, for the additional services that are not separately priced, the Group performs analysis of cost split to arrive at relative stand-alone prices of each of the components. The bifurcation of the consideration paid (excluding energy) between lease versus non-lease component across the Group has been accordingly considered at 55-78% as lease component on an overall basis.

### c. Determining the lease term

Under Ind AS 116 if it is reasonably certain that a lease will be extended / will not be early terminated, the Group is required to estimate the expected lease period which may be different from the contractual tenure. The Group has various tower lease agreements with a right to extend / renew / terminate wherein it considers the nature of the contractual terms and economic factors to determine the lease term. After assessing such factors, the lease liability has been calculated using the remaining - contractual lease period / lease period until which significant exit penalties are payable.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## d. Determining the incremental borrowing rate for lease contracts

The initial recognition of lease liabilities at present value requires the identification of an appropriate discount rate. The Group has determined the incremental borrowing rate based on considerations specific to the leases by taking consideration of the risk free borrowing rates as adjusted for country / Company specific risk premiums (basis the readily available data points).

## e. Determination of functional currency

The Group has determined the functional currency of the Group entities by identifying the primary economic environment in which the entity operates, based on underlying facts / circumstances. However, in respect of certain intermediary foreign operations of the Group, the determination of functional currency is not very obvious due to mixed indicators and the extent of autonomy enjoyed by the foreign operation. In such cases, management uses its judgement to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

## f. Taxes

The identification of temporary differences pertaining to the investment in subsidiaries that are expected to reverse in the foreseeable future and the determination of the related deferred income tax liabilities after considering the requisite tax credits require the Group to make significant judgements.

## 4. Significant transactions / new developments

- a) During the year ended March 31, 2023, the Company has allotted 71,176,839 equity shares of the face value of ₹ 5 each fully paid up, on preferential basis to Google International LLC at an issue price of ₹ 734 per equity share (including a premium of ₹ 729 per share) aggregating to ₹ 52,244, upon receipt of all applicable statutory/ regulatory approvals including the approval from the Competition Commission of India.
- b) During the year ended March 31, 2023, the compulsorily convertible preference shares ('CCPS') of Nxtra Data Limited, a subsidiary of the company, have been converted into equity shares pursuant to the terms of Investment Agreement with CA Cloud Investments ('Carlyle'). Upon conversion of 17,880,000 CCPS of face value of ₹ 1,000 each into 2,854,461 equity shares of ₹ 10 each, Carlyle holds 24.04% equity stake in Nxtra Data Limited. The excess of CCPS liability derecognised over the carrying value of minority interest of ₹ 12,213 has been recognised in the transaction with NCI reserve, a component of equity.
- c) During the year ended March 31, 2023, the Group has participated in the latest spectrum auction conducted

by the Department of Telecommunications ('DoT'), Government of India and acquired 19,867.8 MHz spectrum of 3.5 & 26 GHz bands and selective mid and low band spectrum. This entire spectrum bank was secured for a total consideration of ₹ 430,396 for 20 years. The Group has paid 4 years of spectrum dues upfront amounting to ₹ 83,124 for all circles except North East and Rajasthan circles where first instalment is paid amounting to ₹ 1,321. The said spectrum has been allocated by the DoT on August 17, 2022. Payment for remaining spectrum dues shall begin from August 2026 for all circles except for North East and Rajasthan circles where group will continue to pay instalment every year.

- d) During the year ended March 31, 2023, upon approval of National Company Law Tribunal, Chandigarh Bench, vide its order received on January 25, 2023 in certified copy, the composite scheme of arrangement between Nettle Infrastructure Investments Limited ('Nettle'), Telesonic Networks Limited ('Telesonic'), their respective shareholders and the Company, under sections 230 to 232 along with other applicable provisions of the Companies Act, 2013 for amalgamation of Nettle and Telesonic, wholly-owned subsidiaries, with the Company ('Scheme') has become effective from February 1, 2023, with an appointed date of April 1, 2022 in accordance with the Scheme.

Consequently, the authorised share capital of Nettle and Telesonic has been added to the authorised share capital of the Company. Accordingly, as on effective date of scheme, the authorised equity share capital of the Company is ₹ 148,730 divided into 29,746,080,000 equity shares of ₹ 5 each.

- e) During the year ended March 31, 2023, the Company has, in accordance with the terms of the offering circular dated ('Offering Circular') January 14, 2020 w.r.t. USD 1,000 Mn (approx. ₹ 72,017) 1.50% Convertible Bonds due 2025 ('FCCBs'), allotted 11,903,000 equity shares of the face value of ₹ 5 each fully paid up at a conversion price of ₹ 521 per equity share and 27,543 equity shares of the face value of ₹ 5 each fully paid up at a conversion price of ₹ 523 per equity share, against the conversion request of FCCBs of USD 86.1 Mn and USD 0.2 Mn respectively.
- f) On April 26, 2023, Indus Towers Limited, a Joint Venture Company ('JVC') of the Company, in its Audited Consolidated Financial Statement for year ended March 31, 2023 reported certain matters relating to one of its large customers ('customer'), which is summarised below:

The said customer accounts for substantial part of revenue from operations for the year ended March 31, 2023 and constitutes a significant part of trade

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

receivables outstanding and unbilled revenue as at March 31, 2023. The said customer has indicated in its latest published unaudited results for the quarter and nine months ended December 31, 2022, that its ability to continue as a going concern is dependent on raising additional funds, negotiations with lenders & vendors and generation of cash flows from operations. The said customer had informed the JVC that a funding plan was under discussion with its lenders and had agreed to a payment plan with the JVC to pay part of the monthly billing till December 2022 and 100% of the amounts billed from January 2023 onwards. As regards the dues outstanding as on December 31, 2022, it had agreed to pay the dues between January 2023 and July 2023.

However, during the current quarter, the funding plan of the said customer did not materialise and the said customer has indicated challenges in making the committed payments pertaining to the outstanding amount due as at December 31, 2022. Although, the said customer has been paying an amount equivalent to monthly billing from January 2023.

The JVC, subject to the terms and conditions agreed between the parties, has a secondary pledge over promoter's remaining shares held in the JVC and a corporate guarantee provided by said customer's promoter which could be triggered in certain situations and events in the manner agreed between the parties. However, this is not adequate to cover the total outstanding with the said customer.

The potential loss of the said customer due to its ability to continue as a going concern or the failure to attract new customers could have an adverse effect on the business, results of operations and financial position of the JVC and amounts receivable (including unbilled revenue) and carrying amount of property, plant and equipment related to the said customer.

g) During the year ended March 31, 2022, the CCPS of Airtel Payments Bank Limited ('APBL'), an associate of the Company, have been converted into equity shares which has resulted in dilution of Company's shareholding from 80.1% to 73.9%. On the same date, the Board of APBL has approved issuance of partly paid up 129,622,090 equity shares at ₹ 14.74/- (Face value of ₹ 10 and premium of ₹ 4.74) per share on rights basis to its equity shareholders as on September 30, 2021. The shareholders were required to pay ₹ 1 per share at the time of the application towards the subscription of the Rights equity share. Further, the partly paid up rights equity shares to other subscribers were allotted by APBL and Bharti Airtel Limited has chosen not to subscribe to the rights equity shares which has resulted in dilution of Company's shareholding from 73.9% to 73.4% (effective).

Further, during the year ended March 31, 2023, on receipt of first call money on partly paid up rights equity shares from other subscribers has resulted in dilution of Company's shareholding from 73.4% to 72.61%.

h) In April 2022, one of the Airtel Mobile Commerce BV's ('AMC BV') subsidiaries, SMARTCASH Payment Service Bank Limited ('SMARTCASH'), received the final approval from the Central Bank of Nigeria for a full Payment Service Bank license affording it the opportunity to deliver a full suite of mobile money services in Nigeria.

Later in August 2022, in line with the directions of the Central Bank of Nigeria, SMARTCASH was transferred to Airtel Networks Limited (a subsidiary of Airtel Africa Group, outside the perimeter of AMC BV Group). Airtel Africa Group has agreed with non-controlling investors to compensate them for their respective potential loss of value by way of transferring additional AMC BV shares equivalent to the value of SMARTCASH on the prescribed trigger event date (subject to a cap of 5% of the value of AMC BV Group), which will only be payable in the event that SMARTCASH does not again form part of the AMC BV Group perimeter or the non-controlling investors do not own a direct shareholding in SMARTCASH based on regulatory approvals, by the prescribed trigger event date.

Given that the proposal to compensate the non-controlling investors is agreed, for their economic value loss due to exclusion of SMARTCASH (which they were entitled to before the transfer of SMARTCASH to Airtel Nigeria Limited) based on the future fair value of SMARTCASH on the prescribed trigger event date, Airtel Africa Group continues to recognise non-controlling interest w.r.t. net assets of SMARTCASH.

i) On July 7 2022, Bharti Airtel International (Netherlands) B.V. ('BAIN') (one of the Group's subsidiaries) completed the early redemption of USD 450 Mn of its USD 1,000 Mn of 5.35% Guaranteed Senior Notes due in 2024 for a consideration of USD 463 Mn. The consideration included accrued interest up to the date of redemption and early redemption cost.

j) During the year ended March 31, 2021, the National Company Law Tribunal, New Delhi, subject to the applicable sectoral approval, approved the composite Scheme of arrangement under Sections 230 to 232 of the Companies Act, 2013 ('Scheme') for transfer of Very Small Aperture Terminal ('VSAT') business of the Company and Bharti Airtel Services Limited, a wholly owned subsidiary of the Company, on a going concern basis by way of slump sale and vesting of the same with Hughes Communications India Private Limited ('Hughes India') and HCIL Comtel Private Limited against the consideration of ₹ 663 and ₹ 334 respectively. During

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the year ended March 31, 2022, the Scheme had become effective on January 4, 2022 upon fulfillment of conditions and receipt of requisite approval(s). Furthermore, the Company had invested approximately ₹ 998 in Hughes India and holds its 33.33% equity shareholding w.e.f. January 4, 2022.

- k) During the year ended March 31, 2022, the Company had paid ₹ 155,191 and ₹ 88,145 to the DoT (Government of India) towards prepayment of the entire deferred liabilities pertaining to spectrum acquired by the Company in 2014 auction (including acquired spectrum) and towards prepayment of the first two installments of deferred liabilities pertaining to spectrum acquired by the Company in 2015 auction (including acquired spectrum) respectively.
- l) During the year ended March 31, 2022, the Company had allotted 392,287,662 partly paid-up equity shares at an issue price of ₹ 535 per share (with ₹ 133.75 paid on application and balance to be paid in two more additional calls as may be decided by the Board / Committee of the Board of the Company from time to time) to the eligible applicants under the rights issue.
- m) On October 24, 2019, the Supreme Court delivered a judgement in relation to a long outstanding industry-wide case upholding the view of the DoT in respect of the definition of Adjusted Gross Revenue ('AGR'). Further, in its judgement dated September 1, 2020 ('AGR September judgement'), the Supreme Court reaffirmed that the demand raised by the DoT stated in its modification application. In addition, Supreme Court directed that the Telecom Service Providers ('TSPs') 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. Considering the above Supreme Court's judgment, the Group accounted for provision for license fee and spectrum charges based on the demand raised by the DoT and paid part dues in the previous years. On July 19, 2021, the Group confirmed its compliance to the Supreme Court with the directions to pay 10% of total dues by March 31, 2021. The matter is pending adjudication before the Supreme Court. Further, on July 23, 2021 the Supreme Court pronounced its judgment, whereby the applications filed by the TSPs for correction of errors in the computation of demand amount by DoT were dismissed. The Group has filed a review petition against the order dated July 23, 2021 before the Supreme Court and the same is pending adjudication.
- n) During the year ended March 31, 2022, the Company has transferred spectrum rights and related future liabilities of ₹ 4,693 to another telecom operator for the Company's 800 MHz spectrum in Andhra Pradesh (3.75 MHz), Delhi (1.25 MHz) and Mumbai (2.5 MHz) for consideration of ₹ 10,048 (Refer note 31(ii)(b)).
- o) Pursuant to Telecom Regulatory Authority of India's tariff order in relation to broadcasting services, Bharti Telemedia Limited, a Company's subsidiary, had entered into revised agreements with the broadcasters. With effect from April 1, 2019, basis such revised agreements and the provisions of the new tariff order, Bharti Telemedia Limited had re-assessed its performance obligations, extent of control over broadcasted content and various other responsibilities and liabilities. Consequently, the subsidiary had considered network capacity fee and commission and incentives from broadcasters as to subscription services, as part of its revenue from operations. Further, the Telecom Regulatory Authority of India had implemented second and third amendment to the tariff order effective from March 1, 2020 and February 1, 2023 respectively and Bharti Telemedia Limited had implemented the same to the extent is applicable and is in control of Bharti Telemedia Limited, as a distributor.
- p) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. The Ministry of Labour and Employment ('Ministry') has issued draft of the Code on Social Security (Central) Rules, 2020 on November 13, 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. However, the date on which the Code will come into effect has not been notified. The Group is assessing the impact of the Code and will record any related impact in the period the Code becomes effective.

without changing the overall payment period of 10 years as fixed by the Supreme court (i.e. the last of the yearly instalment payment to be made by March 31, 2031). The revised amount of instalment of the AGR dues is to be paid within this time frame only. The Group vide its letter dated October 22, 2021 has confirmed DoT to avail the offer.

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- q) During the year ended March 31, 2022, Airtel Nigeria completed the buyback of 8.22% non-controlling interest (out of existing 8.26%) from its non-controlling shareholders at a total cost of NGN 67.6 Bn (approx. ₹ 12,173) including directly attributable transaction costs. The difference between such cost and the carrying value of such non-controlling interest, has been recorded in 'NCI reserve' a component of equity.
- r) In March 2021, the Group had entered into agreements with TPG's The Rise Fund and Mastercard for the sale of NCI in one of the Group's subsidiaries (AMC BV) by way of the secondary sale of AMC BV's shares.

On August 2, 2021, the Group completed the first close of the transaction, whereby The Rise Fund and Mastercard invested USD 150 Mn (approx. ₹ 11,108) and USD 75 Mn (approx. ₹ 5,554) respectively.

On July 30, 2021, the Group further entered into an agreement with Qatar Holdings LLC for the sale of further NCI in AMC BV and completed the first close of the transaction on August 19, 2021, to receive USD 150 Mn (approx. ₹ 11,108) from Qatar Holdings LLC.

On November 16, 2021, the Group completed the second close of the above transactions whereby The Rise Fund and Qatar Holdings LLC each invested a further USD 50 Mn (approx. ₹ 3,734), and Mastercard a further USD 25 Mn (approx. ₹ 1,867).

On December 15, 2021, the Group further entered into an agreement with Chimetech Holding Limited for the sale of further NCI in AMC BV and received USD 50 Mn (approx. ₹ 3,734) from Chimetech Holding Limited.

While the Group continues to control AMC BV, for all the above-mentioned investments, the Group has recorded a NCI including shares held within Escrow. These shares may transfer to the investors at the end of a restructuring period as per the terms of the agreements. The Group has concluded that it does not control the shares placed in Escrow and hence has recorded these shares as part of the Group's NCI.

Under the terms of the transaction, and in very limited circumstances (including in the event that there is no Initial Public Offering of shares in AMC BV within four years of first close), The Rise Fund and Mastercard would have the option, so as to provide liquidity to them, to sell its shares in AMC BV to Airtel Africa or its affiliates at fair market value (determined by a mutually agreed merchant bank using an agreed internationally accepted valuation methodology). The Group has determined that successfully executing the IPO is not within complete control of the Group and has thus recorded a put option liability at the present value of the expected buy-back amount which is also the maximum amount, by debiting 'NCI reserve'. Subsequent re-measurement of this liability has been recognised as a finance cost.

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## 5. Property, plant and equipment ('PPE')

The following table presents the reconciliation of changes in the carrying value of PPE for the year ended March 31, 2023 and March 31, 2022:

	Leasehold improvements	Buildings	Land	Plant and equipment	Furniture and fixtures	Vehicles	Office equipments	Computer and servers	Aircrafts	Total
<b>Gross carrying value</b>										
<b>As of April 1, 2021</b>	<b>10,357</b>	<b>10,731</b>	<b>5,843</b>	<b>1,926,716</b>	<b>4,653</b>	<b>2,047</b>	<b>9,449</b>	<b>91,616</b>		<b>2,061,412</b>
Additions	202	2,897	145	231,788	2,134	57	1,491	7,240	-	245,954
Disposals / adjustments*	(49)	(11)	(185)	(51,121)	(151)	(231)	(354)	(131)	-	(52,233)
Exchange differences	2	150	(5)	(1,988)	65	19	121	318	-	(1,318)
<b>As of March 31, 2022</b>	<b>10,512</b>	<b>13,767</b>	<b>5,798</b>	<b>2,105,395</b>	<b>6,701</b>	<b>1,892</b>	<b>10,707</b>	<b>99,043</b>		<b>2,253,815</b>
<b>As of April 1, 2022</b>	<b>10,512</b>	<b>13,767</b>	<b>5,798</b>	<b>2,105,395</b>	<b>6,701</b>	<b>1,892</b>	<b>10,707</b>	<b>99,043</b>		<b>2,253,815</b>
Additions	335	4,455	2,355	231,784	1,451	36	1,721	8,569	3,960	254,666
Disposals / adjustments	8	-	-	(43,150)	(272)	(41)	(308)	(450)	-	(44,213)
Exchange differences	25	(70)	85	(9,138)	(126)	95	(215)	236	-	(9,108)
<b>As of March 31, 2023</b>	<b>10,880</b>	<b>18,152</b>	<b>8,238</b>	<b>2,284,891</b>	<b>7,754</b>	<b>1,982</b>	<b>11,905</b>	<b>107,398</b>	<b>3,960</b>	<b>2,455,160</b>
<b>Accumulated depreciation</b>										
<b>As of April 1, 2021</b>	<b>8,464</b>	<b>4,799</b>	<b>0</b>	<b>1,094,375</b>	<b>3,417</b>	<b>1,916</b>	<b>7,317</b>	<b>83,078</b>		<b>1,203,366</b>
Depreciation	361	568	-	182,766	764	24	986	6,177	-	191,646
Disposals / adjustments	(45)	(2)	-	(42,402)	(164)	(231)	(272)	(265)	-	(43,381)
Exchange differences	(19)	48	-	(3,930)	41	25	(6)	300	-	(3,541)
<b>As of March 31, 2022</b>	<b>8,761</b>	<b>5,413</b>	<b>0</b>	<b>1,230,809</b>	<b>4,058</b>	<b>1,734</b>	<b>8,025</b>	<b>89,290</b>		<b>1,348,090</b>
<b>As of April 1, 2022</b>	<b>8,761</b>	<b>5,413</b>	<b>0</b>	<b>1,230,809</b>	<b>4,058</b>	<b>1,734</b>	<b>8,025</b>	<b>89,290</b>		<b>1,348,090</b>
Depreciation	345	866	-	196,737	1,069	24	1,366	6,415	17	206,839
Disposals / adjustments	(2)	(5)	-	(41,394)	(230)	(40)	(206)	(464)	-	(42,341)
Exchange differences	35	(97)	-	(9,758)	(68)	56	(226)	389	-	(9,669)
<b>As of March 31, 2023</b>	<b>9,139</b>	<b>6,177</b>	<b>0</b>	<b>1,376,394</b>	<b>4,829</b>	<b>1,774</b>	<b>8,959</b>	<b>95,630</b>	<b>17</b>	<b>1,502,919</b>
<b>Net carrying value</b>										
<b>As of March 31, 2022</b>	<b>1,751</b>	<b>8,354</b>	<b>5,798</b>	<b>874,586</b>	<b>2,643</b>	<b>158</b>	<b>2,682</b>	<b>9,753</b>		<b>905,725</b>
<b>As of March 31, 2023</b>	<b>1,741</b>	<b>11,975</b>	<b>8,238</b>	<b>908,497</b>	<b>2,925</b>	<b>208</b>	<b>2,946</b>	<b>11,768</b>	<b>3,943</b>	<b>952,241</b>

\*It includes an impairment charge of ₹ 3,810 on plant and equipment (part of Mobile Services South Asia segment) pertaining to one of its subsidiary. The impairment charge has been recorded under exceptional items in the Statement of Profit and Loss (refer note 32(ii)(f)).

The Company has capitalised borrowing cost of ₹ Nil and ₹ 118 during the year ended March 31, 2023 and March 31, 2022 respectively. The rate used to determine the amount of borrowing costs eligible for capitalisation is Nil and 4.85 % for the year ended March 31, 2023 and March 31, 2022 respectively, which is the weighted average interest rate applicable to the Group's general borrowings.

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The carrying value of CWIP as of March 31, 2023 and March 31, 2022 is ₹ 110,293 and ₹ 42,386 respectively, which mainly pertains to plant and equipment.

For details towards pledge of the above assets refer note 18.2.

## CWIP ageing schedule as of March 31, 2023:

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress (net of provision)	106,615	3,428	189	61	110,293
	106,615	3,428	189	61	110,293

## CWIP ageing schedule as of March 31, 2022:

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress (net of provision)	40,975	1,233	56	122	42,386
	40,975	1,233	56	122	42,386

## 6. Goodwill and other intangible assets

The following table presents the reconciliation of changes in the carrying value of goodwill and other intangible assets for the year ended March 31, 2023 and March 31, 2022:

	Goodwill #	Other intangible assets			Total
		Software	Licenses (including spectrum)	Other acquired intangibles	
<b>Gross carrying value</b>					
<b>As of April 1, 2021</b>	<b>331,701</b>	<b>31,024</b>	<b>1,099,397</b>	<b>12,029</b>	<b>1,142,450</b>
Additions	-	6,554	188,158	490	195,202
Disposals / adjustments	-	(11,255)	(20,629)	(7,505)	(39,389)
Exchange differences	9,249	4	(174)	(18)	(188)
<b>As of March 31, 2022</b>	<b>340,950</b>	<b>26,327</b>	<b>1,266,752</b>	<b>4,996</b>	<b>1,298,075</b>
<b>As of April 1, 2022</b>	<b>340,950</b>	<b>26,327</b>	<b>1,266,752</b>	<b>4,996</b>	<b>1,298,075</b>
Additions	-	3,249	137,380	763	141,392
Disposals / adjustments	-	(481)	(3,308)	(1,011)	(4,800)
Exchange differences	(572)	19	(1,505)	(10)	(1,496)
<b>As of March 31, 2023</b>	<b>340,378</b>	<b>29,114</b>	<b>1,399,319</b>	<b>4,738</b>	<b>1,433,171</b>
<b>Accumulated amortisation</b>					
<b>As of April 1, 2021</b>	<b>-</b>	<b>24,967</b>	<b>346,473</b>	<b>11,441</b>	<b>382,881</b>
Amortisation	-	4,166	70,137	622	74,925
Disposals / adjustments	-	(11,243)	(14,515)	(7,474)	(33,232)
Exchange differences	-	13	(997)	(24)	(1,008)
<b>As of March 31, 2022</b>	<b>-</b>	<b>17,903</b>	<b>401,098</b>	<b>4,565</b>	<b>423,566</b>
<b>As of April 1, 2022</b>	<b>-</b>	<b>17,903</b>	<b>401,098</b>	<b>4,565</b>	<b>423,566</b>
Amortisation	-	4,669	73,940	396	79,005
Disposals / adjustments	-	(466)	(3,329)	(1,011)	(4,806)
Exchange differences	-	20	(2,117)	13	(2,084)
<b>As of March 31, 2023</b>	<b>-</b>	<b>22,126</b>	<b>469,592</b>	<b>3,963</b>	<b>495,681</b>
<b>Net carrying value</b>					
<b>As of March 31, 2022</b>	<b>338,313</b>	<b>8,424</b>	<b>865,654</b>	<b>431</b>	<b>874,509</b>
<b>As of March 31, 2023</b>	<b>337,741</b>	<b>6,988</b>	<b>929,727</b>	<b>775</b>	<b>937,490</b>

#Net carrying value of goodwill includes accumulated impairment of ₹ 2,637 as of March 31, 2023 and March 31, 2022.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The carrying value of IAUD as of March 31, 2023 and March 31, 2022 is ₹ 383,961 and ₹ 17,161 respectively, which pertains to spectrum and software / IT platform.

During the year ended March 31, 2023 and March 31, 2022, the Group has capitalised borrowing cost of ₹ 14,752 and ₹ 2,840 respectively. The weighted average rate used to determine the amount of borrowing costs eligible for capitalisation is 7.17 % (Specific borrowing), 3.34% (general borrowing) and 7.30% (specific borrowing), 3.34% (general borrowing) for the year ended March 31, 2023 and March 31, 2022 respectively.

Weighted average remaining amortisation period of licenses as of March 31, 2023 and March 31, 2022 is 13.38 years and 13.49 years respectively.

## IAUD ageing as of March 31, 2023:

Particulars	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	383,826	94	0	41	383,961
	383,826	94	0	41	383,961

## IAUD ageing as of March 31, 2022:

	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	17,078	12	33	38	17,161
	17,078	12	33	38	17,161

## Impairment review - Goodwill

The carrying value of Group's goodwill has been allocated to the following seven group of CGUs, whereby Nigeria, East Africa, Francophone mobile services and Mobile money services, Group of CGUs pertain to Airtel Africa plc. (Airtel Africa) operations.

	As of	
	March 31, 2023	March 31, 2022
<b>Airtel Africa Operations</b>		
Nigeria Mobile Services	74,071	96,792
East Africa Mobile Services	76,293	139,276
Francophone Africa Mobile Services	41,397	54,431
Mobile Money Services	97,614	-
Africa Mobile Services	289,375	290,499
<b>Operation other than Africa</b>		
India Mobile Services	40,413	40,413
Airtel Business	7,609	7,057
Homes Services	344	344
	<b>337,741</b>	<b>338,313</b>

The change in total goodwill is on account of foreign exchange differences.

The group test goodwill for impairment annually on December 31.

Details of impairment testing for the Group are as follows:

### A. Impairment review of goodwill pertaining to Airtel Africa operations

During the year, the Group re-assessed its operating segments which resulted in Mobile Money Services becoming a new operating segment of the Group. In line with this change, for the purposes of impairment testing, Mobile Money Services was identified an additional new group of CGUs. The new group of CGUs for impairment testing purposes are Nigeria Mobile Services, East Africa Mobile Services, Francophone Africa Mobile Services and Mobile Money Services (previously Nigeria, East Africa and Francophone). Goodwill was reallocated to the four group of CGUs based on the relative values of each group of CGUs, this resulted in goodwill being reallocated from Nigeria Mobile Services, East Africa Mobile Services and Francophone Africa Mobile Services to the Mobile Money services group of CGUs. Consequently, as at April 1, 2022 USD 1,295 Mn (approx. 98,310) was reallocated to the new group of CGUs i.e., Mobile Money Services.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The carrying value of Goodwill as of December 31, 2022 was USD 901 Mn (approx. ₹ 74,588), USD 951 Mn (approx. ₹ 78,728), USD 497 Mn. (approx. ₹ 41,144) and USD 1,200 Mn (approx. ₹ 99,341) for Nigeria Mobile Services, East Africa Mobile Services and Francophone Africa Mobile Services and Mobile Money Services, respectively.

Whilst the Board performed a long-term viability assessment over a three-year period, for the purposes of assessing liquidity, the Group has adopted a ten-year plan for the purpose of impairment testing due to the following reasons:

- The Group operates in emerging markets where the telecommunications and mobile money market is underpenetrated when compared to developed markets. In these emerging markets, short-term plans (for example, five years) are not indicative of the long-term future prospects and performance of the Group.
- The life of the Group's regulatory telecom licences and network assets are at an average of ten years, the spectrum renewals happen for a period of ten years or more and in general the replacement of technology happens after a similar duration, and
- The potential opportunities of the emerging African telecom and mobile money sector, which is mostly a two-three player market with lower smartphone penetration.

Accordingly, the Board approved that this planning horizon reflects the assumptions for medium to long-term market developments, appropriately covers market dynamics of emerging markets and better reflects the expected performance in the markets in which the Group operates.

While using the ten-year plan, the Group also considers external market data to support the assumptions used in such plans, which is generally available only for the first five years. Considering the degree of availability of external market data beyond year five, the Group has performed sensitivity analysis to assess the impact

on impairment of using a five-year plan. The results of this sensitivity analysis demonstrate that the initial five-year plan with appropriate changes including long-term growth rates applied at the end of this period does not result in any impairment and does not impact the headroom by more than 6% in any of the group of CGUs as compared to the headroom using the ten-year plan. Further, the Group is confident that projections for years six to ten are reliable and can demonstrate its ability, based on past experience to forecast cash flows accurately over a longer period. Accordingly, the Board has approved and the Group continues to follow a consistent policy of using an initial forecast period of ten years for the purpose of impairment testing.

In assessing the Group's prospects, the directors considered 5G cellular network potential in the markets in which the Group operates. The Group's first endeavour is to secure spectrum for 5G launch and roll out 5G network in key markets. During the financial year, the Group secured 5G spectrum in Nigeria, Kenya, Zambia and Tanzania and will selectively launch 5G services in these markets. Given the relatively low 4G customer penetration in the countries where it operates, the Group will continue to focus on its strategy to expand its data services and increase data customer penetration by leveraging and expanding its leading 4G network.

The nominal cash flows used in the impairment tests reflect the Group's current assessment of the impact of climate change and associated commitments the Group has made. Based on the analysis conducted so far, the Group is satisfied that the impact of climate change does not lead to an impairment as at December 31, 2022 and is adequately covered as part of the sensitivities disclosed below.

The nominal cash flows beyond the planning period are extrapolated using appropriate long term terminal growth rates. The long term terminal growth rates used do not exceed the long term average growth rates of the respective industry and country in which the entity operates and are consistent with internal / external sources of information.

The inputs used in performing the impairment assessment at December 31, 2022 were as follows:

Assumptions	Nigeria Mobile Services	East Africa Mobile services	Francophone Africa Mobile Services	Mobile Money services
Pre tax Discount Rate	33.38%	23.01%	21.07%	26.10%
Capital expenditure (as a % of revenue)	6% - 23%	8% - 20%	9% - 26%	1% - 5%
Long term growth Rate	7.64%	7.30%	7.35%	7.47%

At December 31, 2022 the impairment testing did not result in any impairment in the carrying amount of goodwill in any group of CGUs.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The key assumptions in performing the impairment assessment are as follows:

<b>Assumptions</b>	<b>Basis of assumptions</b>
Discount Rate	Nominal discount rate reflects the market assessment of the risks specific to the group of CGUs and estimated based on the weighted average cost of capital for respective CGUs.
Capital expenditures	The cash flow forecasts of capital expenditure are based on experience after considering the capital expenditure required to meet coverage and capacity requirements relating to voice, data and mobile money services.
Growth rates	The growth rates into perpetuity used are in line with the nominal long-term average growth rates of the respective industry and country in which the entity operates and are consistent with the internal / external sources of information.

At December 31, 2022 the impairment testing did not result in any impairment in the carrying amount of goodwill in any group of CGUs. The results of the impairment tests using these rates show that the recoverable amount exceeds the carrying amount by USD 1,342 Mn (approx. ₹ 110,096) for Nigeria Mobile Services (54%), USD 1,593 Mn (approx. ₹ 131,875) for East Africa Mobile Services (66%), USD 1,512 Mn (approx. ₹ 125,170) for Francophone Africa Mobile Services (105%) and USD 2,688 Mn (approx. ₹ 222,524) for Mobile Money Services (198%). The group therefore concluded that no impairment was required to the Goodwill held against each groups of CGUs.

## Sensitivity in discount rate and capital expenditure

Management believes that no reasonably possible change in any of the key assumptions would cause the difference between the carrying value and recoverable amount for any cash generating unit to be materially different from the recoverable value in the base case. The table below sets out the breakeven pre-tax discount rate for each group of CGUs, which will result in the recoverable amount being equal with the carrying amount for each group of CGUs:

	<b>Nigeria Mobile Services</b>	<b>East Africa Mobile services</b>	<b>Francophone Africa Mobile Services</b>	<b>Mobile Money services</b>
Pre tax Discount Rate	46.89%	32.34%	33.37%	55.00%

The table below presents the increase in isolation in absolute capital expenditure as a percentage of revenue (across all years of the impairment review) which will result in equating the recoverable amount with the carrying amount for each group of CGUs:

	<b>Nigeria Mobile Services</b>	<b>East Africa Mobile services</b>	<b>Francophone Africa Mobile Services</b>	<b>Mobile Money services</b>
Capital expenditure (as a % of revenue)	6.21%	8.15%	8.89%	20.24%

No reasonably possible change in the terminal growth rate would cause the carrying amount to exceed the recoverable amount.

## Impairment assessment for the year ended March 31, 2022:

The inputs used in performing the impairment assessment at December 31, 2021 were as follows:

<b>Assumptions</b>	<b>Nigeria</b>	<b>East Africa</b>	<b>Francophone Africa</b>
Pre tax Discount Rate	24.35%	16.17%	15.43%
Capital expenditure (as a % of revenue)	8% - 15%	7% - 15%	7% - 12%
Long term growth Rate	2.65%	5.31%	5.46%

The key assumptions in performing the impairment assessment are as follows:

<b>Assumptions</b>	<b>Basis of assumptions</b>
Discount rate	Discount rate reflects the market assessment of the risks specific to the group of CGUs and estimated based on the weighted average cost of capital for each respective group of CGUs.
Capital expenditures	The cash flow forecasts of capital expenditure are based on experience after considering the capital expenditure required to meet coverage and capacity requirements relating to voice, data and mobile money services.
Growth rates	The growth rates used are in line with the long-term average growth rates of the respective industry and country in which the entity operates and are consistent with internal / external sources of information

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

At December 31, 2021 the impairment testing did not result in any impairment in the carrying amount of goodwill in any group of CGUs. The results of the impairment tests using these rates show that the recoverable amount exceeds the carrying amount by USD 5,579 Mn (approx. ₹ 423,530) for East Africa (173%) and USD 2,559 Mn (approx. ₹ 194,266) for Francophone Africa (160%). For Nigeria, the recoverable amount exceeds the carrying amount by USD 2,842 Mn (approx. ₹ 215,750) (104%) including the cash flows of PSB licence which was received subsequent to the impairment testing date. Excluding such cash-flows did not result in any impairment in Nigeria. The Group therefore concluded that no impairment was required to the Goodwill held against each group of CGUs.

## Sensitivity in discount rate and capital expenditure

Management believes that no reasonably possible change in any of the key assumptions would cause the difference between the carrying value and recoverable amount for any cash-generating unit to be materially different from the recoverable value in the base case. The table below sets out the breakeven pre-tax discount rate for each group of CGUs, which will result in the recoverable amount being equal with the carrying amount for each group of CGU's:

	Nigeria	East Africa	Francophone Africa
Pre tax Discount Rate	43.70%	34.34%	32.63%

The table below presents the increase in isolation in absolute capital expenditure as a percentage of revenue (across all years of the impairment review) which will result in equating the recoverable amount with the carrying amount for each group of CGUs:

	Nigeria	East Africa	Francophone Africa
Capital expenditure (as a % of revenue)	9.64%	13.99%	11.06%

No reasonably possible change in the terminal growth rate would cause the carrying amount to exceed the recoverable amount.

## B. Impairment review of goodwill pertaining to operations other than Airtel Africa

The recoverable amounts of the above group of CGUs are based on value-in-use, which are determined based on ten-year business plans.

The Group has adopted a ten-year plan for the purpose of impairment testing due to the following reasons:

- The Group operates in growing markets where the telecommunications market is continuously converging towards adoption of smartphone devices. In these markets, short-term plans (for example, five years) are not indicative of the long-term future prospects and performance of the Group.
- The life of the Group's spectrum bandwidth has remaining useful life of more than ten years.

Accordingly, the management believes that this planning horizon reflects the assumptions for medium to long-term market developments, appropriately covers market dynamics and better reflects the expected performance in the markets in which the Group operates.

The testing carried out during December 2022, did not result in any impairment in the carrying amount of goodwill. While, for the previous year testing (December 2021), the Group, in line with para 99 of Ind AS 36 'Impairment of Assets', used the most recent detailed calculation made in the year preceding the previous year (December 31, 2020 - the annual goodwill impairment assessment date) of the recoverable amount of Mobility, Airtel Business and Homes CGUs to which goodwill has been allocated. Accordingly, the disclosures made in the year preceding the previous year's financial statements (March 31, 2021) relating to recoverable value are carried forward and disclosed as comparative information.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

As part of such testing, the key assumptions used in value-in-use calculations were as follows:

<b>Assumptions</b>	<b>Basis of assumptions</b>
EBITDA Margins	The margins have been estimated based on past experience after considering incremental revenue arising out of adoption of value added and data services from the existing and new customers. Margins will be positively impacted from the efficiencies and cost rationalisation / others initiatives driven by the Group; whereas, factors like higher churn, increased cost of operations may impact the margins negatively.
Discount rate	Discount rate reflects the current market assessment of the risks specific to a CGU or group of CGUs and estimated based on the weighted average cost of capital for respective CGU / group of CGUs. Pre-tax discount rates used are 13.36 % for the year ended March 31, 2023 and 11.60% for the year ended March 31, 2021.
Growth rate	The growth rates used are in line with the long-term average growth rates of the respective industry and country in which the entity operates and are consistent with the internal / external sources of information. The average growth rate used in extrapolating cash flows beyond the planning period is 3.5% for March 31, 2023 and 3.5% for March 31, 2021.
Capital expenditures	The cash flow forecasts of capital expenditure are based on past experience after considering the additional capital expenditure required for roll out of incremental coverage and capacity requirements and to provide enhanced voice and data services.

## Sensitivity to changes in assumptions

With regard to the sensitivity assessment of value-in-use for Mobile Services India, Homes Services and Airtel Business, no reasonably possible change in any of the above key assumptions would have caused the carrying amount of these units to exceed their recoverable amount.

## 7. Investment in joint ventures and associates

The amounts recognised in the Balance Sheet are as follows:

	<b>As of</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Joint ventures	250,340	248,920
Associates	31,498	35,348
	<b>281,838</b>	<b>284,268</b>

The amounts recognised in the Statement of Profit and Loss are as follows:

	<b>For the year ended</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Recognised in profit and loss</b>		
Joint ventures	7,371	24,258
Associates	150	(26)
	<b>7,521</b>	<b>24,232</b>
<b>Recognised in OCI</b>		
Joint ventures	(4)	38
Associates	50	(3)
	<b>46</b>	<b>35</b>

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The summarised financial information of joint venture and associates that are material to the Group are as follows:

## Summarised balance sheet

	As of					
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Joint venture		Associates			
	Indus Towers Limited		Robi Axiata Limited		Airtel Payments Bank Limited	
<b>Assets</b>						
<b>Non-current assets</b>	<b>378,648</b>	<b>356,563</b>	<b>152,648</b>	<b>164,312</b>	<b>7,481</b>	<b>5,226</b>
<b>Current assets</b>						
Cash and cash equivalents ('C&CE')	224	9,802	5,963	5,024	3,758	1,684
Other current assets (excluding 'C&CE')	86,852	113,311	6,393	9,184	19,073	14,314
<b>Total current assets</b>	<b>87,076</b>	<b>123,113</b>	<b>12,356</b>	<b>14,208</b>	<b>22,831</b>	<b>15,998</b>
<b>Liabilities</b>						
<b>Non-current liabilities</b>						
Borrowings	24,340	23,739	35,868	39,547	-	-
Other liabilities (excluding 'Borrowings')	148,661	146,163	23,624	17,289	160	139
<b>Total non-current liabilities</b>	<b>173,001</b>	<b>169,902</b>	<b>59,492</b>	<b>56,836</b>	<b>160</b>	<b>139</b>
<b>Current liabilities</b>						
Borrowings	22,786	31,129	8,089	9,955	850	575
Other liabilities (excluding 'Borrowings')	58,842	57,140	45,589	53,091	25,260	16,972
<b>Total current liabilities</b>	<b>81,628</b>	<b>88,269</b>	<b>53,678</b>	<b>63,046</b>	<b>26,110</b>	<b>17,547</b>
<b>Equity</b>	<b>211,095</b>	<b>221,505</b>	<b>51,834</b>	<b>58,638</b>	<b>4,042</b>	<b>3,538</b>
Percentage of Group's ownership interest	47.95%	46.49%	28.18%	28.18%	72.61%	73.41%
Interest in joint venture / associate	101,220	102,978	14,607	16,524	2,935	2,597
Consolidation adjustment (including goodwill)	148,981	145,813	7,177	8,791	5,574	5,998
<b>Carrying amount of investment</b>	<b>250,201</b>	<b>248,791</b>	<b>21,784</b>	<b>25,315</b>	<b>8,509</b>	<b>8,595</b>
<b>Quoted market value of investment</b>	<b>184,793</b>	<b>278,191</b>	<b>33,975</b>	<b>43,657</b>	-	-

## Summarised information on statement of profit and loss

	For the year ended					
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
	Joint venture		Associates			
	Indus Towers Limited		Robi Axiata Limited		Airtel Payments Bank Limited	
Revenue	283,818	277,172	73,083	71,160	12,781	9,326
Depreciation and amortisation expenses	54,410	54,222	21,166	21,157	571	227
Finance income	2,165	1,060	78	75	32	39
Finance cost	16,704	16,033	5,215	3,599	325	247
Income tax expense	7,193	20,576	2,377	2,578	-	-
<b>Profit for the year</b>	<b>20,400</b>	<b>63,731</b>	<b>1,467</b>	<b>1,617</b>	<b>226</b>	<b>104</b>
Other comprehensive (loss) / income for the year	(8)	93	110	17	(22)	(11)
<b>Total comprehensive income for the year</b>	<b>20,392</b>	<b>63,824</b>	<b>1,577</b>	<b>1,634</b>	<b>204</b>	<b>93</b>
Percentage of Group's ownership interest	47.95%	46.49%	28.18%	28.18%	72.61%	73.41%
Group's share in profit for the year	9,711	26,656	414	456	164	65
Group's share in other comprehensive (loss) / income for the year	(4)	38	31	5	18	(8)
Consolidation adjustments	(2,347)	(2,414)	-	-	(364)	(549)
<b>Group's share in profit / (loss)</b>	<b>7,364</b>	<b>24,242</b>	<b>414</b>	<b>456</b>	<b>(200)</b>	<b>(484)</b>
Dividend received	13,852	-	-	-	-	-

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The aggregate information of joint ventures that are individually immaterial is as follows:

	As of	
	March 31, 2023	March 31, 2022
Carrying amount of investments	139	129
<b>Group's share in joint ventures</b>		
Net profit	7	16
Total comprehensive income	7	16

The aggregate information of associates that are individually immaterial is as follows:

	As of	
	March 31, 2023	March 31, 2022
Carrying amount of investments	1,205	1,438
<b>Group's share in associates</b>		
Net profit	(64)	2
Total comprehensive income	(64)	2

## Details of joint ventures:

S.no.	Name of joint ventures #	Principal place of business	Principal activities	Ownership interest %	
				As of March 31, 2023	As of March 31, 2022
1	Indus Towers Limited @	India	Passive infrastructure services	47.95	46.49
2	Bharti Airtel Ghana Holdings B.V.\$	Netherlands	Investment company	50.00	50.00
3	Bridge Mobile Pte. Ltd.	Singapore	Provision of regional mobile services	10.00	10.00
4	Firefly Networks Limited	India	Telecommunication services	50.00	50.00
5	MAWEZI RDC S.A.*	Democratic Republic of Congo	Construction and operation of a landing station	27.58	-

# Investments in joint ventures are unquoted except investment in Indus Towers Limited.

@ The joint venture has a subsidiary Smartx Services Limited. For details, refer note 44.

\$ The joint venture has one subsidiary namely Millicom Ghana Company Limited (under liquidation). For details, refer note 44.

\* Airtel Africa plc, in which the Group has 56.01 % equity interest (56.01% as of March 31, 2022), owns effectively 49.25% of MAWEZI RDC S.A.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## Details of associates:

S.no.	Name of associates #	Principal place of business	Principal activities	Ownership interest %	
				As of March 31, 2023	As of March 31, 2022
1	Seychelles Cable Systems Company Limited*	Seychelles	Submarine cable system	14.56	14.56
2	Robi Axiata Limited**	Bangladesh	Telecommunication services	28.18	28.18
3	Airtel Payments Bank Limited	India	Mobile commerce services	72.61	73.41
4	Juggernaut Books Private Limited	India	Digital books publishing services	18.75	18.75
5	Hughes Communication India Private Limited***	India	Telecommunication services	33.33	33.33
6	Lavelle Networks Private Limited	India	Information technology services	25.00	25.00

# Investments in associates are unquoted except investment in Robi Axiata Limited.

\* Airtel Africa plc, in which the Group has 56.01 % equity interest (56.01% as of March 31, 2022), owns 26% of Seychelles Cable Systems Company Limited.

\*\*The associate has a subsidiary RedDot Digital Limited. For details, refer note 44.

\*\*\*The associate has two subsidiary namely Hughes Global Education India Private Limited & HCIL Comtel Private Limited. For details, refer note 44.

Refer note 23 for Group's share of joint venture's and associate's commitments and contingencies.

## 8. Investments in subsidiaries

Information as to the subsidiaries which are part of the Group is as follows:

S.no.	Principal activity	Principal place of business	Number of wholly-owned subsidiaries	
			As of March 31, 2023	As of March 31, 2022
1	Telecommunication services	India	2	2
2	Telecommunication services	South Asia	1	1
3	Telecommunication services	Others	6	6
4	Direct to home services	India	1	1
5	Data center and managed services	India	-	1
6	Uplinking channels for broadcasters	India	1	1
7	Content Procurement and Selling	India	1	1
8	Submarine cable	Mauritius	1	1
9	Submarine cable	Africa	1	1
10	Investment company	Mauritius	5	5
11	Investment company	India	-	1
12	Others	India	1	2
13	Others	Others	1	1
			<b>21</b>	<b>24</b>

S. no.	Principal activity	Principal place of business	Number of non-wholly-owned subsidiaries	
			As of March 31, 2023	As of March 31, 2022
1	Telecommunication services	India	1	1
2	Telecommunication services	Africa	23	14
3	Data center and managed services	India	1	-
4	Mobile commerce services	Africa	20	20
5	Infrastructure services	Africa	2	2
6	Investment company	Africa	2	2
7	Investment company	Mauritius	5	5
8	Investment company	Netherlands	35	34
9	Investment company	Others	23	3
10	Others	India	1	1
11	Others	Africa	1	1
12	Others	Others	2	2
			<b>116</b>	<b>85</b>

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Additionally, the Group also controls the employee stock option plan trusts as mentioned here below:

S.no.	Principal activity	Principal place of business
1	Bharti Airtel Employees' Welfare Trust	India
2	The Airtel Africa Employee Benefit Trust	Africa

The summarised financial information of subsidiaries (including acquisition date fair valuation and adjustments thereto, and accounting policies alignment) having material NCI is as follows:

## Summarised balance sheet

	Nxtro Data Limited #	Bharti Hexacom Limited		Airtel Africa Plc.^	
	India	India	Africa	Africa	Africa
	As of	As of	As of	As of	As of
	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
<b>Assets</b>					
Non-current assets	29,792	153,553	126,520	762,905	635,206
Current assets	4,311	28,976	40,223	156,172	151,740
<b>Liabilities</b>					
Non-current liabilities	4,639	79,013	68,348	311,366	275,790
Current liabilities	4,141	61,421	61,790	294,009	233,460
<b>Equity</b>	<b>25,323</b>	<b>42,095</b>	<b>36,605</b>	<b>313,702</b>	<b>277,696</b>
% of ownership interest held by NCI	24.04%	30.00%	30.00%	43.99%	43.99%
Accumulated NCI	6,088	12,629	10,982	130,490	116,049

<sup>#</sup>Equity includes NCI of ₹ 14,269 as of March 31, 2023 and ₹ 11,160 as of March 31, 2022 respectively within Airtel Africa Plc. structure.

## Summarised statement of profit and loss

	Nxtro Data Limited #	Bharti Hexacom Limited		Airtel Africa Plc.*	
	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended
	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Revenue	16,011	65,790	54,052	422,664	350,612
Net profit@	2,201	5,492	16,746	52,915	46,626
Other comprehensive (loss) / income@	(2)	(2)	(1)	(5,026)	7,988
Total comprehensive income@	2,199	5,490	16,745	47,889	54,615
Profit allocated to NCI	418	1,647	5,024	23,275	20,509

@represents respective entities owner's share.

## Summarised statement of cash flows

	Nxtro Data Limited #	Bharti Hexacom Limited		Airtel Africa Plc.*	
	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended
	March 31, 2023	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Net cash inflow from operating activities	6,409	51,084	12,580	177,569	148,178
Net cash outflow from investing activities	(8,795)	(20,309)	(13,825)	(82,416)	(41,314)
Net cash inflow / (outflow) from financing activities	598	(31,114)	1,831	(89,669)	(119,650)
<b>Net cash (outflow) / inflow</b>	<b>(1,788)</b>	<b>(339)</b>	<b>586</b>	<b>5,484</b>	<b>(12,786)</b>
Dividend paid to NCI (including tax)**	-	-	-	6,840	5,550

<sup>#</sup>refer note 4(b)

<sup>\*</sup> Based on consolidated financial statements of the entity.

<sup>\*\*</sup>It represents dividend being paid by Airtel Africa plc. to its shareholders other than Airtel Africa Mauritius Limited.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## 9. Investments

	As of	
	March 31, 2023	March 31, 2022
<b>Non-Current</b>		
<b>Investments carried at FVTPL</b>		
Government securities	2	2
Equity instruments	585	253
Preference shares	-	285
<b>Investment carried at FVTOCI</b>		
Equity instruments	69	69
	<b>656</b>	<b>609</b>
<b>Current</b>		
<b>Investments carried at FVTPL</b>		
Mutual funds	36,753	8,614
<b>Investments carried at amortised cost</b>		
Corporate deposits	4,497	-
Commercial paper	5,795	-
	<b>47,045</b>	<b>8,614</b>
<b>Aggregate book / market value of quoted investments</b>		
Non-current	-	-
Current	47,045	8,614
<b>Aggregate book value of unquoted investments</b>		
Non-current	656	609
Current	-	-

## 10. Derivative financial instruments

	As of	
	March 31, 2023	March 31, 2022
<b>Assets</b>		
Currency swaps, forward and option contracts		
	1,406	561
Interest swaps	731	218
	<b>2,137</b>	<b>779</b>
<b>Liabilities</b>		
Currency swaps, forward and option contracts		
	4,617	945
Embedded derivatives	23	224
	<b>4,640</b>	<b>1,169</b>
Non-current derivative financial assets		
	854	218
Current derivative financial assets	1,283	561
Non-current derivative financial liabilities	3,523	174
Current derivative financial liabilities	1,117	995

The Group holds derivatives which are accounted for as FVTPL. In some of these derivatives, on recognition, since the fair value of these derivatives could neither be evidenced by a quoted price in an active market nor data from any observable markets was available, the difference between the fair value at initial recognition and the transaction price is deferred and recognised on a straight-line basis over the tenure of such derivatives. The fair value of the derivatives are determined based on a valuation report by the derivative issuer.

A reconciliation of day 1 aggregate difference not recognised at the beginning and end of the period of changes in the balance of this difference is as follows:

	For the year ended	
	March 31, 2023	March 31, 2022
Opening balance	75	298
Differences between fair value on initial recognition and transactions price	2,401	-
Less: Aggregate difference recognised in Statement of profit and loss	(738)	(223)
<b>Closing balance</b>	<b>1,738</b>	<b>75</b>

Refer note 37 for details of the financial risk management of the Group.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## 11. Other financial assets

### Non-current

	As of	
	March 31, 2023	March 31, 2022
Indemnification asset*	12,052	12,052
Margin money deposits	136	224
Claims recoverable**	3,890	3,073
Security deposits#	7,730	7,139
Others	2,155	27
	<b>25,963</b>	<b>22,515</b>

\* primarily includes indemnification assets pursuant to merger with Tata Teleservices (Maharashtra) Limited ('TTML') / Tata Teleservices Limited ('TTS'L) and Telenor (India) Communications Private Limited ('Telenor').

\*\*claims recoverable majorly include Universal Service Obligation Fund ('USOF') subsidy.

# Security deposits primarily include deposits given towards rented premises, cell sites and interconnect ports and is disclosed net of allowance for impairment of ₹ 2,210 and ₹ 2,044 as of March 31, 2023 and March 31, 2022, respectively. It also includes amount due from related party (refer note 35).

### Current

	As of	
	March 31, 2023	March 31, 2022
Unbilled revenue (refer note 24)	20,923	19,051
Indemnification assets*	191,248	187,311
Claims recoverable	4,389	4,536
Interest accrued on deposits	375	220
Others#	3,930	3,579
	<b>220,865</b>	<b>214,697</b>

\* primarily includes indemnification assets pursuant to merger with TTML / TTS'L and Telenor.

# It includes amounts due from related party (refer note 35).

## 12. Income tax

The major components of the income tax expense are:

### Amounts recognised in Statement of Profit and Loss:

	For the year ended	
	March 31, 2023	March 31, 2022
<b>Current tax</b>		
- For the year	34,550	30,765
- Adjustments for prior periods	281	(434)
	<b>34,831</b>	<b>30,331</b>
<b>Deferred tax</b>		
- Origination and reversal of temporary differences	7,904	11,602
- Adjustments for prior periods	(2)	(154)
	<b>7,902</b>	<b>11,448</b>
<b>Income tax expense</b>	<b>42,733</b>	<b>41,779</b>

### Amounts recognised in OCI:

	For the year ended	
	March 31, 2023	March 31, 2022
<b>Deferred tax</b>		
- Tax credit on net investment hedge	4,365	1,269
- Tax credit on re-measurement of defined benefit plans	48	10
<b>Deferred Tax credit recorded in OCI</b>	<b>4,413</b>	<b>1,279</b>

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The reconciliation between the amount computed by applying the statutory income tax rate to the profit before tax and the income tax charge is summarised below:

	<b>For the year ended</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
Profit before tax	165,607	124,831
Enacted tax rates in India	25.168%	25.168%
Tax expense @ Company's domestic tax rate 25.168%	41,680	31,418
Effect of:		
Share of profits in associates and joint ventures	(2,933)	(6,093)
Tax holiday	870	1,913
Adjustments in respect of previous years	279	(420)
Additional taxes / taxes for which no credit is allowed	1,747	158
Difference in tax rate applicable to group companies	3,060	2,594
Recognition of previously unrecognised tax losses	(9,534)	-
Expense / (income) not deductible / (taxable) (net)	2,912	6,823
Tax on undistributed retained earnings of subsidiaries / joint venture	5,210	8,745
Items for which no deferred tax has been recognised	(717)	(2,866)
Settlement of various disputes	19	385
Others	140	(878)
<b>Income tax expense</b>	<b>42,733</b>	<b>41,779</b>

The analysis of deferred tax assets and liabilities is as follows:

	<b>As of</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Deferred tax assets (net)</b>		
<b>a) Deferred tax liability due to</b>		
Depreciation of PPE / ROU, amortisation of intangible assets and interest on lease liabilities	(30,995)	(42,309)
Fair valuation of FCCBs	(494)	(802)
<b>b) Deferred tax asset arising out of</b>		
Allowance for impairment of debtors / advances	12,282	10,135
Carry forward losses	181,069	200,697
Unearned income	223	163
Employee benefits	2,035	1,650
Claim for variable license fee acquired under amnesty scheme	4,163	5,612
Fair valuation of financial instruments and exchange differences	5,688	8,139
Government grant	1,052	973
Rates and taxes	14,886	14,372
Others	(390)	620
<b>189,519</b>	<b>199,250</b>	

	<b>As of</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Deferred tax liabilities (net)</b>		
<b>a) Deferred tax liability due to</b>		
Depreciation of PPE / ROU, amortisation of intangible assets and interest on lease liabilities	19,965	9,352
Undistributed retained earnings	14,375	16,902
Others	(142)	511
<b>b) Deferred tax asset arising out of</b>		
Fair valuation of financial instruments and exchange differences	(5,601)	(243)
Allowance for impairment of debtors / advances	(1,080)	(1,537)
Carry forward losses	(6,208)	(50)
Unearned income	(342)	(328)
Employee benefits	(205)	(119)
<b>20,762</b>	<b>24,488</b>	

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

	For the year ended	
	March 31, 2023	March 31, 2022
<b>Deferred tax expense</b>		
Allowance for impairment of debtors / advances	1,498	973
Carry forward losses	(13,301)	(402)
Unearned income	(7)	328
Employee benefits	323	86
Claim for variable license fees acquired under amnesty scheme	(1,449)	(4,072)
Fair valuation of financial instruments and exchange differences	2,197	1,666
Fair valuation of FCCB	308	265
Rates and taxes	517	2,629
Depreciation on PPE / amortisation on intangible assets / ROU / interest on lease liabilities	4,587	(4,831)
Government grant	79	(233)
Undistributed retained earnings	2,225	(6,549)
Others	(4,879)	(1,308)
<b>Net deferred tax (expense)</b>	<b>(7,902)</b>	<b>(11,448)</b>

The movement in deferred tax assets and liabilities during the year is as follows:

	For the year ended	
	March 31, 2023	March 31, 2022
<b>Opening balance</b>		
Opening balance	174,762	184,757
Tax expense recognised in statement of Profit or Loss	(7,902)	(11,448)
Tax income / (expense) recognised in OCI:		
- on net investments hedge	4,365	1,269
- Re-measurement loss on defined benefit plans	48	10
Exchange differences and others	245	199
Deferred tax as Assessment order / Return actualisation impact	(2,761)	(25)
<b>Closing balance</b>	<b>168,757</b>	<b>174,762</b>

In line with accounting policy of the Group, Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry forward of unabsorbed depreciation and unused tax losses can be utilised. Accordingly, the Group has not recognised deferred tax assets in respect of deductible temporary differences, carry forward of unabsorbed depreciation and unused tax losses of ₹ 781,963 and ₹ 737,055 as of March 31, 2023 and March 31, 2022, respectively as it is not probable that taxable profits will be available in future due to challenging and uncertain nature of the business and regulatory framework, intense competition, constant capital investments and receipt of dividend from investees etc.

The expiry schedule of above unrecognised losses is as follows:

	As of	
	March 31, 2023	March 31, 2022
<b>Expiry date</b>		
Within five years	564,085	377,318
Above five years	6,814	151,976
Unlimited	211,064	207,761
<b>Total</b>	<b>781,963</b>	<b>737,055</b>

The Group has not recognised deferred tax liability with respect to unremitted retained earnings and associated foreign currency translation reserve with respect to certain of its subsidiaries and joint ventures where the Group is in a position to control the timing of the distribution of profits and it is probable that the subsidiaries will not distribute the profits in the foreseeable future. The taxable temporary difference associated with respect to unremitted retained earnings and associated foreign currency translation reserve is ₹ 45,215 and ₹ 98,427 as of March 31, 2023 and March 31, 2022, respectively. The distribution of the same is expected to attract tax in the range of NIL to 20% depending on the tax rates applicable as of March 31, 2023 in the jurisdiction in which the respective Group entity operates.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## Factors affecting the tax charge in future years

The Group's future tax charge and effective tax rate, could be affected by the following factors:

- Change in income tax rate in any of the jurisdictions in which Group operates
- Overall profit mix between profit and loss making entities
- Withholding tax on distributed and undistributed retained earnings of subsidiaries
- Recognition of deferred tax assets in any of the Group entities meeting the criteria

The Group is routinely subject to audit by tax authorities in the jurisdictions in which the Group entities operate. The Group recognises tax provisions based on reasonable estimates for those matters where tax determination is uncertain but it is considered probable that there will be a future outflow of funds to tax authorities. The amount of such provisions are based on various factors, such as experience of previous tax audits and different interpretations of tax regulations by the tax authority in jurisdictions in which the Group operates; the amount ultimately paid in these kind of uncertain tax cases may differ materially and could therefore affect the Group's overall profitability and cash flows in future.

The tax impact of a transaction disclosed as contingent liability can also be uncertain until a conclusion is reached with the relevant tax authority or through a legal process. Refer note 23 for details of the contingencies pertaining to income tax.

## 13. Other assets

### Non-current

	As of	
	March 31, 2023	March 31, 2022
Costs to obtain a contract with the customer (refer note 24)	30,377	24,214
Advances (net) <sup>#</sup>	21,374	19,954
Capital advances	5,861	1,544
Prepaid expenses	32,048	26,899
Taxes recoverable	12,340	16,219
Others*	1,898	2,732
	<b>103,898</b>	<b>91,562</b>

<sup>#</sup>Advances (net) represent payments made to various government authorities under protest and are disclosed net of allowance.

\*It mainly includes refund recoverable of custom duty.

### Current

	As of	
	March 31, 2023	March 31, 2022
Costs to obtain a contract with the customer (refer note 24)	35,716	22,747
Taxes recoverable <sup>#</sup>	77,269	77,224
Advances to suppliers (net) <sup>@</sup>	3,504	5,714
Prepaid expenses	11,758	10,487
Others*	996	980
	<b>129,243</b>	<b>117,152</b>

<sup>#</sup>Taxes recoverable primarily include Goods and Services Tax and customs duty.

<sup>@</sup>Advances to suppliers are disclosed net of allowance of ₹ 2,684 and ₹ 2,751 as of March 31, 2023 and March 31, 2022 respectively.

\*It includes employee receivables which principally consist of advances given for business purpose.

## 14. Trade receivables

	As of	
	March 31, 2023	March 31, 2022
Trade receivables considered good - unsecured*	88,141	84,076
Trade receivables - credit impaired	1,771	1,442
Less: allowance for doubtful receivables	(50,097)	(44,956)
	<b>39,815</b>	<b>40,562</b>

\*It includes amount due from related party (refer note 35).

Refer note 37 (iv) for credit risk.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

**The movement in allowance for doubtful receivables is as follows:**

	For the year ended	
	March 31, 2023	March 31, 2022
Opening balance	44,956	43,524
Additions	5,664	3,048
Write off (net of recovery)	(1,402)	(1,179)
Exchange differences	879	(437)
<b>Closing balance</b>	<b>50,097</b>	<b>44,956</b>

**Trade Receivables Ageing as of March 31, 2023:**

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	9,492	29,202	4,955	5,169	5,964	32,576	87,358
(ii) Disputed Trade Receivables — considered good	-	-	-	21	1	761	783
(iii) Disputed Trade Receivables — credit impaired	-	-	-	-	-	1,771	1,771
	<b>9,492</b>	<b>29,202</b>	<b>4,955</b>	<b>5,190</b>	<b>5,965</b>	<b>35,108</b>	<b>89,912</b>
Less: allowance for doubtful receivables							(50,097)
							<b>39,815</b>

**Trade Receivables Ageing as of March 31, 2022:**

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables — considered good	8,915	28,177	4,840	6,514	6,803	27,702	82,951
(ii) Disputed Trade Receivables — considered good	-	-	21	1	113	990	1,125
(iii) Disputed Trade Receivables — credit impaired	-	-	-	-	-	1,442	1,442
	<b>8,915</b>	<b>28,177</b>	<b>4,861</b>	<b>6,515</b>	<b>6,916</b>	<b>30,134</b>	<b>85,518</b>
Less: allowance for doubtful receivables							(44,956)
							<b>40,562</b>

## 15. Cash and bank balances

### Cash and cash equivalents

	As of	
	March 31, 2023	March 31, 2022
Balances with banks		
- On current accounts*	29,107	30,863
- Bank deposits with original maturity of 3 months or less	42,166	29,719
Cheques on hand	293	203
Cash on hand	228	174
	<b>71,794</b>	<b>60,959</b>

\*It includes balance held under mobile money wallet in group subsidiaries.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## Other bank balances

	As of	
	March 31, 2023	March 31, 2022
Balance held under mobile money trust*	50,729	38,978
Earmarked bank balances - unpaid dividend	21	12
Term deposits with bank	9,595	22,319
Margin money deposits#	2,047	12,675
	<b>62,392</b>	<b>73,984</b>

\*It represents balance held under mobile money trust on behalf of mobile money customers relating to Group's subsidiaries in Africa which is not available for use by the Group.

#Margin money deposits represents amount given as collateral for legal cases and / or bank guarantees for disputed matters.

The details of interest accrued on above items (which is included within 'interest accrued on deposits' under other financial assets - current, refer note 11) is as below:

	As of	
	March 31, 2023	March 31, 2022
<b>Cash and cash equivalents</b>		
- Bank deposits with original maturity 3 months or less	343	146
	<b>343</b>	<b>146</b>
<b>Other bank balance</b>		
- Term deposits with bank	32	74
	<b>32</b>	<b>74</b>
	<b>375</b>	<b>220</b>

For the purpose of Statement of Cash Flows, cash and cash equivalents comprise of the following:

	As of	
	March 31, 2023	March 31, 2022
Cash and cash equivalents as per balance sheet	71,794	60,959
Balance held under mobile money trust*	50,729	38,978
Bank overdraft	(32,309)	(25,950)
	<b>90,214</b>	<b>73,987</b>

\*It represents balance held under mobile money trust on behalf of mobile money customers relating to Group's subsidiaries in Africa which is not available for use by the Group.

## 16. Share capital

	As of	
	March 31, 2023	March 31, 2022
<b>Authorised share capital</b>		
29,746,080,000 (March 31, 2022 - 29,555,980,000) equity shares of ₹ 5 each (refer note 4(d))	148,730	147,780
1,000 (March 31, 2022 - 1000) preference shares of ₹ 100 each	0	0
	<b>148,730</b>	<b>147,780</b>
<b>Issued capital</b>		
5,575,134,650 (March 31, 2022 - 5,492,027,268) equity shares of ₹ 5 each fully paid up	27,876	27,460
392,287,662 (March 31, 2022 - 392,287,662) equity shares of ₹ 5 each (₹ 1.25 partly paid up)	1,961	1,961
	<b>29,837</b>	<b>29,421</b>
<b>Subscribed and paid up capital</b>		
5,575,134,650 (March 31, 2022 - 5,492,027,268) equity shares of ₹ 5 each fully paid up	27,876	27,460
392,287,662 (March 31, 2022 - 392,287,662) equity shares of ₹ 5 each (₹ 1.25 partly paid up)	490	490
	<b>28,366</b>	<b>27,950</b>

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## a. Reconciliation of the shares outstanding at the beginning and at the end of the year

	For the year ended			
	March 31, 2023		March 31, 2022	
	No. of shares ('000')	Amount	No. of shares ('000')	Amount
At the beginning of the year	5,884,315	27,950	5,492,027	27,460
Issued during the year	83,107	416	392,288	490
<b>Outstanding at the end of the year</b>	<b>5,967,422</b>	<b>28,366</b>	<b>5,884,315</b>	<b>27,950</b>

## b. Rights, preferences and restrictions attached to Shares

The Company has only one class of equity shares having face value of ₹ 5 each. The holder of the equity share is entitled to dividend right and voting right in the same proportion as the capital paid-up on such equity share bears to the total paid-up equity share capital of the Company. The declaration of dividend by the Company is associated with the fulfilment of interest obligation, if any, on the perpetual securities issued by one of its wholly-owned subsidiary. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

## c. Terms of conversion / redemption of FCCBs

The Company has outstanding FCCBs of USD 913.7 Mn and USD 1,000 Mn as of March 31, 2023 and March 31, 2022 respectively, bearing coupon rate of 1.50% issued at par, listed on the Singapore Exchange Securities Trading Limited. As per Offering Circular issued by the Company, FCCBs are convertible into Company's fully-paid up equity shares of ₹ 5 each at initial conversion price (as adjusted from time to time), at any time on or after February 27, 2020 and up to the close of business on February 7, 2025, at the option of the FCCB holders. FCCBs, which are not converted to fully paid-up equity shares during such specified period, are redeemable at 102.66% of their principal amount on February 17, 2025. The Conversion price is subject to adjustment w.r.t events as mentioned in Offering Circular, but cannot be below the floor price which is ₹ 452.09.

## d. Details of shareholders (as per the register of shareholders) holding more than 5% shares in the Company

	As of			
	March 31, 2023		March 31, 2022	
	No. of shares ('000')	% holding	No. of shares ('000')	% holding
Bharti Telecom Limited	2,299,875	38.54	2,109,641	35.85
Pastel Limited	627,228	10.51	814,327	13.84
Indian Continent Investment Limited	355,593	5.96	355,593	6.04

## e. Shareholding of Promoters

### Shares held by Promoters as of March 31, 2023:

Promoter Name	As of			
	March 31, 2023		April 1, 2022	
	No. of shares ('000')	% of total shares	No. of shares ('000')	% of total shares
Bharti Telecom Limited	2,299,875	38.54	2,109,641	35.85

### Shares held by Promoters as of March 31, 2022:

Promoter Name	As of			
	March 31, 2022		April 1, 2021	
	No. of shares ('000')	% of total shares	No. of shares ('000')	% of total shares
Bharti Telecom Limited	2,109,641	35.85	1,966,236	35.80

## f. Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date:

- During the year ended March 31, 2023, 11,930,543 equity shares of ₹ 5 each were issued to the FCCB holders pursuant to option exercised in accordance with the offering circular (refer note 4 (e)).
- During the year ended March 31, 2021, 36,469,913 equity shares of ₹ 5 each were issued on preferential basis to Lion Meadow Investment Limited, an affiliate to Warburg Pincus LLC as partial consideration for acquisition of equity shares of Bharti Telemedia Limited.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

- During the year ended March 31, 2020, 970,668 equity shares of ₹ 5 each were issued to the shareholders of TTML as per the terms of the scheme of arrangement.
- During the year ended March 31, 2019, 5 equity shares of ₹ 5 each were issued to the shareholders of Telenor as per the terms of the scheme of amalgamation.

## g. Treasury shares

	For the year ended			
	March 31, 2023		March 31, 2022	
	No. of shares ('000')	Amount	No. of shares ('000')	Amount
Opening balance	2,943	1,555	3,332	1,549
Purchased during the year	625	499	1,022	598
Exercised during the year	(648)	(321)	(1,411)	(592)
<b>Closing balance</b>	<b>2,920</b>	<b>1,733</b>	<b>2,943</b>	<b>1,555</b>

## h. Dividend

	For the year ended	
	March 31, 2023	March 31, 2022
<b>A. Declared and paid during the year:</b>		
Final dividend for 2021-22: ₹ 3 per share (2020-21: ₹ Nil per share)	16,976	-
Dividend on treasury shares	8	-
	<b>16,984</b>	-
<b>B. Proposed dividend*</b>		
Proposed dividend for 2022-23: ₹ 4 per share (2021-22: ₹ 3 per share)	22,696	16,770
	<b>22,696</b>	<b>16,770</b>

\*It represents dividend of ₹ 4 per fully paid-up equity share of face value ₹ 5 each and ₹ 1 per partly paid-up equity share of face value ₹ 5 each (paid-up ₹ 1.25 per equity share) on shares issued till the date of these Financial Statements are approved for issue by company's Board of Directors. The proposed dividend is subject to approval of Shareholders at the Annual General Meeting, accordingly, no corresponding liability has been recognised.

## 17. Other equity

- Securities premium:** It is used to record the premium on issue of equity shares. The reserve is utilised in accordance with the provisions of the Act.
- Retained earnings:** Retained earnings represent the amount of accumulated earnings of the Group, re-measurement differences on defined benefit plans, any transfer from general reserve and the reserves arising due to court scheme accounting and adjustments thereto (as explained below for significant Scheme of Arrangements).

The Scheme of Arrangement under Section 391 to 394 of the Companies Act, 1956 for transfer of all assets and liabilities at their respective fair values from Bharti Infratel Ventures Limited (erstwhile subsidiary company), Vodafone Infrastructure Limited, Idea Cellular Tower Infrastructure Limited to its joint venture Indus Towers Limited, was approved by the High Court of Delhi vide order dated April 18, 2013 and filed with the Registrar of Companies on June 11, 2013 with appointed date April 1, 2009 and hence was accounted retrospectively with effect from April 1, 2009. Similarly, pursuant to the Scheme of Arrangement of the Company under sections 391 to 394 of the Companies Act, 1956, the telecom infrastructure undertaking of the Company was transferred to one of its subsidiary Bharti Infratel Limited during the year ended March 31, 2008.

Further, pursuant to the said schemes, mainly the excess of the fair value over the original book value of the assets transferred to them and the periodic depreciation thereto is adjusted in retained earnings.

In absence of any specific provision under Ind AS with respect to court schemes, and the fact that the court schemes are part of the law, accounting prescribed therein (as explained above) will continue to prevail even in the Ind AS Financial Statements of the Group after being adjusted for intra-group eliminations / equity accounting, as required.

- General reserve:** The Company had transferred a portion of its profit before declaring dividend in respective prior years to general reserve, as stipulated under the erstwhile Companies Act, 1956. Mandatory transfer to general reserve is not required under the Act.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Further, on exercise of the stock options, the difference between the consideration (i.e. the exercise price and the related amount of share-based payment reserve) and the cost of the related treasury shares, is transferred to general reserve.

- d. **Capital reserve:** The excess of fair value of net assets acquired over consideration paid in a business combination is recognised as capital reserve. This reserve is not available for distribution as dividend.
- e. **Share-based payment reserve:** The Share based payment reserve is used to record the fair value of equity-settled share based payment transactions with employees.
- f. **NCI reserve:** A change in the ownership interest of a subsidiary, without a change of control, is accounted for as a transaction with equity holders. Any difference between the amount of the adjustment to NCI and any consideration exchanged is recognised in 'NCI reserve', a component of equity.
- g. **FVTOCI reserve:** The Company has elected to recognise changes in the fair value of certain investments in equity securities in OCI. These changes are accumulated within FVTOCI within equity.
- h. **Equity component of FCCB:** The Equity component is the residual amount after deducting the fair value of the financial liability component from the net proceeds of the FCCB.

## Other components of equity

	FCTR	FVTOCI reserve	Treasury shares	Equity component of FCCB	Total
<b>As of April 1, 2021</b>	<b>(101,536)</b>	<b>(31)</b>	<b>(1,549)</b>	<b>3,542</b>	<b>(99,574)</b>
Net gain due to foreign currency translation differences	301	-	-	-	301
Net loss on net investment hedge	(4,837)	-	-	-	(4,837)
Purchase of treasury shares	-	-	(598)	-	(598)
Exercise of share options	-	-	592	-	592
<b>As of March 31, 2022</b>	<b>(106,072)</b>	<b>(31)</b>	<b>(1,555)</b>	<b>3,542</b>	<b>(104,116)</b>
Net loss due to foreign currency translation differences	(16,205)	-	-	-	(16,205)
Net loss on net investment hedge	(11,820)	-	-	-	(11,820)
Purchase of treasury shares	-	-	(499)	-	(499)
Exercise of share options	-	-	321	-	321
<b>As of March 31, 2023</b>	<b>(134,097)</b>	<b>(31)</b>	<b>(1,733)</b>	<b>3,542</b>	<b>(132,319)</b>

## 18. Borrowings

### Non-current

	As of	
	March 31, 2023	March 31, 2022
<b>Secured</b>		
Term loans	3,516	3,796
	<b>3,516</b>	<b>3,796</b>
Less: Current portion	(628)	(3,796)
	<b>2,888</b>	-
<b>Unsecured</b>		
Liability component of FCCBs	74,153	73,126
Term loans	151,108	95,554
Non-convertible bonds	193,430	213,576
Non-convertible debentures	67,712	66,858
Deferred payment liabilities*^	1,158,204	730,612
	<b>1,644,607</b>	<b>1,179,726</b>
Less: Current maturities of long term borrowings	(85,720)	(17,056)
Less: Interest accrued (refer note 19)	(46,089)	(27,320)
	<b>1,512,798</b>	<b>1,135,350</b>
	<b>1,515,686</b>	<b>1,135,350</b>

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

\*During the year ended March 31, 2022, the Union Cabinet announced major reforms in Telecom Sector in the month of September 2021. Accordingly, DoT in October 2021 (in pursuance to these reforms), has granted an option to the Company for a moratorium of 4 years towards the deferred spectrum liability in respect of spectrum purchased through various auctions except for that purchased through 2021 auction. The Company has opted for the moratorium and the same was granted by DoT during November 2021. The DoT has subsequently shared the revised payment schedule in respect of these deferred spectrum payment liabilities by revising the instalment amounts without any increase in the existing time period specified for making the installment payments.

<sup>^</sup>Refer note 4(c) and 4(k)

## Current

	As of	
	March 31, 2023	March 31, 2022
<b>Secured</b>		
Term loans	82	-
	<b>82</b>	-
<b>Unsecured</b>		
Term loans*	21,023	25,508
Commercial papers	-	121,492
Bank overdraft	32,309	25,950
	<b>53,332</b>	<b>172,950</b>
Less: Interest accrued (refer note 19)	-	(7)
	<b>53,414</b>	<b>172,943</b>
<b>Current maturities of long term borrowings</b>		
<b>Secured</b>		
Term loan	628	3,796
	<b>628</b>	<b>3,796</b>
<b>Unsecured</b>		
Term loan	35,682	17,056
Non-convertible debentures	44,968	-
Deferred payment liabilities	5,070	-
	<b>85,720</b>	<b>17,056</b>
	<b>86,348</b>	<b>20,852</b>
	<b>139,762</b>	<b>193,795</b>

\*includes working capital demand loans.

## 18.1 Analysis of borrowings

The details given below are gross of debt origination cost and fair valuation adjustments with respect to the hedged risk.

### 18.1.1 Repayment terms of borrowings

The table below summarises the maturity profile of the Group's borrowings:

	Interest rate (range)	Frequency of instalments	As of March 31, 2023			
			Number of instalments outstanding per facility (range)*	Within one year	Between one and two years	Between two and five years
Term Loans	5.1% to 16.3%	Quarterly	3 to 13	7,645	6,146	4,913
	6.4% to 18.0%	Half yearly	1 to 12	10,301	19,991	64,403
	6.3% to 15.5%	Monthly	1 to 60	2,316	1,484	2,083
	3.2% to 14.0%	One Time	1	37,253	10,233	-
	12.9%	Annual	2	-	1,633	1,633
	1.5%	One Time	1	-	77,198	-
Liability component of FCCBs	3.3% to 5.4%	One Time	1	-	45,260	82,301
Non Convertible bonds	5.4% to 6.0%	One Time	1	45,000	20,000	-
Non Convertible debentures						-

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

	Interest rate (range)	Frequency of instalments	As of March 31, 2023				
			Number of instalments outstanding per facility (range)*	Within one year	Between one and two years	Between two and five years	Over five years
Deferred payment Liability for spectrum	7.2% to 10.0%	Annual	2 to 19	5,070	5,440	21,519	756,202
Deferred payment Liability for adjusted gross revenue	8.0%	Annual	5	-	-	115,764	215,203
Bank Overdraft	5.2% to 19.0%	On Demand	NA	32,309	-	-	-
				<b>139,894</b>	<b>187,385</b>	<b>292,616</b>	<b>1,038,295</b>

\*The instalments amount due are equal / equated per se.

	Interest rate (range)	Frequency of instalments	As of March 31, 2022				
			Number of instalments outstanding per facility (range)*	Within one year	Between one and two years	Between two and five years	Over five years
Term loans	1.97% to 13.9%	One time	1	36,325	17,236	3,037	-
	5.5% to 15.00%	Monthly	1 to 48	3,376	1,724	1,752	-
	4.59% to 18.00%	Quarterly	7 to 12	2,834	5,984	4,148	-
	6.4% to 15.25%	Half yearly	1 to 8	3,906	3,904	40,155	-
Liability component of FCCBs	1.50%	One time	1	-	-	77,934	-
Non-convertible bonds	3.3% to 5.4%	One time	1	-	-	151,813	56,936
Non-convertible debentures	5.4% to 6.0%	One time	1	-	45,000	20,000	-
Deferred payment liabilities for spectrum	7.3% to 10.0%	Annual	5 to 16	-	-	11,861	393,915
Deferred payment liabilities for adjusted gross revenue	8.00%	Annual	6	-	-	29,573	273,857
Commercial papers	4.0% to 5.3%	One time	1	123,100	-	-	-
Bank overdraft	5.20% to 18.00%	On demand	NA	22,294	-	-	-
	4.85% to 5.20%	NA	NA	3,656	-	-	-
				<b>195,491</b>	<b>73,848</b>	<b>340,273</b>	<b>724,708</b>

\*The instalments amount due are equal / equated per se.

## 18.1.2 Interest rate and currency of borrowings

	Weighted average rate of interest	Total borrowings	Floating rate borrowings	Fixed rate borrowings
INR	8.0%	1,255,144	66,143	1,189,001
USD	3.9%	338,179	61,228	276,951
Euro	6.2%	5,766	5,766	-
UGX	12.8%	11,175	9,533	1,642
KES	11.7%	10,527	7,317	3,210
XAF	6.5%	11,641	-	11,641
XOF	6.0%	6,337	-	6,337
Others	7.24% to 19.00%	16,170	11,279	4,891
<b>March 31, 2023</b>		<b>1,654,939</b>	<b>161,266</b>	<b>1,493,673</b>
INR	7.70%	946,914	42,422	904,492
USD	3.73%	342,655	37,945	304,710
Euro	2.79%	5,447	5,447	-
XAF	6.70%	8,905	-	8,905
XOF	7.17%	6,926	-	6,926
Others	7.50% to 16.64%	16,814	9,147	7,667
<b>March 31, 2022</b>		<b>1,327,661</b>	<b>94,961</b>	<b>1,232,700</b>

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## 18.2 Security details

The Group has taken borrowings in various countries mainly for working capital, capital expenditure and refinancing of existing borrowings. The details of security provided by the Group in various countries are as follows:

Entity	Relation	Outstanding loan amount		Security detail
		March 31, 2023	March 31, 2022	
Airtel Networks Limited	Subsidiary	82	3,796	Fixed and floating charge over all assets.
Airtel Tanzania plc	Subsidiary	3,539	-	First Pari-Passu security in the form of fixed and floating charge over all assets, with certain agreed exclusions, for the outstanding amount with a maximum amount of up to 125% of the facility.
		<b>3,621</b>	<b>3,796</b>	

### Africa operations acquisition related borrowings:

Borrowings include certain loans, which have been taken to refinance the Africa acquisition related borrowing. These loan agreements prevent the Group (excluding Bharti Airtel Africa B.V and their respective subsidiaries) to pledge any of its assets without prior written consent of the majority lenders except in certain agreed circumstances.

The USD bonds due in 2024 is guaranteed by the Company. Such guarantee is considered an integral part of the bonds and therefore accounted for as part of the same unit of account.

## 19. Other financial liabilities

### Non-current

	As of	
	March 31, 2023	March 31, 2022
Payables against capital expenditure	412	729
Put option liability^	46,849	43,961
Interest accrued	38,026	21,407
Compulsorily convertible preference shares®	-	17,706
Security deposits	218	173
Others	11,806	6,140
	<b>97,311</b>	<b>90,116</b>

<sup>^</sup>represents put option liability related to mobile money minority investment transactions (refer note 4(r))

<sup>®</sup>refer note 4(b)

### Current

	As of	
	March 31, 2023	March 31, 2022
Payables against capital expenditure	153,759	81,869
Mobile money wallet balance	47,879	37,638
Interest accrued	8,063	5,920
Payable against business / asset acquisition	4,104	4,104
Employees payables	5,962	6,322
Security deposits^	4,645	4,150
Unclaimed Dividend\$	18	10
Others#	17,521	54,402
	<b>241,951</b>	<b>194,415</b>

<sup>^</sup>It pertains to deposits received from subscriber / channel partners, which are repayable on demand after adjusting the outstanding amount, if any.

<sup>\$</sup>No amount is due to be transferred to Investor Education and Protection Fund ('IEPF').

<sup>#</sup>It mainly includes refund payable to inactive customers, unclaimed liability and other statutory dues payable.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## 20. Provisions

### Non-current

	As of	
	March 31, 2023	March 31, 2022
<b>Provision for employee benefits</b>		
Gratuity	2,801	2,725
Other employee benefit plans	764	759
<b>Other provision</b>		
ARO	1,179	1,155
	<b>4,744</b>	<b>4,639</b>

### Current

	As of	
	March 31, 2023	March 31, 2022
<b>Provision for employee benefits</b>		
Gratuity	1,394	872
Other employee benefit plans	870	1,066
Others	509	296
<b>Other provision</b>		
Sub-judice matters*	254,519	241,215
	<b>257,292</b>	<b>243,449</b>

Refer note 27 for movement of provision towards various employee benefits.

The movement of provision towards ARO is as below:

	For the year ended March 31, 2023
Opening balance	1,155
Net deletion	(50)
Interest cost	74
<b>Closing balance</b>	<b>1,179</b>

The provision for ARO is in relation to the site restoration related obligation arising from the land taken on leases and represent the management's best estimate of the costs, which will be incurred in the future to meet the Group's obligation under these lease arrangements.

\*The movement of provision towards sub-judice matters is as below:

AGR matter (refer note 4(m)):

	For the year ended March 31, 2023
Opening balance	238,288
Net addition during the year	26,181
Utilization / reversal of provision	(12,452)
<b>Closing balance</b>	<b>252,017</b>

Net addition includes provision of ₹ 12,623 towards AGR pursuant to merger with TTSL / TTML and ₹ 4,134 towards AGR pertaining to merger with Telenor and closing balance includes ₹ 166,728 and ₹ 24,653 respectively for TTSL / TTML and Telenor. The Company has recognised an indemnification asset towards the said provisions.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Other sub-judge matters

	For the year ended March 31, 2023
Opening balance	2,927
Addition during the year	563
Reversal during the year	(836)
Utilization during the year	(402)
Exchange difference during the year	250
<b>Closing balance</b>	<b>2,502</b>

## 21. Other liabilities

### Non-current

	As of	
	March 31, 2023	March 31, 2022
Income received in advance	1,029	1,363
	<b>1,029</b>	<b>1,363</b>

### Current

	As of	
	March 31, 2023	March 31, 2022
Taxes payable*	46,738	40,513
Others#	4,405	626
	<b>51,143</b>	<b>41,139</b>

\*Taxes payable mainly pertains to GST and payable towards sub-judge matters related to entry tax and entertainment tax.

#Others primarily include advance received from subscribers and advance received on sale of hardware / goods.

## 22. Trade payables

	As of	
	March 31, 2023	March 31, 2022
Trade payables*	328,946	292,741
	<b>328,946</b>	<b>292,741</b>

\*It includes amount due to related parties (refer note 35) and payable towards sub-judge matters.

### Trade Payables Ageing as of March 31, 2023:

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues	136,325	15,289	16,226	3,593	1,570	2,736	175,739
(ii) Disputed dues	78	22	15,487	14,989	28,815	93,816	153,207
	<b>136,403</b>	<b>15,311</b>	<b>31,713</b>	<b>18,582</b>	<b>30,385</b>	<b>96,552</b>	<b>328,946</b>

### Trade payables ageing as of March 31, 2022:

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed dues	133,887	5,158	9,472	2,807	1,714	2,033	155,071
(ii) Disputed dues	0	34	14,995	28,797	63,969	29,875	137,670
	<b>133,887</b>	<b>5,192</b>	<b>24,467</b>	<b>31,604</b>	<b>65,683</b>	<b>31,908</b>	<b>292,741</b>

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## 23. Contingencies and commitments

### (i) Contingent liabilities

#### Claims against the Company not acknowledged as debt:

		As of	March 31, 2023	March 31, 2022
(i)	Taxes, duties and other demands (under adjudication / appeal / dispute)			
	- Sales Tax, Service Tax and GST	12,231	15,466	
	- Income Tax	8,949	9,830	
	- Customs Duty	1,477	1,727	
	- Entry Tax	3,264	3,018	
	- Stamp Duty	407	352	
	- DoT, other regulatory demands and assessments	114,877	100,475	
	- Entertainment Tax	281	425	
	- Other miscellaneous demands	571	562	
(ii)	Claims under legal cases including arbitration matters			
	- Access charges / Port charges	299	299	
	- Others	7,233	6,723	
		<b>149,589</b>	<b>138,877</b>	

In addition to the above, the Group's share of joint ventures and associates contingent liabilities is ₹ 59,090 and ₹ 59,256 as of March 31, 2023 and March 31, 2022 respectively.

The category wise detail of major contingent liabilities has been given below:

#### a) Sales Tax, Service Tax and GST

The claims for sales tax comprised of cases relating to the appropriateness of declarations made by the Group under relevant sales tax legislations, which were primarily procedural in nature and the applicable sales tax on disposals of certain property and equipment items, ITC eligibility and VAT on value added services. Pending final decisions, the Group has deposited amounts under protest with statutory authorities for certain cases.

The service tax demands relate to Cenvat claimed on tower and related material, levy of service tax on SMS termination and employee talk time, Cenvat credit disallowed for procedural lapses.

The GST demand relates to miscellaneous interest, differences between ITC claimed and as available over portal, claims related to transitional credit.

#### b) Income Tax demand

Income tax demands mainly include the appeals filed by the Group before various appellate authorities against the disallowance by income tax authorities of certain expenses being claimed and non-deduction of tax at source with respect

to pre-paid dealers / distributor's margin. During the year, the Company has reassessed the existing possible obligations and accordingly disclosed for such amounts.

#### c) Customs Duty

There are certain demands related to non-submission of export obligation discharge certificate, classification issue, valuation of goods imported and levy of anti-dumping duty on certain products.

#### d) Entry Tax

In certain states, an entry tax is levied on receipt of material from outside the state. This position has been challenged by the Group in the respective states, on the grounds that the specific entry tax is ultra vires the Constitution. Classification issues have also been raised, whereby, in view of the Group, the material proposed to be taxed is not covered under the specific category.

During the year ended March 31, 2017, the Supreme Court upheld the constitutional validity of entry tax levied by few States. However, Supreme Court did not conclude certain aspects such as present levies in each State is discriminatory in nature or not, leaving them open to be decided by regular benches of the Courts.

#### e) Entertainment tax

The contingent liability for entertainment tax comprise of cases for levying entertainment tax on activation charges and interest on disputed dues.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## f) DoT and other regulatory demands / assessments includes

- (i) DoT had enhanced the microwave rates by introducing slab-wise rates based on the number of carriers vide circulars issued in 2006 and 2008 from erstwhile basis being allocated frequency. The Group had challenged the matter in Telecom Disputes Settlement and Appellate Tribunal ('TDSAT') and it has set aside the respective circulars of DoT vide its Judgement dated April 22, 2010. Thereafter, DoT has challenged the order of TDSAT before the Supreme Court, which is pending for adjudication. An amount of ₹ 26,277 which pertains to pre-migration to Unified License ('UL') / Unified Access Service Licence ('UASL') is disclosed as contingent liability as of March 31, 2023.
- (ii) In 2013, DoT introduced UL Regime and notified guidelines which mandates migration to new UL regime upon expiry of existing licenses. Accordingly, the Company migrated to UL regime in 2014. The Company and Internet Service Provider ('ISP') Association challenged the Guidelines and provisions of UL on the ground that DoT has discriminated amongst ISP Licensees in violation of principle of level playing field amongst ISPs. TDSAT stayed the payment of license fee on revenue from Pure Internet Service. In October 2019, TDSAT delivered its judgement in the ISP Association case (ISPAI Judgement) and set aside the provision to pay license fee on the revenue from pure internet service under UL. TDSAT, following ISPAI judgement, allowed the petition filed by the Company and set aside the demand notices.

DoT has filed appeal against ISPAI Judgement before Supreme Court. On January 5, 2021, the Supreme Court admitted DoT's appeal, and also allowed Company's intervention application, with a direction that DoT shall not be required to refund any amounts pursuant to TDSAT judgement and parties shall be bound by the final directions as may be passed by the Supreme Court.

On March 31, 2021, DoT issued amendment to the ISP Licenses granted under the old regime i.e. under 2002 and 2007 with immediate effect (April 1, 2021). Amongst others, DoT included the revenue from pure internet services in the AGR for the purposes of license fees in such contracts (which was earlier allowed as permissible deduction under old regime). Accordingly, demand up to

March 31, 2021 has been assessed to be a contingent liability (March 31, 2023: ₹ 35,551 and March 31, 2022: ₹ 30,728).

- (iii) Demands for the contentious matters in respect of subscriber verification norms and regulations including validity of certain documents allowed as proof of address / identity. TDSAT and High Courts have granted interim reliefs to the Company and one of its subsidiaries and the matters are pending for adjudication.
- (iv) Penalty for alleged failure to meet certain procedural requirements for EMF radiation self-certification compliance.
- (v) Additional demand received for the period already covered by the AGR judgement which mainly pertains to spectrum usage charges.

The matters stated above are being contested by the Company and one of its subsidiaries and based on legal advice, the Company and one of its subsidiaries believes that it has complied with all license related regulations and does not expect any financial impact due to these matters.

In addition to the amounts disclosed in the table above, the contingent liability on DoT matters includes the following:

- (i) In respect of levy of one time spectrum charge ('OTSC'), the DoT had raised demand on the Group in January 2013. The Group challenged the OTSC demand and the High Court of Bombay vide its order dated January 28, 2013, stayed enforcement of the demand and directed DoT not to take any coercive action. The DoT had filed its reply and this matter is currently pending before High Court of Bombay. The DoT had issued revised demands on the Group aggregating to ₹ 84,140 in June 2018, including a retrospective charge and a prospective charge till the expiry of the initial terms of the respective licenses. The said revised demand has subsequently also been brought within the ambit of the earlier order of no coercive action by the High Court of Bombay. The Group intends to continue to pursue its legal remedies.

Further, in a similar matter on a petition filed by another telecom service provider, the TDSAT, vide its judgement dated July 4, 2019, has set aside the DoT order for levy of OTSC with retrospective effect. Accordingly, as per the

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

said order of the TDSAT; DoT can levy OTSC on the Spectrum beyond 6.2 MHz allotted after July 1, 2008, only from the date of allotment of such spectrum and in case of Spectrum beyond 6.2 MHz allotted before July 1, 2008, only prospectively i.e. w.e.f. January 1, 2013.

Further, demand for OTSC on spectrum allotted beyond start-up and up-to the limit of 6.2 MHz has been set aside. The TDSAT has asked DoT to issue revised demands, if any, in terms of the above directions. The said telecom service providers filed an appeal before the Supreme Court against the judgement passed by TDSAT. On March 16, 2020, the Supreme Court dismissed the appeal of the telecom service provider and did not interfere with the TDSAT judgement. Thereafter, the Telecom service providers had filed a review petition against the judgement dated March 16, 2020. The Supreme Court allowed the review petition and restored the telecom service provider appeal. The matter is pending adjudication before the Supreme Court.

DoT's appeal against the said TDSAT Order for the levy on Spectrum below 6.2 MHz is pending. The Supreme Court vide order dated August 21, 2020, stayed the TDSAT judgement July 4, 2019 in a case of another telecom service provider. The Supreme Court, vide order dated December 7, 2020, directed status quo to be maintained in case of another telecom service provider.

On account of prudence, out of the total demands of ₹ 84,140, the Group had recorded a charge of ₹ 18,075 during the year ended March 31, 2020 and interest charge thereon till March 31, 2023 amounting to ₹ 67,638. Balance demand amount of ₹ 66,065 has continued to be contingent liability.

- (ii) DoT had issued notices to the Company (as well as other telecom service providers) to stop provision of 3G services to its customers (under 3G Intra Circle Roaming ('ICR') arrangements executed with other service providers) in such service areas where the service provider has not been

allocated 3G spectrum, and levied a penalty of ₹ 3,500 on the Company. The Company contested the notices before TDSAT, which in 2014 held 3G ICR arrangements between service providers to be competent and compliant to the licensing conditions and quashed the notice imposing penalty. The DoT has challenged the order of TDSAT before the Supreme Court, which is yet to be listed for hearing.

Considering the nature of above disputes / litigations, it is difficult to reliably ascertain the amount or timing of outflow on settlement.

## (g) Others

Airtel Bangladesh Limited was amalgamated with Robi Axiata Limited vide merger agreement dated January 28, 2016 and as a result the Company acquired 25% shareholding in Robi via its step-down subsidiary, Bharti International (Singapore) Pte. Limited, which latterly has changed to 28.18%. On November 16, 2016, a 'Tax Offset' Agreement was entered into between Robi Axiata Limited, Axiata Investments (Labuan) Limited and Bharti International (Singapore) Pte. Limited. Based on the terms of the tax offset arrangement, if Robi Axiata Limited is able to effect any tax offset of an amount attributable to Airtel Bangladesh Limited's tax relief (in form of carried forward tax losses and unabsorbed depreciation) following the issuance of a final order by Bangladesh tax authorities, Robi Axiata Limited shall transfer an amount equal to 40% of the tax relief to the Group. The Group believes that at this stage, it is not possible to ascertain the probability of such future benefits considering uncertainties around timing and amount of future cash inflows.

## (ii) Commitments

### Capital commitments

The Group has contractual commitments towards capital expenditure (net of related advance) of ₹ 263,035 and ₹ 143,958 as of March 31, 2023 and March 31, 2022 respectively.

In addition to the above, the Group's share of capital commitments of joint ventures and associates is ₹ 4,837 and ₹ 2,213 as of March 31, 2023 and March 31, 2022 respectively.

## 24. Revenue from operations

	For the year ended	
	March 31, 2023	March 31, 2022
Service revenue	1,384,304	1,159,616
Sale of products	7,144	5,853
	<b>1,391,448</b>	<b>1,165,469</b>

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## Disaggregation of Revenue

Revenue is disaggregated by primary geographical market; major products / service lines and timing of revenue recognition as follows:

	Mobile Services		Airtel Business		Homes Services		Digital TV Services		Total
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
<b>Geographical markets*</b>									
India	739,373	614,036	119,450	101,562	40,430	30,348	29,315	31,456	928,568
South Asia	2,669	3,716	-	-	-	-	-	-	2,669
Africa	416,024	345,611	-	-	-	-	-	-	416,024
Others	-	-	44,187	38,740	-	-	-	-	44,187
<b>Major products / services lines</b>	<b>1,158,066</b>	<b>963,363</b>	<b>163,637</b>	<b>140,302</b>	<b>40,430</b>	<b>30,348</b>	<b>29,315</b>	<b>31,456</b>	<b>1,165,469</b>
<b>Timing of revenue recognition</b>									
Products and services transferred at a point in time	3,761	2,907	5,361	3,845	778	530	-	-	9,900
Products and services transferred over time	1,154,305	960,456	158,276	136,457	39,652	29,818	29,315	31,456	1,381,548
	<b>1,158,066</b>	<b>963,363</b>	<b>163,637</b>	<b>140,302</b>	<b>40,430</b>	<b>30,348</b>	<b>29,315</b>	<b>31,456</b>	<b>1,165,469</b>

\*Basis location of entity.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## Contract Balances

The following table provides information about unbilled revenue and deferred revenue from contract with customers:

	As of	
	March 31, 2023	March 31, 2022
Unbilled revenue (refer note 11)	20,923	19,051
Deferred revenue- current	84,995	75,929
Deferred revenue- non current	30,901	30,258

Significant changes in the unbilled revenue and deferred revenue balances during the year are as follows:

	For the year ended March 31, 2023	
	Unbilled revenue	Deferred revenue
Revenue recognised that was included in the deferred revenue at the beginning of the year		75,929
Increase due to cash received, excluding amounts recognised as revenue during the year		85,638
Transfers from unbilled revenue recognised at the beginning of the year to receivables	19,051	

## Reconciliation of costs to obtain or fulfil contracts with customers

	For the year ended	
	March 31, 2023	March 31, 2022
<b>Costs to obtain a contract with a customer</b>		
Opening balance	46,961	28,604
Costs incurred and deferred	52,377	38,429
Less: Cost amortised	33,245	20,072
<b>Closing balance</b>	<b>66,093</b>	<b>46,961</b>
Current	35,716	22,747
Non-current	30,377	24,214

## 25. Other income

	For the year ended	
	March 31, 2023	March 31, 2022
Interest income	3,080	2,206
Net gain on FVTPL investments and derivative financial instruments	2,474	120
Government grant	1,431	1,187
Sale of scrap	736	823
Miscellaneous income	1,645	1,007
	<b>9,366</b>	<b>5,343</b>

## 26. Network operating expenses

	For the year ended	
	March 31, 2023	March 31, 2022
Passive infrastructure charges^	55,637	51,925
Power and fuel	130,882	104,898
Repair and maintenance	55,930	52,195
Internet, bandwidth and leased line charges	15,247	14,593
Others*	27,737	26,594
	<b>285,433</b>	<b>250,205</b>

^ It includes short term and low value lease payments.

\*It mainly includes charges towards managed services, installation, insurance and security.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## 27. Employee benefits expense

	For the year ended	
	March 31, 2023	March 31, 2022
Salaries and bonus	39,711	37,214
Contribution to provident and other funds	2,271	2,086
Staff welfare expenses	2,661	2,403
Defined benefit plan / other long term benefits	1,543	958
Employee share-based payment expense		
- Equity-settled plans	1,115	776
- Cash-settled plans	-	17
Others*	1,007	879
	<b>48,308</b>	<b>44,333</b>

\*It mainly includes recruitment and training expenses.

### 27.1 Share based payment plans

The following table provides an overview of all share option plans of the Group:

Scheme	Plan	Vesting period (years)	Contractual term (years)
<b>Equity settled Plans</b>			
Scheme I	2006 Plan	1 - 5	7
Scheme 2005	Long Term Incentive (LTI) Plan	1 - 3	7
Scheme 2021	Nxtra Employee Stock Option Plan	1 - 4	7
Africa Plan	Replacement stock awards	1 - 2	2
Africa Plan	IPO Awards	1 - 3	3
Africa Plan	IPO share options	1 - 3	10
Africa Plan	IPO executive share options	1 - 3	10
Africa Plan	Restricted share awards	3	3
Africa Plan	One-off award	1 - 3	3
Africa Plan	Performance share awards	3	3
Africa Plan	Replacement awards	1 - 2	2
Africa Plan	Deferred bonus shares	2	2
<b>Cash settled Plans</b>			
Africa Plan	Shadow Stock Plan	1 - 2	2

The stock options vesting is subject to service and certain performance conditions mainly pertaining to certain financial parameters.

The movement in the number of stock options and the related weighted average exercise prices are given in the table below:

	For the year ended			
	March 31, 2023	Weighted average exercise price (₹)	March 31, 2022	Weighted average exercise price (₹)
<b>2006 Plan</b>				
Outstanding at beginning of year	-	-	113	5
Granted during the year	-	-	-	-
Exercised	-	-	(113)	5
Outstanding at end of year	-	-	-	-
Exercisable at end of year	-	-	-	-
<b>LTI Plans</b>				
Outstanding at beginning of year	3,223	5	3,048	5
Granted during the year	3,283	5	1,956	5
Exercised	(648)	5	(1,297)	5
Forfeited / expired	(347)	5	(484)	5
Outstanding at end of year	5,511	5	3,223	5
Exercisable at end of year	1,395	5	904	5

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

	For the year ended			
	March 31, 2023		March 31, 2022	
	Number of share options ('000)	Weighted average exercise price (₹)	Number of share options ('000)	Weighted average exercise price (₹)
<b>Nxtra Employee Stock Option Plan</b>				
Outstanding at beginning of year	15	5,780	-	-
Granted	24	5,780	16	5,780
Exercised	-	-	-	-
Forfeited / expired	(1)	5,780	(1)	5,780
Outstanding at end of year	38	5,780	15	5,780
Exercisable at end of year	3	5,780	-	-
<b>Replacement stock awards*</b>				
Outstanding at beginning of year	-	-	299	-
Granted during the year	-	-	135	-
Exercised	-	-	(434)	-
Outstanding at end of year	-	-	-	-
Exercisable at end of year	-	-	-	-
<b>IPO Awards*</b>				
Outstanding at beginning of year	80	-	566	-
Granted during the year	53	-	63	-
Exercised	(133)	-	(511)	-
Forfeited / expired	-	-	(38)	-
Outstanding at end of year	-	-	80	-
Exercisable at end of year	-	-	-	-
<b>IPO share options*</b>				
Outstanding at beginning of year	751	77	3,132	75
Forfeited / expired	-	-	(2,381)	-
Outstanding at end of year	751	84	751	77
Exercisable at end of year	751	84	250	77
<b>IPO executive share options*</b>				
Outstanding at beginning of year	8,842	77	10,594	75
Exercised	(2,187)	-	(717)	-
Forfeited / expired	(265)	-	(1,035)	-
Outstanding at end of year	6,390	84	8,842	77
Exercisable at end of year	6,390	84	2,815	77
<b>Shadow Stock Plan</b>				
Outstanding at beginning of year	-	-	688	-
Granted during the year	-	-	261	-
Exercised	-	-	(884)	-
Forfeited / expired	-	-	(65)	-
Outstanding at end of year	-	-	(0)	-
Exercisable at end of year	-	-	-	-
<b>Performance share awards</b>				
Outstanding at beginning of year	1,523	-	1,373	-
Granted during the year	788	-	1,126	-
Exercised	-	-	(299)	-
Forfeited / expired	-	-	(677)	-
Outstanding at the end of the year	2,311	-	1,523	-
Exercisable at the end of the year	-	-	-	-
<b>Restricted share awards</b>				
Outstanding at beginning of year	708	-	633	-
Granted during the year	356	-	509	-
Exercised	-	-	(133)	-
Forfeited / expired	-	-	(301)	-
Outstanding at the end of the year	1,064	-	708	-
Exercisable at the end of the year	-	-	-	-

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

	For the year ended			
	March 31, 2023		March 31, 2022	
	Number of share options ('000)	Weighted average exercise price (₹)	Number of share options ('000)	Weighted average exercise price (₹)
<b>One-off award</b>				
Outstanding at beginning of year	301	-	361	-
Granted during the year	-	-	-	-
Exercised	(60)	-	(60)	-
Outstanding at the end of the year	241	-	301	-
Exercisable at the end of the year	-	-	-	-
<b>Replacement awards</b>				
Outstanding at beginning of year	661	-	-	-
Granted during the year	-	-	661	-
Exercised	(330)	-	-	-
Outstanding at the end of the year	331	-	661	-
Exercisable at the end of the year	-	-	-	-
<b>Deferred Bonus Shares</b>				
Outstanding at beginning of year	-	-	-	-
Granted during the year	271	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	271	-	-	-
Exercisable at the end of the year	-	-	-	-

\*On IPO in one of subsidiary company, these PUPs have been replaced with 'shadow stock plan' awards and replacement stock awards' and the benefits under the new replaced plans are based on share price of Airtel Africa plc. For IPO awards, Replacement Stock Awards and Shadow Stock awards, vesting is subject to service, total shareholder return ('TSR') and financial performance conditions while for IPO share options and IPO executive share options, vesting is subject to service condition only.

The fair value of options is measured using Black-Scholes / Binomial valuation model. The key inputs used in the measurement of the grant date fair valuation of equity settled plans and fair value of cash settled plans are given in the table below:

	For the year ended	
	March 31, 2023	March 31, 2022
Risk free interest rates	2.1% to 7.1%	0.1% to 6.2%
Expected life	24 to 66 months	24 to 84 months
Volatility	28.7% to 58.4%	23.9% to 35.6%
Dividend yield	0.0% to 3.0%	0.0% to 3.7%
Exercise price (₹)	5.00 to 5,780	5.00 to 5,780
Share price on the date of grant (₹)	133.46 to 4,574.84	80.60 to 4,231.81

The expected life of the stock options is based on the Group's expectations and is not necessarily indicative of exercise patterns that may actually occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the expected life of the options is indicative of future trends, which may not necessarily be the actual outcome. Further, the expected volatility is based on the weighted average volatility of the comparable benchmark companies.

For details as to exercise price, refer table above.

The details of weighted average remaining contractual life, weighted average fair value and weighted average share price for the options are as follows: -

	March 31, 2023	March 31, 2022
Remaining contractual life for the options outstanding as of (years)	0 to 6	0 to 7
Fair value for the options granted during the year ended (₹)	98.9 to 1,466.9	52.05 to 990.5
Share price for the options exercised during the year ended (₹)	125 to 851.2	112.67 to 716.6

The carrying value of cash settled plans liability is ₹ Nil as of March 31, 2023 and March 31, 2022.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## 27.2 Employee benefits

The details of significant employee benefits are as follows:

	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Retirement benefits	Compensated absence	Retirement benefits	Compensated absence
<b>Obligation:</b>				
Balance as at beginning of the year	3,602	1,794	3,685	1,645
Current service cost	676	442	203	384
Interest cost	324	132	296	126
Benefits paid	(676)	(362)	(588)	(417)
Transfers	(6)	(1)	(14)	(3)
Remeasurements	176	(30)	44	(52)
Exchange Difference	105	40	(24)	111
<b>Present value of employee benefits obligation</b>	<b>4,201</b>	<b>2,015</b>	<b>3,602</b>	<b>1,794</b>
<b>Assets:</b>				
Balance as at beginning of year	5	-	5	-
Interest income	1	-	0	-
<b>Fair value of plan assets</b>	<b>6</b>	<b>-</b>	<b>5</b>	<b>-</b>
<b>Net liability recognised in the Balance Sheet</b>	<b>4,195</b>	<b>2,015</b>	<b>3,597</b>	<b>1,794</b>
<b>Current portion</b>	<b>1,394</b>	<b>1,418</b>	<b>872</b>	<b>1,273</b>
<b>Non-current portion</b>	<b>2,801</b>	<b>597</b>	<b>2,725</b>	<b>521</b>

As of March 31, 2023, expected contributions for defined benefit plans for the next annual reporting period is ₹ 1,020.

### Amount recognised in OCI for the above plans

	For the year ended	
	March 31, 2023	March 31, 2022
Experience loss	247	92
(Gain) / loss from change in demographic assumptions	(13)	23
Gain from change in financial assumptions	(58)	(71)
<b>Remeasurements on liability</b>	<b>176</b>	<b>44</b>
Return on the plan assets, excluding interest income	-	-
<b>Remeasurements on plan assets</b>	<b>-</b>	<b>-</b>
<b>Net remeasurements recognised in OCI</b>	<b>176</b>	<b>44</b>

The above mentioned plan assets are entirely represented by funds invested with LIC.

### Due to its defined benefit plans, the Group is exposed to the following significant risks:

**Changes in bond yields** - A decrease in bond yields will increase plan liability.

**Salary risk** - The present value of the defined benefit plans liability is calculated by reference to the future salaries of the plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The financial (per annum rates) and demographic assumptions used to determine defined benefit obligations are as follows:

	As of	
	March 31, 2023	March 31, 2022
Discount rate	9.39%	9.46%
Rate of return on plan assets	7.20%	3.40%
Rate of salary increase	6.50%	5.65%
Rate of attrition	5.40% - 43%	5.20% - 23%
Retirement age	58 to 60	58 to 60

The Group regularly assesses these assumptions with the projected long-term plans and prevalent industry standards.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The impact of sensitivity due to changes in the significant actuarial assumptions on the defined benefit obligations is given in the table below:

	Change in assumption	As of	
		March 31, 2023	March 31, 2022
		Effect on defined benefits obligation for retirement benefits	
Discount Rate	+1%	(185)	(127)
	-1%	33	118
Salary Growth Rate	+1%	30	116
	-1%	(185)	(127)

The above sensitivity analysis is determined based on a method that extrapolates the impact on the net defined benefit obligations, as a result of reasonable possible changes in the significant actuarial assumptions. Further, the above sensitivity analysis is based on a reasonably possible change in a particular underlying actuarial assumption, while assuming all other assumptions to be constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The table below summarises the maturity profile and duration of the gratuity liability:

	As of	
	March 31, 2023	March 31, 2022
Within one year	1,389	858
Within one-three years	1,378	1,320
Within three-five years	1,129	987
above five years	2,374	2,258
	<b>6,270</b>	<b>5,423</b>
Weighted average duration (in years)	5.69	6.67

## 28. Sales and marketing expenses

	For the year ended	
	March 31, 2023	March 31, 2022
Sales commission and distribution	47,398	37,238
Advertisement and marketing	12,539	10,274
Business promotion	2,062	1,699
Other ancillary expenses	10,455	3,824
	<b>72,454</b>	<b>53,035</b>

## 29. Depreciation and amortisation expenses

	For the year ended	
	March 31, 2023	March 31, 2022
Depreciation on property, plant and equipment (refer note 5)	206,839	191,646
Depreciation on RCU (refer note 36)	78,474	64,336
Amortisation on intangible asset (refer note 6)	79,005	74,925
	<b>364,318</b>	<b>330,907</b>

## 30. Other expenses

	For the year ended	
	March 31, 2023	March 31, 2022
Content cost	8,557	7,247
Cost of sales *	33,569	25,597
IT expenses	6,579	5,358
Customer care expenses	4,827	5,106
Legal and professional fees	4,245	4,062
Allowance for doubtful receivables (refer note 14)	4,262	1,869
Collection and recovery expenses	2,563	1,814
Travelling and conveyance	2,654	1,681

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

	For the year ended	
	March 31, 2023	March 31, 2022
Bad debts written off	1,402	1,179
Charity and donation	483	640
Others <sup>#</sup>	9,653	9,757
	<b>78,794</b>	<b>64,310</b>

\*It includes cost of goods sold, mobile money distribution and gateway charges.

#It includes short term and low value lease payments, printing and stationery, security, repair and maintenance expenses, etc. Further, it includes political contributions amounting to ₹ 300 and ₹ 1,025 made under Section 182 of the Act, during the year ended March 31, 2023 and March 31, 2022 respectively.

## 31. Finance costs

	For the year ended	
	March 31, 2023	March 31, 2022
Interest expense	98,043	102,646
Interest expense - lease liabilities	44,912	29,855
Net foreign exchange loss	21,475	8,160
Net loss on derivative financial instruments	3,013	-
Other finance charges <sup>#</sup>	25,556	25,501
	<b>192,999</b>	<b>166,162</b>

#It mainly includes bank charges, trade finance charges, charges relating to derivative instruments and interest charges towards sub-judice matters.

## 32. Exceptional items

Exceptional items comprise of the following:

- (i) For the year ended March 31, 2023:
  - a. Charge on account of provision for license fee related to earlier periods in one of group wholly- owned subsidiary of ₹ 6,698.
- (ii) For the year ended March 31, 2022:
  - a. Gain of ₹ 9,923 on account of settlement with a strategic vendor.
  - b. Net gain of ₹ 7,221 on account of transfer of spectrum rights to another telecom operator.
  - c. Gain of ₹ 8,296 on account of sale of telecommunication tower assets.
  - d. Charge of ₹ 1,428 on account of prepaying bonds.
  - e. Charge of ₹ 3,216 on account of provision of levies.
  - f. Charge of ₹ 3,810 on account of impairment of property, plant and equipment.

Tax expense / (credit) include:

- Net credit of ₹ 14,825 relating to above exceptional item and due to deferred tax asset recognised on account of carried forward losses, temporary differences and trued up of deferred tax assets in Group's subsidiary which was not recognised in the past during the year ended March 31, 2023.
- Net charge of ₹ 1,033 relating to above exceptional items and gain due to deferred tax asset recognised on account of carried forward losses in a subsidiary recognised during the year ended March 31, 2022.

The net impact for NCI is charge and benefit of ₹ 6,222 and ₹ 8,681 during the year ended March 31, 2023 and March 31, 2022 respectively, relating to the above exceptional items.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## 33. Earnings per share ("EPS")

The details used in the computation of basic and diluted EPS:

	For the year ended	
	March 31, 2023	March 31, 2022
Profit attributable to equity shareholders as per Statement of Profit and Loss	83,459	42,549
Weighted average number of equity shares for calculation of basic earnings per share (in thousands)	5,640,723	5,546,320
Weighted average number of equity shares for calculation of diluted earnings per share (in thousands)	5,728,459	5,579,534
<b>Earnings per share</b>		
Equity shares of face value ₹ 5 per share		
1) Basic	14.80	7.67
2) Diluted	14.57	7.63

The following is a reconciliation of the equity shares used in the computation of basic and diluted EPS:

	As of	
	March 31, 2023	March 31, 2022
	In thousands	
Weighted average shares outstanding for basic EPS	5,640,723	5,546,320
Effect of dilution due to employee share options	2,328	2,478
Effect of dilution due to partly paid-up equity shares	85,408	30,736
<b>Weighted average shares outstanding for diluted EPS</b>	<b>5,728,459</b>	<b>5,579,534</b>

For the year ended March 31, 2023, FCCBs (March 31, 2022: FCCBs) were excluded from the calculation of diluted weighted average number of equity shares as their effect would have been anti-dilutive.

## 34. Segment reporting

The Group's operating segments are organised and managed separately through the respective business managers, according to the nature of products and services provided and geographies in which services are provided, with each segment representing a strategic business unit. These business units are reviewed by the Chairman of the Group (Chief Operating Decision Maker - 'CODM').

The amounts reported to CODM are based on the accounting principles used in the preparation of Financial Statements as per Ind AS. Segment's performance is evaluated based on segment revenue and segment result viz. profit or loss from operating activities before exceptional items and tax, after excluding charity and donation cost but including share of result of joint ventures and associates. Accordingly, finance costs / income, non-operating (income) / expenses and exceptional items are not allocated to individual segment.

Inter-segment pricing and terms are reviewed and changed by the management to reflect changes in market conditions and changes to such terms are reflected in the period in which the changes occur. Inter-segment revenues are eliminated upon consolidation of segments / Group accounting policy alignments are reflected in the 'Eliminations / Adjustments' column.

Segment assets / liabilities comprise assets / liabilities directly managed by each segment. Segment assets primarily includes receivables, ROU, PPE, capital work-in-progress, intangible assets, IAUD, non-current investments, inventories and cash and cash equivalents. Segment liabilities primarily include operating and lease liabilities. Segment capital expenditure comprises of additions to PPE, CWIP, intangible assets, and IAUD, ROU and capital advances.

The reporting segments of the Group are as below:

**Mobile Services India:** These services cover voice and data telecom services provided through wireless technology (2G / 4G / 5G) in India. This includes the captive national long distance networks which primarily provide connectivity to the mobile services business in India. This also includes intra-city fibre networks.

**Mobile Services Africa:** These services cover provision of voice and data telecom services provided through wireless technology (2G / 3G / 4G) in Africa. This also includes corporate headquarter costs of the Group's Africa operations.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

**Mobile Services South Asia:** These services cover voice and data telecom services provided through wireless technology (2G / 3G / 4G) in Sri Lanka.

**Airtel Business:** These services cover end-to-end telecom solutions being provided to large Indian and global corporations by serving as a single point of contact for all telecommunication needs across data and voice (domestic as well as international long distance), network integration and managed services.

**Tower Infrastructure Services:** These services include setting up, operating and maintaining wireless communication towers in India.

**Homes Services:** These services cover voice and data communications through fixed-line network and broadband technology for homes.

**Digital TV Services:** This includes digital broadcasting services provided under the DTH platform.

**Others:** It includes certain other strategic investment in joint venture / associates and administrative / support services provided to other segments.

**Unallocated:** It includes expenses / results, assets and liabilities primarily of corporate headquarters of the Group, non-current investment, current taxes, deferred taxes, borrowings and certain financial assets and liabilities, not allocated to the operating segments.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Summary of the segmental information for the year ended and as of March 31, 2023 is as follows:

	Mobile Services India	Mobile Services Africa	Mobile Services South Asia	Airtel Business	Tower Infrastructure Services	Homes Services	Digital TV Services	Others	Unallocated	Eliminations / Adjustments	Total
Revenue from external customers	739,373	416,024	2,669	163,637	-	40,430	29,315	-	-	-	1,391,448
Inter-segment revenue	19,873	6,640	275	22,294	-	42	135	855	-	(50,114)	-
<b>Total revenue</b>	<b>759,246</b>	<b>422,664</b>	<b>2,944</b>	<b>185,931</b>	-	<b>40,472</b>	<b>29,450</b>	<b>855</b>	-	<b>(50,114)</b>	<b>1,391,448</b>
Share of results of joint ventures and associates	1	26	-	(90)	7,365	5	-	214	-	-	7,521
Segment results	148,452	141,471	(1,782)	54,324	7,365	8,901	3,996	292	(1,971)	(515)	360,533
<b>Less:</b>											
Net finance costs*											187,445
Charity and Donation											783
Exceptional items (net) (refer note 32)											6,698
<b>Profit before tax</b>											<b>165,607</b>
<b>Other segment items</b>											
Capital expenditure	644,936	60,400	1,059	34,435	-	21,826	13,555	-	-	-	776,211
Addition to ROU	251,446	62,958	78	396	-	491	-	-	-	-	315,369
Depreciation and amortisation expenses	252,300	65,836	1,264	19,407	-	11,599	13,348	-	866	(302)	364,318
<b>As of March 31, 2023</b>											
Segment assets	2,757,708	886,068	8,530	227,093	250,201	56,329	48,524	41,548	251,453	(61,122)	4,466,332
Segment liabilities	1,107,945	394,369	4,356	113,712	-	43,238	59,778	830	1,748,172	(70,511)	3,401,889
Investment in joint ventures and associates (included in segment assets above)	82	358	-	847	250,201	60	-	30,290	-	-	281,838

\*This is net of income / gain from dividend, interest, FVTPL investments and derivative financial instruments.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Summary of the segmental information for the year ended and as of March 31, 2022 is as follows:

	Mobile Services India	Mobile Services Africa	Mobile Services South Asia	Airtel Business	Tower Infrastructure Services	Homes Services	Digital TV Services	Others	Unallocated	Eliminations / Adjustments	Total
Revenue from external customers	614,036	345,611	3,716	140,302	-	30,348	31,456	-	-	(41,146)	1,165,469
Inter-segment revenue	15,113	5,001	153	20,400	-	42	82	355	-	-	-
<b>Total revenue</b>	<b>629,149</b>	<b>350,612</b>	<b>3,869</b>	<b>160,702</b>	-	<b>30,390</b>	<b>31,538</b>	<b>355</b>	-	<b>(41,146)</b>	<b>1,165,469</b>
Share of results of joint ventures and associates	2	21	-	(18)	24,242	14	-	(29)	-	-	24,232
Segment results	78,549	116,769	(2,422)	44,705	24,242	5,729	8,923	(1)	(2,002)	(64)	274,428
<b>Less:</b>											
Net finance costs*											163,836
Non-operating expense (net)											1,082
Charity and donation											1,665
Exceptional items (net) (refer note 32)											(16,986)
<b>Profit before tax</b>											<b>124,831</b>
<b>Other segment items</b>											
Capital expenditure	267,538	48,891	3,408	28,507	-	17,217	13,073	-	-	-	378,634
Addition to ROU	56,008	40,387	318	1,698	-	763	1,116	-	-	-	100,290
Depreciation and amortisation expenses	233,215	55,323	1,801	17,459	-	10,174	12,083	-	1,014	(162)	330,907
<b>As of March 31, 2022</b>											
Segment assets	2,098,755	764,965	9,313	211,548	248,791	41,588	41,308	35,078	235,794	(50,580)	3,636,560
Segment liabilities	804,125	307,299	3,497	151,993	-	26,212	47,325	409	1,425,399	(49,049)	2,717,210
Investment in joint ventures and associates (included in segment assets above)	76	442	-	998	248,791	53	-	33,908	-	-	284,268

\*This is net of income / gain from dividend, interest, FVTPL investments and derivative financial instruments.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## Geographical information\*:

### (a) Revenue from external customers:

	For the year ended	
	March 31, 2023	March 31, 2022
India	928,568	777,402
Africa	416,024	345,611
Others	46,856	42,456
	<b>1,391,448</b>	<b>1,165,469</b>

### (b) Non-current assets#

	As of	
	March 31, 2023	March 31, 2022
India	2,521,224	1,873,498
Africa	719,964	606,507
Others	32,865	21,919
	<b>3,274,053</b>	<b>2,501,924</b>

\*Basis location of entity

#Non-current operating assets for this purpose consist of PPE, CWIP, ROU, intangible assets, IAUD, capital advances and goodwill.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## 35. Related party disclosures

### (a) List of related parties

#### i. Ultimate controlling entity

Bharti Enterprises (Holding) Private Limited. It is held by private trusts of Bharti family, with Mr. Sunil Bharti Mittal's family trust effectively controlling the said company.

#### ii. Entity having control over the Company ('Controlling entity')

Bharti Telecom Limited

#### iii. For list of subsidiaries, joint venture and associates refer note no. 44.

#### iv. Other entities with whom transactions have taken place during the reporting periods

- Entities having significant influence over the Company ('Significant influence entities')

Pastel Limited

Singapore Telecommunications Limited

- Fellow companies (subsidiaries / joint ventures / associates other than that of the Company)

- a) Subsidiaries

Bharti Enterprises Limited

Bharti Management Services Limited (Formerly known as Bharti AXA General Insurance Company Limited) (w.e.f. March 31, 2023)

- b) Associates

Bharti Life Ventures Private Limited

Bharti Axa Life Insurance Company Limited

Bharti Management Services Limited (formerly known as Bharti Axa General Insurance Company Limited) (upto March 30, 2023)

- Others related parties\*

- a) Entities where Key Management Personnel and their relatives exercise significant influence

Bharti Foundation

Hike Private Limited

Bharti RBM Holdings Private Limited

- b) Others

Del Monte Foods Private Limited

Bharti Land Limited

Alborz Developers Limited

Vinta Realty Limited

Populus Realty Limited

Bharti Realty Limited

Beetel Teletech Limited

Centum Learning Limited

IFFCO Kisan Sanchar Limited

Bharti Global Limited

Bharti Real Estates Limited

Aban Green Power Private Limited

Greenergy Wind Corporation Private Limited

Deber Technologies Private Limited

Oak Infrastructure Developers Limited

Indian School of Business

Guernsey Airtel Limited

CA Cloud Investments

Gourmet Investments Private Limited

Jersey Airtel Limited

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Century Metal Recycling Private Limited  
Urbanclap Technologies India Private Limited  
Indian Continent Investment Limited  
Viridian Limited  
Dixon Electro Appliances Private Limited  
Ampsolars Evolution Private Limited

\* **'Other related parties'** though not 'Related Parties' as per the definition under Ind AS 24, Related party disclosures have been included by way of a voluntary disclosure, following the best corporate governance practices.

## v. Key Management Personnel ('KMP')

Sunil Bharti Mittal, Chairman  
Gopal Vittal, Managing Director and CEO  
Badal Bagri, Chief Financial Officer (Upto October 8, 2021)  
Soumen Ray, Chief Financial Officer (India & South Asia) (w.e.f. December 21, 2021)  
Pankaj Tewari, Company Secretary  
Segun Ogunsanya (w.e.f. October 1, 2021)  
Raghunath Venkateswarlu Mandava (Upto September 30, 2021)

## Non-executive Directors

Chua Sock Koong  
Craig Edward Ehrlich (upto August 3, 2021)  
Dinesh Kumar Mittal  
Kimsuka Narasimhan  
Manish Kejriwal (upto September 25, 2022)  
Nisaba Godrej (w.e.f. August 4, 2021)  
Pradeep Kumar Sinha (w.e.f. May 18, 2022)  
Rakesh Bharti Mittal  
Shyamal Mukherjee (w.e.f. May 18, 2022)  
Shishir Priyadarshi (upto October 31, 2022)  
Tao Yih Arthur Lang  
V. K. Viswanathan

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

In the ordinary course of business, there are certain transactions among the Group entities, and all these transactions are on arm length basis. However, the intra-group transactions and balances, and the income and expenses arising from such transactions, are eliminated on consolidation. The transactions with related parties (other than with KMPs which are disclosed in note 35 (d)) for the year ended March 31, 2023 and March 31, 2022 respectively, are described below:

## (b) The summary of transactions with the above mentioned parties is as follows:

Relationship	For the year ended				March 31, 2022					
	Controlling entity	Significant influence entities	Associates	Joint ventures	ORP / FC*	Controlling entity	Significant influence entities	Associates	Joint ventures	ORP / FC*
Purchase of assets	-	(32)	-	404	14,642	-	106	-	-	6,020
Sale / rendering of services	-	771	916	168	275	-	602	357	223	140
Purchase of goods / receiving of services	-	747	4,916	33,620	519	-	807	4,245	27,132	679
Reimbursement of energy expenses	-	-	-	61,157	389	-	-	-	52,506	376
Purchase of investments	-	-	-	8,106	-	-	-	1,148	27,077	-
Loans taken	-	-	-	-	-	-	-	-	-	5,360
Repayment of loans taken	-	-	-	-	3,820	9,650	-	-	-	1,540
Receiving of assets (related to ROU) <sup>#</sup>	-	-	-	182,316	(1,507)	-	-	-	24,985	2,733
Dividend paid	6,006	2,319	-	-	1,050	-	-	-	-	-
Dividend received / income	-	-	255	13,852	-	-	-	388	-	-
Sale of fixed assets / IRU	-	-	-	-	-	-	-	-	-	1,258
Fund transferred / expenses incurred on behalf of others	-	-	251	9	16	-	-	283	9	0
Fund received / expenses incurred on behalf of the Company	-	-	123	-	187	-	-	64	-	245
Security deposit given	-	-	-	-	72	-	-	-	-	113
Repayment of loans given	-	-	-	-	-	-	-	-	8	-
Refund of security deposit given	-	-	36	61	-	-	-	-	-	321
Interest charged by others	-	-	-	87	712	-	-	-	42	154

\*Other related parties / fellow companies

<sup>#</sup>Amount disclosed is net of termination

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

The significant related party transactions are summarised below:

	For the year ended	
	March 31, 2023	March 31, 2022
<b>(i) Purchase of fixed assets</b>		
<b>Other related party</b>		
Beetel Teletech Limited	7,819	5,955
Bharti Realty Limited*	5,800	-
Dixon Electro Appliances Private Limited	1,023	-
<b>(ii) Rendering of services</b>		
<b>Entity having significant influence over the Company</b>		
Singapore Telecommunications Limited	771	602
<b>Associate</b>		
Airtel Payment Bank Limited	880	343
<b>(iii) Receiving of services</b>		
<b>Entity having significant influence over the Company</b>		
Singapore Telecommunications Limited	747	807
<b>Associate</b>		
Airtel Payments Bank Limited	4,706	4,224
<b>Joint ventures#</b>		
Indus Towers Limited	33,464	26,975
<b>(iv) Sale of fixed assets/IRU</b>		
<b>Other related party</b>		
Beetel Teletech Limited	-	1,258
<b>(v) Reimbursement of energy expenses paid</b>		
<b>Joint Ventures</b>		
Indus Towers Limited	61,157	52,499
<b>(vi) Receiving / (termination) of assets (ROU)***</b>		
<b>Joint ventures</b>		
Indus Towers Limited ^	182,316	24,985
<b>Other related party</b>		
Bharti Realty Limited	(1,507)	2,733
<b>(vii) Dividend received/income</b>		
<b>Joint ventures</b>		
Indus Towers Limited	13,852	-
<b>Associate</b>		
Robi Axiata Limited	255	383
<b>(viii) Dividend paid</b>		
<b>Entities having control over the Company / entities having significant influence over the Company</b>		
Bharti Telecom Limited	6,006	-
Pastel Limited	2,319	-
<b>Other related party</b>		
Indian Continent Investment Limited	1,012	-
<b>(ix) Investment made</b>		
<b>Joint venture</b>		
Indus Towers Limited	8,106	24,378
<b>Associates</b>		
Lavelle Networks Private Limited	-	150
Hughes Communications India Pvt. Ltd.	-	998
<b>(x) Loans taken</b>		
<b>Other related parties</b>		
Alborz Developers Limited	-	2,150
Populus Realty Limited	-	1,450
Vinta Realty Limited	-	1,760

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

	For the year ended	
	March 31, 2023	March 31, 2022
<b>(xi) Loans repayment</b>		
<b>Entity having control over the Company</b>		
Bharti Telecom Limited	-	9,650
<b>Other related parties</b>		
Alborz Developers Limited	1,240	910
Populus Realty Limited	820	630
Vinta Realty Limited	1,760	-
<b>(xii) Interest charged by other</b>		
<b>Entity having control over the Company</b>		
Bharti Telecom Limited	-	712

#Amount does not include GST

\*During the year ended March 31, 2023, the Company has acquired business undertaking as a going concern on a slump sale basis comprising of certain immovable property in Chennai and Manesar along with related assets and liabilities under a business transfer agreement for a consideration of ₹ 5,800.

\*\*Amount disclosed is net of termination.

^During the year ended March 31, 2023, the Group has made payment of ₹ 46,324 and ₹ 43,825 in respect of the lease liabilities.

## (c) The outstanding balances of the above mentioned related parties are as follows:

	Controlling entity	Significant influence entities	Associates	Joint ventures	ORP / FC*
<b>As of March 31, 2023</b>					
Trade payables	-	410	5	37,710	1,149
Trade receivables	-	-	794	-	130
Other financial assets	-	1	90	1,557	956
Loans	-	-	-	-	-
Lease liability#	-	-	-	277,885	4,304
Other financial liabilities	-	-	-	-	-
<b>As of March 31, 2022</b>					
Trade payables	-	393	73	28,224	1,859
Trade receivables	-	-	401	-	53
Other financial assets	-	1	117	1,609	1,059
Loans	-	-	-	-	3,820
Lease liability#	-	-	-	124,038	4,156
Other financial liabilities	-	-	-	-	17,879

\*Other related parties / fellow companies

#It includes discounted value of future cash payouts

- (1) Outstanding balances at period end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.
- (2) In addition to the above, ₹ 59 and ₹ 236 donation has been given to Bharti Foundation during the year ended March 31, 2023 and March 31, 2022 respectively.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## (d) Transactions and balances with Key Management Personnel and Directors

KMPs are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director, whether executive or otherwise. Remuneration to key management personnel were as follows:

	For the year ended	
	March 31, 2023	March 31, 2022
Short-term employee benefits	369	295
Performance linked incentive ('PLI') <sup>#</sup>	183	164
Post-employment benefits	22	21
Other long-term benefits	24	22
Other awards & benefits	290	300
Share-based payment	202	174
	<b>1,090</b>	<b>976</b>

<sup>#</sup>Value of PLI, as shown above, represents incentive at 100% performance level. However, the same will be paid in the next year on the basis of actual performance parameters. During the year ended March 31, 2023 and March 31, 2022, PLI of ₹ 241 and ₹ 236 respectively has been paid.

As the liabilities for the gratuity and compensated absences are provided on an actuarial basis, and calculated for the Company as a whole rather than each of the individual employees, the said liabilities pertaining specifically to KMP are not known and hence, not included in the above table.

In addition to above,

- ₹ Nil and ₹ 28 has been paid to one of the key managerial personnel during the year ended March 31, 2023 towards post-employment benefits, upon his resignation from the Company.
- ₹ 4 and ₹ Nil have been paid as dividend to key management personnel during the year ended March 31, 2023 and March 31, 2022 respectively.

"Other awards & benefits" include commission to Non-Executive Directors (including Independent Directors) and sitting fees paid to the Independent Directors.

## 36. Leases

### Group as a lessee

#### ROU

The following table presents the reconciliation of changes in the carrying value of ROU assets for the year ended March 31, 2023 and March 31, 2022:

	Bandwidth	Plant and equipment	Building	Land	Transponder	Vehicle	Total
<b>Balance at April 1, 2021</b>	<b>45,463</b>	<b>213,995</b>	<b>10,155</b>	<b>18,117</b>	<b>320</b>	<b>67</b>	<b>288,117</b>
Additions	6,195	79,157	3,952	8,556	2,235	195	100,290
Depreciation	(4,564)	(53,297)	(2,417)	(2,830)	(1,181)	(47)	(64,336)
Termination / other adjustments	(77)	2,418	(1,065)	(3,887)	(149)	-	(2,760)
Exchange differences	(24)	1,127	(6)	(115)	-	(7)	975
<b>Balance at March 31, 2022</b>	<b>46,993</b>	<b>243,400</b>	<b>10,619</b>	<b>19,841</b>	<b>1,225</b>	<b>208</b>	<b>322,286</b>
<b>Balance at April 1, 2022</b>	<b>46,993</b>	<b>243,400</b>	<b>10,619</b>	<b>19,841</b>	<b>1,225</b>	<b>208</b>	<b>322,286</b>
Additions	4,679	298,559	5,464	4,197	2,470	-	315,369
Depreciation	(4,298)	(66,939)	(2,448)	(2,987)	(1,772)	(30)	(78,474)
Termination / other adjustments	(9)	(6,238)	(3,077)	(1,962)	-	-	(11,286)
Exchange differences	(64)	(1,379)	(4)	8	-	10	(1,429)
<b>Balance at March 31, 2023</b>	<b>47,301</b>	<b>467,403</b>	<b>10,554</b>	<b>19,097</b>	<b>1,923</b>	<b>188</b>	<b>546,466</b>

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

- Bandwidth**

The Group's leases of bandwidth comprise of dark fiber taken on lease.

- Plant and equipment**

The Group leases passive infrastructure for providing telecommunication services under composite contracts that include lease of passive infrastructure and land on which the passive infrastructure is built as well as maintenance, security, provision of energy and other services.

- Building**

The Group's leases of building comprise of lease of offices, warehouses and shops.

- Land**

The Group's leases of land comprise of land taken on lease on which passive infrastructure and office is built.

- Transponder**

The Group's leases comprise of capacity in the space segment in satellite system in DTH business.

## Amounts recognised in Statement of Profit and Loss

	For the year ended	
	March 31, 2023	March 31, 2022
Interest on lease liabilities	44,912	29,855
Expenses relating to short-term leases	210	731
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	265	236

## Amounts recognised in Statement of Cash Flows

	For the year ended	
	March 31, 2023	March 31, 2022
Principle payment of lease liabilities	75,986	76,427

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be paid after the reporting date.

	As of	
	March 31, 2023	March 31, 2022
Not later than one year	143,637	103,893
Later than one year but not later than five years	393,853	239,513
Later than five years	261,121	134,059
<b>Total</b>	<b>798,611</b>	<b>477,465</b>

## Group as a lessor- operating lease

### Amounts recognised in Statement of Profit and Loss

	For the year ended	
	March 31, 2023	March 31, 2022
Lease income	901	2,527

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

## Operating leases under Ind AS 116

	As of	
	March 31, 2023	March 31, 2022
Less than one year	491	693
One to two years	387	451
Two to three years	168	357
Three to four years	118	143
Four to five years	78	96
More than five years	240	302
<b>Total</b>	<b>1,482</b>	<b>2,042</b>

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Group has entered into non-cancellable lease arrangements to provide dark fiber on IRU basis and tower assets on site-sharing basis. Due to the nature of these transactions, it is impractical to segregate & compute gross carrying amount, depreciation for the year and accumulated depreciation of the asset given on operating lease as of March 31, 2023 and March 31, 2022 and accordingly, the related disclosures are not provided.

## 37. Financial and Capital risk

### 1. Financial risk

The business activities of the Group expose it to a variety of financial risks, namely market risks (that is, foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's risk management strategies focus on the unpredictability of these elements and seek to minimise the potential adverse effects on its financial performance. Further, the Group uses certain derivative financial instruments to mitigate some of these risk exposures (as discussed below in this note).

The financial risk management for the Group is driven by the Group's senior management ('GSM'), in close co-ordination with the operating entities and internal / external experts subject to necessary supervision. The Group does not undertake any speculative transactions either through derivatives or otherwise. The GSM are accountable to the Board of Directors ('the BoD') and Audit Committee. They ensure that the Group's financial risk-taking activities are governed by appropriate financial risk governance frame work, policies and procedures. The BoD of the respective operating entities periodically reviews the exposures to financial risks, and the measures taken for risk mitigation and the results thereof.

The Group policy allows for material translation exposure to be established under effective hedge relationships by ensuring that the critical terms of the hedging instruments match with the terms of the hedged item so as maintain the hedge ratio to be 1:1. The Group uses prospective effectiveness assessment (dollar offset / hypothetical derivative method) to ensure that an economic relationship exists between the hedged item and hedging instrument.

#### (i) Foreign currency risk

Foreign exchange risk arises on all recognised monetary assets and liabilities, and any highly probable forecasted transactions, which are denominated in a currency other than the functional currency of the transacting Group entity. The Group, through the Parent, several intermediary entities and subsidiaries; operates across multiple geographies in the Africa and Asia continent. Accordingly, the Group is exposed to translation risk on the net investment in foreign subsidiaries. The Group has foreign currency trade payables, receivables and borrowings (internal as well as external). However, foreign exchange exposure mainly arises from borrowings and trade payables denominated in foreign currencies and certain net investment in foreign currency. Consequently, the Group is mainly exposed to foreign exchange risks related to USD / Euro vis-à-vis the functional currencies and the translation risk related to USD to INR and USD to XAF - XOF (pegged to Euro).

The foreign exchange risk management policy of the Group requires it to manage the foreign exchange risk either through derivatives or reducing the exposure by transacting as far as possible in the functional currency. Moreover, the Group monitors the movements in currencies in which the borrowings / capex vendors are payable and manage any related foreign exchange risk, which inter-alia include entering into foreign exchange derivative contracts - as considered appropriate and whenever necessary. For further details, as to foreign currency borrowings, refer note 18. Further, for the details as to the fair value of various outstanding derivative financial instruments designated in a hedge relationship or otherwise refer note 10.

As per the Group's hedging policy certain foreign currency liability, highly probable forecast transactions and material net investment of the Group in foreign subsidiaries have been designated under net investment hedge respectively. The following table analyses the movement in the net investment hedging in FCTR due to said hedges and details thereto.

#### a) Net investment hedge

		March 31, 2023	March 31, 2022
Currency exchange risk hedged	-	USD to INR	USD to INR
Nominal amount hedged as at the end of the year	-	USD 1,910 Mn	Nil
Nominal amount hedged during the year	-	USD 1,910 Mn	Euro 160 Mn
Maturity date	-	February 2025 - June 2031	May 2021
Carrying value of hedging instruments (borrowings)	-	157,194	14,827
			211,651

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		March 31, 2023		March 31, 2022
<b>Change in fair value during the year:</b>				
Hedged item	-	17,075	567	5,834
Hedging instrument	-	(17,075)	(567)	(5,834)
FCTR loss for continuing hedge (net of tax and NCI)	-	(40,331)	(2,727)	(28,510)
Hedging loss recognised during the year	-	(17,075)	(567)	(5,834)
Loss reclassification during the year to Statement of Profit and loss under exceptional items	-	-	-	-

## Foreign currency sensitivity

The impact of foreign exchange sensitivity on profit for the year and OCI is given in the table below:

	Change in currency exchange rate	Effect on profit before tax	Effect on equity (OCI)
<b>For the year ended March 31, 2023</b>			
US Dollar	+5%	(1,662)	(10,900)
	-5%	1,662	10,900
Euro	+5%	37	-
	-5%	(37)	-
Others	+5%	14	-
	-5%	(14)	-
<b>For the year ended March 31, 2022</b>			
US Dollar	+5%	(2,086)	(13,163)
	-5%	2,086	13,163
Euro	+5%	1	-
	-5%	(1)	-
Others	+5%	(54)	-
	-5%	54	-

The sensitivity disclosed in the above table is mainly attributable to, in case of to foreign exchange gains / (losses) on translation of USD / Euro denominated borrowings, derivative financial instruments, trade and other payables, and trade receivables.

The above sensitivity analysis is based on a reasonably possible change in the underlying foreign currency against the respective functional currency while assuming all other variables to be constant.

Based on the movements in the foreign exchange rates historically and the prevailing market conditions as at the reporting date, the Group's Management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

## (ii) Interest rate risk

As the Group does not have exposure to any floating-interest bearing assets, its interest income and related cash inflows are not affected by changes in market interest rates. Consequently, the Group's interest rate risk arises mainly from borrowings.

### Borrowings

Borrowings with floating and fixed interest rates expose the Group to cash flow and fair value interest rate risk respectively. However, the short-term borrowings of the Group do not have a significant fair value or cash flow interest rate risk due to their short tenure. Accordingly, the components of the debt portfolio are determined by the GSM in a manner which enables the Group to achieve an optimum debt-mix basis its overall objectives and future market expectations.

The Group monitors the interest rate movement and manages the interest rate risk based on its risk, management policies, which inter-alia include entering into interest swaps contracts - as considered appropriate and whenever necessary.

The Group has designated the interest rate components (which is separately identifiable from other components) of certain fixed interest rate bonds under the hedge relationship since historically it accounts for substantial portions of the total fair value change of the bonds.

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(All amounts are in millions of Indian Rupee; unless stated otherwise)

The following table analyses the financial impact of fair value hedge and details thereto.

	March 31, 2023	March 31, 2022
Interest rate risk covered for currency	-	-
Nominal amount of Hedging instruments	-	-
Maturity date	-	-
Carrying value of hedging instruments (derivative assets)	-	-
Carrying value of hedging instruments (derivative liabilities)	-	-
Carrying value of hedged item (borrowings)	-	-
Change in fair value during the year	-	-
Hedged item	-	-
Hedging instrument	-	-
	-	-
Hedge ineffectiveness recognised in finance income/cost during the year	-	-
Cumulative change in fair value of hedged item	-	-
Unamortised portion of fair value hedge adjustment	(1,465)	(3,229)

## Interest rate sensitivity of borrowings

The impact of the interest rate sensitivity on profit before tax is given in the table below:

Interest rate sensitivity	Increase / decrease (basis points)	Effect on profit before tax
<b>For the year ended March 31, 2023</b>		
INR - borrowings	+100	(661)
	-100	661
USD -borrowings	+25	(153)
	-25	153
Other currency -borrowings	+100	(339)
	-100	339
<b>For the year ended March 31, 2022</b>		
INR - borrowings	+100	(424)
	-100	424
USD -borrowings	+25	(95)
	-25	95
Other currency -borrowings	+100	(146)
	-100	146

The sensitivity disclosed in the above table is attributable to floating-interest rate borrowings.

The above sensitivity analysis is based on a reasonably possible change in the underlying interest rate of the Group's borrowings in INR and USD (being the significant currencies in which it has borrowed funds), while assuming all other variables (in particular foreign currency rates) to be constant.

Based on the movements in the interest rates historically and the prevailing market conditions as at the reporting date, the Group's management has concluded that the above mentioned rates used for sensitivity are reasonable benchmarks.

### (iii) Price risk

The Group invests its surplus funds in various fixed income products, including but not limited to debt mutual funds, short term debt funds, corporate debt, government securities and fixed deposits. In order to manage its price risk arising from investments, the Group diversifies its portfolio in accordance with the limits set by the risk management policies. The Group has exposure across debt securities, mutual fund and money market instruments.

Debt investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However due to the very short tenure of money market instruments and the underlying portfolio in liquid schemes, these do not pose any significant price risk. On the duration investment balance, an increase / decrease of 25 basis points in market yields (parallel shift of the yield curves), will result in decrease / increase in the mark to market value of the investments by ₹ Nil as on March 31, 2023 and March 31, 2022.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## (iv) Credit risk

Credit risk refers to the risk of default on its obligation by the counter-party, the risk of deterioration of credit-worthiness of the counter-party as well as concentration risks of financial assets, and thereby exposing the Group to potential financial losses.

The Group is exposed to credit risk mainly with respect to trade receivables, investment in bank deposits, debt securities, mutual funds and derivative financial instruments.

### Trade receivables

The Trade receivables of the Group are typically non-interest bearing unsecured and derived from sales made to a large number of independent customers. As the customer base is widely distributed both economically and geographically, there is no concentration of credit risk.

As there is no independent credit rating of the customers available with the Group, the management reviews the credit-worthiness of its customers based on their financial position, past experience and other factors.

Credit risk related to the trade receivables is managed / mitigated by each business unit, basis the Group's established policy and procedures, by setting appropriate payment terms and credit period, and by setting and monitoring internal limits on exposure to individual customers. The credit period provided by the Group to its customers generally ranges from 14-30 days except Airtel business segment wherein it ranges from 7-90 days.

The Group uses a provision matrix to measure the expected credit loss of trade receivables, which comprise a very large numbers of small balances. Refer note 14 for details on the impairment of trade receivables.

Based on the industry practices and the business environment in which the entity operates, management considers that the trade receivables are impaired if the payments are more than 270 days past due in case of interconnect debtors in Africa Mobile Segment and 90/120 days from due/invoice date in all other cases.

The ageing analysis of trade receivables as of the reporting date is as follows:

	Neither past due nor impaired	Past due but not impaired				Total
		Less than 30 days	30 to 60 days	60 to 90 days	Above 90 days	
March 31, 2023	9,492	13,076	6,683	4,950	5,614	39,815
March 31, 2022	8,894	9,325	5,607	3,980	12,756	40,562

The Group performs on-going credit evaluations of its customers' financial condition and monitors the credit worthiness of its customers to which it grants credit in its ordinary course of business. The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amount due. Where the financial asset has been written-off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in statement of profit and loss.

### Financial instruments and cash deposits

The Group's treasury, in accordance with the board approved policy, maintains its cash and cash equivalents, deposits and investment in mutual funds & debt securities, and enters into derivative financial instruments with banks, financial and other institutions, having good reputation and past track record, and high / sovereign credit rating. Similarly, counterparties of the Group's other receivables carry either no or very minimal credit risk. Further, the Group reviews the credit-worthiness of the counter-parties (on the basis of its ratings, credit spreads and financial strength) of all the above assets on an on-going basis, and if required, takes necessary mitigation measures.

## (v) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. Accordingly, as a prudent liquidity risk management measure, the Group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including bilateral loans, debt, and overdraft from both domestic and international banks at an optimised cost. It also enjoys strong access to domestic and international capital markets across debt and equity.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Moreover, the GSM regularly monitors the rolling forecasts of the entities' liquidity reserve (comprising of the amount of available undrawn credit facilities and cash and cash equivalents) and the related requirements, to ensure they have sufficient cash on an on-going basis to meet operational needs while maintaining sufficient headroom at all times on its available undrawn committed credit facilities, so that there is no breach of borrowing limits or relevant covenants on any of its borrowings. For details as to the borrowings, refer note 18.

Based on past performance and current expectations, the Group believes that the cash and cash equivalents, cash generated from operations and available undrawn credit facilities, will satisfy its working capital needs, capital expenditure, investment requirements, commitments and other liquidity requirements associated with its existing operations, through at least the next twelve months.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

	As of March 31, 2023						
	Carrying amount	On Demand	Less than 6 months	6 to 12 months	1 to 2 years	> 2 years	Total
Interest bearing borrowings**#	1,701,537	32,309	58,709	83,174	214,876	2,352,792	2,741,860
Lease liabilities	604,755	-	82,757	60,886	117,878	537,063	798,584
Other financial liabilities#	293,173	55,589	176,154	3,319	2,075	63,685	300,822
Trade payables	328,946	-	328,946	-	-	-	328,946
<b>Financial liabilities (excluding derivatives)</b>	<b>2,928,411</b>	<b>87,898</b>	<b>646,566</b>	<b>147,379</b>	<b>334,829</b>	<b>2,953,540</b>	<b>4,170,212</b>
Derivative liabilities	4,640	-	934	183	3,405	118	4,640
	As of March 31, 2022						
	Carrying amount	On Demand	Less than 6 months	6 to 12 months	1 to 2 years	> 2 years	Total
Interest bearing borrowings**#	1,356,472	22,294	154,592	54,629	121,251	1,814,216	2,166,982
Lease liabilities	367,634	-	62,228	41,665	74,561	299,017	477,471
Other financial liabilities#^	239,498	46,831	138,607	3,784	1,969	52,240	243,431
Trade payables	292,741	-	292,741	-	-	-	292,741
<b>Financial liabilities (excluding derivatives)</b>	<b>2,256,345</b>	<b>69,125</b>	<b>648,168</b>	<b>100,078</b>	<b>197,781</b>	<b>2,165,473</b>	<b>3,180,625</b>
Derivative liabilities	995	-	385	610	-	-	995

\*It includes contractual interest payment based on interest rate prevailing at the end of the reporting period after adjustment for the impact of interest swaps, over the tenor of the borrowings.

#Interest accrued has been included in interest bearing borrowings and excluded from other financial liabilities.

^Compulsorily convertible preference shares are excluded from other financial liabilities.

## vi) Reconciliation of liabilities whose cash flow movements are disclosed as part of financing activities in the Statement of Cash Flows:

Balance sheet caption	Statement of cash flows line item	April 1, 2022	Cash flows	Interest expense	Foreign exchange	Fair value changes	FCTR	Others	March 31, 2023
Borrowings*	Proceeds / repayments of borrowings (including short-term)	593,991	(113,123)	-	16,884	(887)	2,029	5,047	503,941
Interest accrued	Interest and other finance charges paid	27,327	(66,893)	168,511	-	-	(4,772)	(78,084)	46,089
Lease liabilities	Payment of lease liabilities	367,634	(75,986)	-	-	-	16,516	296,591	604,755

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Balance sheet caption	Statement of cash flows line item	April 1, 2021	Cash flows	Non-cash movements					March 31, 2022
				Interest expense	Foreign exchange	Fair value changes	FCTR	Others	
Borrowings*	Proceeds / repayments of borrowings (including short-term)	593,459	(18,778)	-	9,210	(380)	6,685	3,795	593,991
Interest accrued	Interest and other finance charges paid	109,926	(131,588)	158,002	670	48	(454)	(109,277)	27,327
Lease liabilities	Payment of lease liabilities	329,953	(76,427)	-	-	-	2,567	111,541	367,634

\*It does not include deferred payment liabilities and bank overdraft.

## vii) Disclosure of non-cash transactions

	For the year ended	
	March 31, 2023	March 31, 2022
ROU additions during the year by means of lease	315,369	100,290
Acquisition of intangible assets and IAUD acquired by means of deffered payments liability	354,951	117,160
Allotment of 11,930,543 equity share against the conversion request of FCCBs	6,931	-

## 2. Capital risk

The Group's objective while managing capital is to safeguard its ability to continue as a going concern (so that it is enabled to provide returns and create value for its shareholders, and benefits for other stakeholders), support business stability and growth, ensure adherence to the covenants and restrictions imposed by lenders and / or relevant laws and regulations, and maintain an optimal and efficient capital structure so as to reduce the cost of capital. However, the key objective of the Group's capital management is to, ensure that it maintains a stable capital structure with the focus on total equity, uphold investor, creditor and customer confidence, and ensure future development of its business activities. In order to maintain or adjust the capital structure, the Group may issue new shares, declare dividends, return capital to shareholders, etc.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements.

The Group monitors capital using a gearing ratio calculated as below:

	As of	
	March 31, 2023	March 31, 2022
Borrowings	1,655,448	1,329,145
Less: cash and cash equivalents	71,794	60,959
Less: term deposits with bank	9,595	22,319
<b>Net debt (A)</b>	<b>1,574,059</b>	<b>1,245,867</b>
Equity	775,629	665,543
<b>Total capital</b>	<b>775,629</b>	<b>665,543</b>
<b>Capital and net debt (B)</b>	<b>2,349,688</b>	<b>1,911,410</b>
<b>Gearing ratio (A/B)</b>	<b>67.0%</b>	<b>65.2%</b>

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## 38. Fair value of financial assets and liabilities

The category wise details as to the carrying value, fair value and the level of fair value measurement hierarchy of the Group's financial instruments are as follows:

	Level	Carrying value as of		Fair value as of		
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
<b>Financial assets</b>						
<b>FVTPL</b>						
Derivatives						
- Currency swaps, forward and option contracts	Level 2	1,406	498	1,406	498	
- Interest swaps	Level 2	731	218	731	218	
- Cross currency swaps	Level 3	-	63	-	63	
Other bank balances	Level 2	327	1,210	327	1,210	
Investments - quoted	Level 1	36,753	8,614	36,753	8,614	
Investments - unquoted	Level 2	587	540	587	540	
<b>FVTOCI</b>						
Investments - unquoted	Level 2	69	69	69	69	
<b>Amortised cost</b>						
Investments - quoted		10,292	-	10,292	-	
Trade receivables		39,815	40,562	39,815	40,562	
Cash and cash equivalents		71,794	60,959	71,794	60,959	
Other bank balances		62,065	72,774	62,065	72,774	
Other financial assets		246,828	237,212	246,828	237,212	
		<b>470,667</b>	<b>422,719</b>	<b>470,667</b>	<b>422,719</b>	
<b>Financial liabilities</b>						
<b>FVTPL</b>						
Derivatives						
- Currency swaps, forward and option contracts	Level 2	1,048	676	1,048	676	
- Cross currency swaps	Level 3	3,569	269	3,569	269	
- Embedded derivatives	Level 2	23	224	23	224	
<b>Amortised cost</b>						
Borrowings - fixed rate	Level 1	332,708	469,885	328,227	485,529	
Borrowings - fixed rate	Level 2	1,137,845	729,498	1,198,927	765,466	
Other financial liabilities- Put option liability	Level 3	46,849	43,961	46,849	43,961	
Borrowings - fixed rate		44,796	7,855	44,796	7,855	
Borrowings - floating rate		140,099	121,907	140,099	121,907	
Trade payables		328,946	292,741	328,946	292,741	
Other financial liabilities		292,413	240,570	292,413	240,570	
		<b>2,328,296</b>	<b>1,907,586</b>	<b>2,384,897</b>	<b>1,959,748</b>	

The following methods / assumptions were used to estimate the fair values:

- The carrying value of other bank balances, trade receivables, trade payables, short-term borrowings, floating-rate long-term borrowings, other current financial assets and liabilities approximate their fair value mainly due to the short-term maturities of these instruments / being subject to floating-rates.
- Fair value of quoted financial instruments is based on quoted market price at the reporting date.
- The fair value of non-current financial assets, other long-term borrowings and other financial liabilities is estimated by discounting future cash flows using current rates applicable to instruments with similar terms, currency, credit risk and remaining maturities.
- The fair values of derivatives and other bank balance (measured at FVTPL) are estimated by using pricing models, wherein the inputs to those models are based on readily observable market parameters. The valuation models used by the Group

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reflect the contractual terms of the derivatives (including the period to maturity), and market-based parameters such as interest rates, foreign exchange rates, volatility etc. These models do not contain a high level of subjectivity as the valuation techniques used do not require significant judgement and inputs thereto are readily observable.

- v. The fair value of the put option liability (included in other financial liabilities) to buy back the stake held by non-controlling interest in AMC BV is measured at the present value of the redemption amount (i.e. expected cash outflows). Since, the liability will be based on fair value of the equity shares of AMC BV (subject to a cap) at the end of 48 months, the expected cash flows are estimated by determining the projected equity valuation of the AMC BV at the end of 48 months and applying cap thereon.

The following table describes the key inputs used in the valuation (basis discounted cash flow technique) of the Level 2 and Level 3 financial assets / liabilities as of March 31, 2023 and March 31, 2022:

<b>Financial assets / liabilities</b>	<b>Inputs used</b>
- Currency swaps, forward and options contracts and other bank balances	Forward, foreign currency exchange rates, Interest rates
- Interest rate swaps	Prevailing / forward interest rates in market, Interest rates
- Embedded derivatives	Prevailing interest rates in market, inflation rates
- Investments	Prevailing interest rates in market, future cashflows
- Other financial assets / Fixed rate borrowings / other financial liabilities	Prevailing interest rates in market, future payouts, Interest rates

During the year ended March 31, 2023 and March 31, 2022 there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

## Level 3 financial instruments

The following table provides the details as to changes in value of financial instruments categorised within level 3 of the fair value hierarchy:

<b>Cross currency swaps ('CCS')</b>	<b>For the year ended</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Opening balance</b>		
Increase in fair value (net): recognised in finance costs / other income <sup>(1)</sup>	(206)	(201)
Derivative Settled during the period	(5,402)	(5)
Exchange difference	2,451	-
<b>Closing balance</b>	<b>(3,569)</b>	<b>(206)</b>

<sup>(1)</sup> These amounts represent the amounts recognised in the financial statements during the year excluding the initial recognition deferment impact.

<b>Put option liability</b>	<b>For the year ended</b>	
	<b>March 31, 2023</b>	<b>March 31, 2022</b>
<b>Opening balance</b>		
Liability recognised by debiting NCI reserve	-	42,704
Recognised in finance costs in Statement of Profit and Loss (unrealised)	521	306
Liability de-recognised by crediting transaction with NCI reserve following dividend payment to put option holders	(1,319)	-
Exchange difference	3,686	951
<b>Closing balance</b>	<b>46,849</b>	<b>43,961</b>

The Group engages external, independent and qualified valuers to determine the fair value of the Group's embedded derivative categorised within level 3.

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## 39. Other matters

In 1996, the Company had obtained the permission from DoT to operate its Punjab license through one of its wholly owned subsidiary. However, DoT cancelled the permission to operate in April 1996 and subsequently reinstated in March, 1998. Accordingly, for the period from April 1996 to March 1998 ('blackout period') the license fee was disputed and not paid by the Company.

Subsequently, basis the demand from DoT in 2001, the Company paid the disputed license fee of ₹ 4,856 for blackout period under protest. Consequently, the license was restored subject to arbitrator's adjudication on the dispute. The arbitrator adjudicated the matter in favour of DoT, which was challenged by the Company before Delhi High Court. In 2012, Delhi High Court passed an order setting aside the arbitrator's award, which was challenged by DoT and is pending before its division bench. Meanwhile, the Company had filed a writ petition for recovery of the disputed license fee and interest thereto. However, the single bench, despite taking the view that the Company is entitled to refund, dismissed the writ petition. The Company therefore has filed appeal against the said order with division bench and the appeal is currently pending adjudication. DoT had also filed an appeal against the single judge order. Both these appeals are tagged together and are listed for final hearing.

## 40. Jointly controlled operations

The Group has participated in various consortium towards supply, construction, maintenance and providing long term technical support with regards to following Cables Systems. The details of the same are as follows and already included in property, plant and equipment and capital work-in-progress. Refer note 5:

Cable project	March 31, 2023		March 31, 2022	
	Amount	Share %	Amount	Share %
AAG-Project	1,555	7.86%	1,577	7.88%
EASSY Project	116	1.15%	116	1.19%
Unity Project	937	10.00%	873	10.00%
EIG Project	2,698	8.43%	2,312	8.43%
IMEWE Project	3,378	14.31%	2,748	14.31%
SMW-4 Project	1,332	9.68%	1,109	9.68%
SMW-6 Project-Core	3,914	10.00%	795	10.00%
SMW-6 Co-Build	5,324	100.00%	938	100.00%

## 41. Compliance with approved Schemes of Arrangement

All the Schemes of Arrangements, approved by the Competent Authority under the relevant provisions of the Act, have been accounted for in the books of account of the Company in accordance with the Scheme and in accordance with accounting standards.

## 42. Events after the reporting period

- i. Subsequent to the year ended March 31, 2023, the Company has entered into a binding term-sheet to combine operations of Bharti Airtel Lanka (Private) Limited, its wholly-owned subsidiary, with Dialog Axiata Plc ('Dialog'). The proposed transaction envisages the Company will be granted a stake in Dialog which is subject to signing of definitive agreements and necessary closing conditions including applicable regulatory and shareholder approvals.
- ii. Subsequent to the year ended March 31, 2023, the Company has, in accordance with the terms of the Offering Circular dated January 14, 2020 w.r.t FCCBs, allotted 844,407 equity shares of the face value of ₹ 5 each fully paid up at a conversion price of ₹ 521 per equity share, against the conversion request of FCCBs of USD 6.1 Mn.

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## 43. Relationship with struck off companies

Nature of transactions	Name of struck off company	Balance outstanding as of March 31, 2023	Balance outstanding as of March 31, 2022
<b>Companies with Outstanding Balance of More than INR 1 Mn</b>			
Receivable	Parim Infocomm Private Limited; Sparkle India Isp Private Limited	3	-
Payable	Kurtis Technologies Private Limited	-	1
<b>Companies with Outstanding Balance of Less than INR 1 Mn</b>			
Receivable	AUformulations Private Limited; Aarshee Works Private Limited; Aanyaram Mart Retail Private Limited; Actisai Foodline Private Limited; Alloevella Medicines And Wellness Private Limited; Alpha Centauri Online Retail Private Limited; Amerisafe Financial Solutions (Opc) Private Limited; Anant Cement Co Private Limited; Anu Electro Controls Private Limited; Asio Technology (Opc) Private Limited; Athithi Bags Private Limited; Athithi Garments Private Limited; Atmidataware Private Limited; Baani Consultancies Private Limited; Baliglobe Private Limited; Banaswara Television Private Limited; BugshieldInfocon (Opc) Private Limited; Burgewalas Hr Private Limited; Car & Care Auto Services Private Limited; Celexsa Technologies Private Limited; Centiventure Technologies India Private Limited; CMI Limited; Chemiron Impex Pvt. Ltd.; Cloudric Technologies Private Limited; CoexcelInfrasol Private Limited; Connectwell Network Private Limited; Creative Construction Group (Chennai)Private Limited; Credit Lifesciences Private Limited; Dhanatreahwar Mega Marketing Private Limited; Dev Motion Pictures Private Limited; Dyna Hotels & Restaurants Private Limited; Eamé Annaaporni Private Limited; Eemot Impex Private Limited (Opc); Eitel Uniagri Technicals Private Limited; Evermore Trading Private Limited; Eweb AIProfessionals Private Limited; Exelence Marketing Services Private Limited; Ezee Flights Travel Private Limited; Fiton Healthcare Private Limited; Fly High Aviation Private Limited; Flying Peregrine Falcon Logisticsprivate Limited; Friends Global Services Private Limited; Gig Galaxy Private Limited; Gr8 Caps Private Limited; Gw Technologies Private Limited; Gyantech Research Private Limited; H & T Facilities Management (Opc) Private Limited; Harisha Infratrade & Developers Private Limited; Hometexfab India Private Limited; Indcool Electrical Private Limited; Irulkankudi Mariammman Enterprises Private Limited; J.R. Exports (India) Private Limited; Jbj Television Network Private Limited; Jdexunity Global Private Limited; Jee Lighting System Private Limited; Kaaiser Global Private Limited; Keonics Magnavision Computers Limited; Khapangdi India Services Private Limited; Kiran Computers Private Limited; Knoty Labs Private Limited; Koolair Systems Private Limited; Kreditin Private Limited; Kumkut Electricals Private Limited; Lifeshreeshakti Corporate Services; Ls Advisory Private Limited; M R Infraresource Private Limited; M. Venkata Rao Projects Private Limited; Magical Paradise Tech Private Limited; Matchmaker Technologies Private Limited; Megaaops Solutions (Opc) Private Limited; Mgold Marketing Private Limited; Mother Land Hospitality Private Limited; Myproptree Foundations Private Limited; Naia Designs Private Limited; Nature Conservancy Consultancy Private Limited; New Asiatic Metal Trading Private Limited; Niles Gold India Private Limited; Nithyam Multi Services Private Limited; Nnb Services Private Limited; Overarching Solutions Private Limited; Pahya Law Academy Private Limited; Paras Brand Solutions Private Limited; Patil Engineering Private Limited; Paul Vision India Private Limited; Pcd Compusoft Private Limited; Perisoft Technologies Private Limited; Pinnacle (India) Private Limited; Prajwalraj It Solutions Private Limited; Print Express Private Limited; Propstudio Realtors Private Limited; Protinus Infotech Private Limited; Proviso India Private Limited; Ps Investors Brick Private Limited; Rajveer Tele Store (Opc) Private Limited; Rakuso Teletragic Private Limited; Rxice Events (Opc) Private Limited; S S Medical Management Consultants Private Limited; S3 Per Square Feet Private Limited; Sausha R&D Private Limited; Schmid Telecom India Private Limited; Sensational Buildtech Private Limited; Shakun And Company (Services) Pvt Ltd; Shanthi Green Energy Private Limited; Shrifal Infracom Private Limited; Sitt India Private Limited; Smartfid Technologies Private Limited; Sparkle India ISP Private Limited; Spider Prints Private Limited; Spinway International Private Limited; Sss Tech Engineers Private Limited; Super Gems Private Limited; Synergy Technologies Private Limited; Synergy Telecommunications Private Limited; Technoble Solutions India Private Limited; Tera Ventura Agro And Textiles Private Limited; Tractors India Ltd; Transact-One Financial Services Private Limited; Underground Pipeline And Non-Destructive Testing Services Private Limited; Ut Solutions (Opc) Private Limited; Vani Private Limited; Vewold Technology Private Limited; Vijanta Dharti Security Services;	8	8

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Nature of transactions	Name of struck off company	Balance outstanding as of March 31, 2023	Balance outstanding as of March 31, 2022
Receivable	VirtualMasters Private Limited; Visaland Immigration Consultants (Opc) Private Limited; Vision Infocomm Private Limited; Viva Concrete Technologies Private Limited; Vivacura Global Pharmaceuticals Private Limited; Vkaspeptic Nature Private Limited; Vkedutech Info Private Limited; Vls Healthcare Private Limited; Vibrosis Healthcare Private Limited; Way2Journey Excursion Private Limited; Webgo Technologies Private Limited; Webhog Private Limited; Webhog Food And Beverage Private Limited; Xeno Erp Private Limited; Yashoda Hospital Private Limited; Zephyrs Recruiting Solutions Private Limited; Nature Conservancy Consultancy Private Limited; ACL Management Pvt Ltd; Blendz Lifestyle Pvt Ltd; Dynapt Technologies Private Limited; Enmail.Com Pvt Limited; Getit Infoservices Limited; Market Probe India Pvt Ltd; Nivio Technologies India Pvt. Ltd; Personnel Decisions International India Pvt.Limited; Shakti Teleservices (P) Ltd; Sumptuous Eataries Company Pvt Ltd; Safety Training India Pvt. Ltd; Ravit Infra Private Limited; Tredot Technologies Trading And Services Pvt Ltd; Alpha Gateway It Solutions Pvt Ltd; Paras Brand Solutions Private Limited; Ahead Communication Pvt Ltd; Alliance Net & Gateway Private Limited; S.S. Telesolutions Pvt. Ltd; Spider Prints Pvt. Ltd; Sahu Jain Services Ltd.; Sanrupti Engineers Private Limited; E2E Solutions Private Limited; Elena Management And Services Pvt Ltd; Ainee Infratol Solutions Pvt Ltd; R R Movers And Logistics Pvt Ltd; Exelence Marketing Services Private Limited; Platinum Holdings Private Limited; Planet M Retail Ltd; Transact One Financial Services Pvt. Ltd.; Harisha Infratrade & Developer Pvt Ltd; Chemiron Impex Private Limited; Clique Net India Pvt Ltd; Dyna Hotels And Restaurants Pvt Ltd; Gallivanta Hotels & Resorts Pvt Ltd; Zephyrs Recruiting Solutions Pvt Ltd; Afan Healthcare And Infotech Pvt Ltd; Aftis Global Solutions Pvt. Ltd; Bali Globe Private Limited; Kwas Hospitality Opc Private Limited; Deed Technologies India Pvt. Ltd; Crowdsourcing Teleservices (Opo) Private Limited; A V Chiptronics Technology Pvt Ltd; Aadharshila Builders Pvt Ltd; Aargee Contracts Pvt. Ltd.; Access Compute Private Limited; Aditya Inkjet Technologies Pvt Ltd; Ajay It Solutions Private Limited; Aka Consultants India Pvt Ltd; Amets Software Private Limited; Anant Concrete Products Pvt Ltd; Apex Auto Limited; Asixx Infotech Private Limited; Authentic Exports Imports Pvt Ltd; B Lab Pvt Ltd; Chemical Construction Co P Ltd; Datacede Chennai Pvt Ltd; Dream Touch Trade India Private Limited; Eweels Logistics Services India Private Limited; Ezee Flight; Farin Energy Pvt Ltd; Gamga Associates Pvi Ltd; Gem Granites Private Limited; Gmessys Smart Systems Private Limited; Hackberry Ind Trading Private Limited; Haldiram Snacks Pvt Ltd; Henvy Marketing Private Limited; Hitech Events; Ids Increation India Private Limited; Indicure Health Tours Pvt Ltd; Indo British Garments Pvt L; Infaum Educational Technology Private Limited; Integra Micro System; International Cylinders Pvt. Ltd; International Trade Link Pvt Ltd; J S Fashion International Pvt Ltd; Jyve Geomatics Private Limited; Kanika Investment Limited; Ksk Energy Ventures Limited; Kumbhati Electricals Pvt Ltd; La Casa Infratech Private Limited; M Venkata Rao Infra Projects Private Limited; Manrochem India Pvt Ltd ;Marriott Hotels India Private Limited; Mediatrix Advertising Private Limited; Mookh Salons And Academy Private Limited; N N B Services Private Limited; Nandini Exim Private Limited; Navratna Blue Crete Industries Private Limited; New Asiatic Metal Trading Pvt Ltd; Neway Engineers Msw Pvt Ltd; Oracle Trading Company Pvt Ltd; Patil Engineering; Pinnacle India; Prescient Technologies Pvt Ltd; Quantum Engineers And Fabricators Private Limited; R N S Motors Limited; Rdtk Advisory Services Private Limited; Riwara Facilities Management Services (Opc) Pvt Ltd; S3 Solutions Pvt Ltd; Senator Inns Private Limited; Shubham Properties Pvt Ltd; Spunk Indo Marketing Pvt Ltd; Sri Arjaneya Agro Tech Private Limited; Sss Engineering; Sumitron Exports Pvt Ltd; Sunray Hospitality Private Limited; Synergy Technologies Pvt Ltd; Ultra Petro Trade Pvt Ltd; Uncheck Analytical Laboratories Pvt Ltd; Vandana Overseas Private Limited; Vineet Securities Pvt Ltd; Xpress Professional Consultants Pvt Ltd; Zhooyi Media Works India Pvt Ltd; Beaute Lan Products Private Limited; Dbrt Technologies Private Limited; Khagaraj Impex Private Limited; Kurtis Technologies Private Limited; NI Info Private Limited; Rajmahal Motels Private Limited; Shaping Culture Bpo Private Limited; Voyo Technologies India Private Limited; Webgo Technologies Private Ltd; Chermene Bombay Private Limited; Cream Packs Private Limited; G I Technology Private Limited; Jwt Mindset Advertising Private Limited; V2B Solutions Private Limited; Vbr Solutions India Private Limited; Vision Personnel Ventures Private Limited; Pacific Intelligence Security Private Limited; Parim Infocomm Private Limited; Online Manoj Private Limited; Solrad (Opc) Private Limited; Trueblue Tours And Taxi Private Limited; Workolex Services (Opc) Private Limited; Rakuso Teletragic Private Limited; P C Patel Agro Farm Pvt. Ltd.; Cpc Net Private Limited; NIT-MAN Multi Services Private Limited; Helpsure Multi-Trade Pvt Ltd;F2Connect Private Limited;Lomafy Networking Private Limited; Aztori Private Limited; Zippy King Private Limited; Lavaya Care Private Limited	8	

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Nature of transactions	Name of struck off company	Balance outstanding as of March 31, 2023	Balance outstanding as of March 31, 2022
Payable	Ainee Infratech And Construction Private Limited; Aswanth Sivanandham Engineering Private Limited; Atharv Infocom Private Limited; Cpc Net Private Limited; Kanishk Wealth Management Private Limited; Mars Skyways Marketing And Consultancy Private Limited; Nit-Man Multi Services Private Limited; Octel Cloud Solutions Private Limited; Shri Sai Balaji Multimedia Private Limited; Indus Software Technologies Private Limited; Implore Infosolutions Pvt Ltd; Ainee Infratech & Construction Pvt Ltd; United Telecom E Services Pvt Ltd; Mars Skyways Marketing & Consultancy Pvt Ltd; Shri Sai Balaji Multimedia Pvt Ltd; Daksh Finman Consulting Pvt Ltd; Octel Cloud Solutions Pvt Ltd; Corporate Solutions And Marketing Services India Private Limited; Kanishk Wealth Management Pvt Ltd; Glittek Granites Ltd; PA Private Limited; Impact Agencies Pvt Ltd; Invest Propmart Private Limited; Metro Fab Engineers Pvt Ltd; Peeraj Internat Enterprises Pvt Ltd; Pooja Castings Private Limited; Rainbow Packaging Pvt Ltd; Rushi Herbal Pvt Ltd; Space Worx Services Pvt Ltd; Unique Compusoft P Ltd; Vani Pvt Ltd; Kurtis Technologies Private Limited; Amba Auto Industries Pvt Ltd; Nature Conservancy Private limited; Alpha Gateway It Solutions Pvt. Ltd.	2	3
<b>Companies with Nil Outstanding Balance</b>			
Receivable	A V Chiptroniks Technology Private Limited; Abhinav Awas Private Limited; Acecov Private Limited; Achiever World Cars Private Limited; Ad Worldwide-Tech Co Private Limited; Adysoft Developers And Edutech Private Limited; Alibi Technology Private Limited; Alacare Private Limited; Alertx Intelligence Private Limited; Amisan Solutions Private Limited; Andi Madam Housing Promoters Private Limited; Aone Vehicles Private Limited; Ar Trans India Logistics Private Limited; Arth Niti Sallagar Private Limited; Ascentium Management Services Private Limited; Bcc Fuba India Limited; Bhralchandray Infraengineers Private Limited; Blimo Solutions Private Limited; Boons Tech Private Limited; Bye Pass Swimming & Resort Ltd; Caliph Foods Private Limited; Cassiopiea Consultants Private Limited; Cinema Cinema Sale And Service Private Limited; Ckon It Services Private Limited; Claim Easy Policy (Opc) Private Limited; Coalchem Tradelink Private Limited; Connectwell Network Private Limited; Creative Kawach Studio Private Limited; Credency Enterprises Private Limited; Dentistree Dental Care Private Limited; Dynamicaltastechnologies Private Limited; Edwin Software Private Limited; Elewell Private Limited; Faynix Technologies Private Limited; Fifthridge Technology Private Limited; Fivza Trading Private Limited; Fleetkart Logistics Private Limited; Genesys Technovation Private Limited; Gomtel Technology Private Limited; Graphic Box Private Limited; Halsana Infotech Private Limited; Hmpl Consulting Private Limited; Hpz Network Private Limited; Hwcc India Private Limited; Icule Business Solutions Private Limited; Intellic Tech Private Limited; Ishgouri Foods Private Limited; Jffy Services (India) Private Limited; Kanika Investment Ltd; Kans Builders Private Limited; Karm Events And Management Private Limited; Key Retail Shopping Private Limited; Koretecom Technology India Private Limited; Ktel Solutions Private Limited; Kumar Broadband Services Private Limited; M.N. Consultancy Services Private Limited; Manaswi Minerals Private Limited; Manikya Spirits & Breweries Private Limited; Marques Automotive Private Limited; Mturn Automotive Private Limited; New Gurgaon Consultancy Private Limited; Qathian And Engineering (Opo) Private Limited; Quadratic Consultants Pvt Ltd; Premiji Hotels Private Limited; Prm Automotives Private Limited; Rk Maurya Industries International Private Limited; Requisite Development Services Private Limited; Risinglane Consulting Private Limited; Saan Infratech Private Limited; Saar Chem-Trade India Limited; Rmp Info tec Private Limited; Rushi Herbal Pvt Ltd : S V Electronics Limited; Shivashrit Engineers Private Limited; Shriyam Manufacturers Private Limited; Sahayog Security And Manpower Services Private Limited; Springfield Forestry Private Limited; Spunk Indo Marketings Private Limited; Sri Chandra Parcel Service Private Limited; Sri Sadhguru Sai Corporate Services Private Limited; Stonlane Private Limited; Super Sound And Vision Pvt Ltd; Tackle Box Private Limited; Techno Taris Solutions Private Limited; Technophile (India) Insurance Surveyors & Loss Assessors Private Limited; Trade4Asia Private Limited; Transmit Telecom Call Center Private Limited; Trinetra Gold Private Limited; Tvmserver Hosting Solutions Private Limited; Unichieve Analytical Laboratories Private Limited; Unique Compusoft Private Limited; Varsha Logistics Private Limited; Ved Plus Impex Private Limited; Winmax Leathers Private Limited;	-	-



# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Nature of transactions	Name of struck off company	Balance outstanding as of March 31, 2023	Balance outstanding as of March 31, 2022
Receivable	Zentian Digi Sol Private Limited; Zintol Fair Price Private Limited; Technoble Solutions India Private Limited; Aeiquom Ventures Pvt Ltd; Ankur Mercantile Pvt Ltd; Bajaj Brothers Pvt Ltd; BC To Ad Hyperlink Limited; Bookcab Travels India Private Limited; Boss Agro Chemicals P Ltd; Cassiopeia Consultants Pvt Ltd; Cmi Limited; Discom Sales Private Limited; Downtown Technologies Private Limited; Express Network Private Ltd; Good Guys Ventures Pvt Ltd; Gupta Roadlines Private Limited; Icube Business Solutions Pvt Ltd; Inani Textiles Private Limited; Ironite Company Of India Lt.; Jiffy Services India Pvt Ltd; Jr Exports Pvt Ltd; Jvs Exports Private Limited; Keld Ellentoft India Pvt Ltd; M/S Prometric Testing Pvt Ltd; Mas Technocreate Pvt Ltd; Pioneer Securities Pvt Ltd; Premiji Hotels Pvt Ltd; Pyxis Advisory Services Private Limited; R A Agencies Private Limited; Rmp Infotec Pvt Ltd; Saar Chem Trade Private Limited; Seeds And Grains India Pvt Ltd; Shahi Brothers Private Limited; Shivayam Hotels Private Limited; Sri Vijayaram Chit Funds Pvt Ltd; Sterling Enterprises Private Limited; Super Gems India Pvt Ltd; Suviron Products Private Limited; Sv Electronics Ltd; Fairdeal Motors & Workshop Pvt Ltd; Opg Securities (fsc) Private Limited; M S Option Matrix Infotech Pvt Ltd; Shakun & Company Services Private Limited; Thermadyne Pvt Ltd; Umang Trading Private Limited; Bengal Stores Ltd; B K Infrastructure Pvt Ltd; Webgo Technologies Private Ltd-Jammu-Aeo; Commscope Solutions India Pvt Ltd; Rainbow Childrens Medicare Pvt Ltd (Cn-1); Crown Agents (India) Private Limited; Crs Technologies India Private Limited; Dillinger India Steel Service Centre Private Limited; Elimx Software Private Limited; Flumenlogix Solutions Private Limited; Hit Reality (OPC) Private Limited; Laxmifin Advisors Pvt Ltd; C Gate Builders And Developers Private Limited; Enffie Technologies Private Limited; Gaheli Center Of Researchand Developement Pvt Ltd; Nonagon Trading Private Limited; Rsr India Mercantiles Limited; Sketch And Build Consultants Pvt Limited; Vinn Bpo Services India Private Ltd-T Dist-Coimbatore; Chanson Hospitality Private Limited; Griebs Web Solutions Private Ltd; Assent Response & Direction Pvt Ltd; Gvn Holdings Pvt Limited; M/S Right Doctors Healthcare Technologies Pvt Ltd; Regatta Solution Pvt Ltd; Print Express Pvt Ltd; Right Drugs Pvt Ltd; Sumangalam Propmart; Panihee Kitchen Pvt Ltd; Phillip Agri Commodities Pvt Ltd; Sterling Cryo Gases Pvt Ltd; Ak Enterprises Private Limited; Amba Auto Industries Pvt Ltd; Germ Busters Private Limited; Pacific Intelligence Security Private Limited; Chemene Bombay Private Limited; Cream Packs Private Limited; G I Technology Private Limited; Germ Busters Private Limited; Jwt Mindset Advertising Private Limited; One World Enterprise Private Limited; Shree Samware Organic Private Limited; Shree Samware Organic Private Limited; Solars4u Infratech Technologies Private Limited; Infratech Private Limited; Helpsure Multi-Trade Pvt Ltd; MS Svntech Pvt. Ltd; One World Enterprise Private Limited; Climax Technologies Private Limited; Savcon Training And Consultants Private Limited; Shree Sanware Organic Private Limited; Kinden India Private Limited		
Payable	Daksh Finnman Consulting Private Limited; Deed Technologies India Private Limited; Earl Grey Hotels Private Limited; Galaxy Merchantile Limited; Innemark Solutions Private Limited; J.S.P. Mobile Solutions Private Limited; Knorr Bremse Systems(CommercialVehicles)India Pvt. Ltd; Magus Estates And Hotels Private Limited; Microland Limited; Multivision Infotech (India) Private Limited ; Piccadilly Holiday Resorts Ltd; United Telecoms E-Services Private Limited; Sarvcon Training And Consultants Private Limited; Solars4u Infratech India Pvt Ltd; One Management And Entertainment Private Limited; V Multiply Solutions Pvt Limited		

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## 4.4. Additional information as required under Schedule III to the Act.

**Table 1 - Details pertaining to share in net assets, profit or loss and total comprehensive income**

Name of the entity / Principal activities			March 31, 2023		Share in total comprehensive income ('TCI') As % of Amount	
	Net Assets ('N A'), i.e., total assets minus total liabilities		Share in profit or loss ('P&L') As % of Amount			
	As % of consolidated N A	Amount	As % of consolidated P&L	Amount		
<b>Parent</b>						
<b>Telecommunication services</b>						
1 Bharti Airtel Limited	101.84%	789,934	(1.07%)	(896)	(1.78%) (988)	
<b>Subsidiaries</b>						
<b>A. Indian</b>						
<b>Telecommunication services</b>						
1 Bharti Hexacom Limited	5.43%	42,095	6.58%	5,492	9.92% 5,490	
2 Airtel Limited	0.00%	(0)	0.00%	(0)	0.00% (0)	
3 OneWeb India Communications Private Limited	0.01%	86	(0.01%)	(4)	(0.01%) (4)	
<b>Data Center and Managed Services</b>						
1 Nxtra Data Limited	3.27%	25,323	2.64%	2,201	3.98% 2,199	
<b>Content Procurement</b>						
1 Airtel Digital Limited	0.44%	3,446	0.15%	129	0.23% 119	
<b>Direct To Home services</b>						
1 Bharti Telemedia Limited	(0.49%)	(3,817)	(4.19%)	(3,494)	(6.32%) (3,499)	
<b>Other</b>						
1 Bharti Airtel Services Limited	0.08%	603	0.97%	817	1.46% 815	
2 Airtel International LLP	0.04%	329	0.11%	94	0.17% 94	
<b>Uplinking channels for broadcasters</b>						
1 Indo Teleports Limited	0.01%	106	(0.04%)	(33)	(0.06%) (33)	
<b>Employees Trust</b>						
1 Bharti Airtel Employees' Welfare Trust	0.01%	48	0.01%	5	0.01% 5	
<b>B. Foreign</b>						
<b>Infrastructure sharing services</b>						
1 Congo RDC Towers S.A.	(0.10%)	(813)	(0.02%)	(16)	(0.03%) (16)	
2 Gabon Towers S.A. #	0.00%	(3)	0.00%	-	0.00% -	
<b>Investment Company</b>						
1 Airtel Mobile Commerce B.V.	1.08%	8,405	15.00%	12,521	22.62% 12,521	
2 Airtel Mobile Commerce Holdings BV.	0.01%	54	0.05%	40	0.07% 40	

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Name of the entity / Principal activities	March 31, 2023		
	Net Assets ('N A'), i.e., total assets minus total liabilities	As % of consolidated N A	Share in profit or loss ('P&L')
	Amount	As % of consolidated P&L	Amount
3 Airtel Africa Mauritius Limited	17.53% 135,993	9.30%	7,764 14.02%
4 Airtel Africa Plc	38.39% 297,774	22.41%	18,704 33.79%
5 Airtel Mobile Commerce Nigeria B.V.	(C.02%) (172)	0.00%	- 0.00%
6 Airtel Mobile Commerce (Seychelles) B.V.	0.00%	0.00%	- 0.00%
7 Airtel Mobile Commerce Congo B.V.	0.00%	0.00%	- 0.00%
8 Airtel Mobile Commerce Kenya B.V.	0.00%	0.00%	- 0.00%
9 Airtel Mobile Commerce Madagascar B.V.	0.00%	1 0.22%	181 0.33%
10 Airtel Mobile Commerce Malawi B.V.	0.00%	0.00%	- 0.00%
11 Airtel Mobile Commerce Rwanda B.V.	0.00%	0.00%	- 0.00%
12 Airtel Mobile Commerce Tchad B.V.	0.00%	0.00%	- 0.00%
13 Airtel Mobile Commerce Uganda B.V.	0.10% 799	5.62%	4,687 8.47%
14 Airtel Mobile Commerce Zambia B.V.	0.00%	0.00%	- 0.00%
15 Bharti Airtel Africa B.V.	12.72% 98,667	(6.65%)	(5,549) (10.02%)
16 Bharti Airtel Chad Holdings B.V.	(C.12%) (956)	0.00%	- 0.00%
17 Bharti Airtel Congo Holdings B.V.	0.61% 4,697	0.47%	390 0.70%
18 Bharti Airtel Developers Forum Limited	0.00%	0.00%	- 0.00%
19 Bharti Airtel Holding (Mauritius) Limited	0.00% (0)	(0.10%)	(87) (0.16%)
20 Bharti Airtel Overseas (Mauritius) Limited	0.00% 10	0.00%	(1) (0.00%)
21 Bharti Airtel Gabon Holdings B.V.	1.31% 10,126	0.00%	- 0.00%
22 Bharti Airtel International (Mauritius) Limited	2.84% 22,036	0.88%	735 1.33%
23 Bharti Airtel International (Netherlands) B.V.	36.40% 282,325	36.76%	30,676 55.41%
24 Bharti Airtel Kenya B.V.	(6.50%) (50,403)	(6.00%)	(5,004) (9.04%)
25 Bharti Airtel Kenya Holdings B.V.	(C.53%) (4,078)	(0.25%)	(206) (0.37%)
26 Bharti Airtel Madagascar Holdings B.V.	(C.72%) (5,566)	0.01%	7 0.01%
27 Bharti Airtel Malawi Holdings B.V.	0.24% 1,895	2.11%	1,759 3.18%
28 Bharti Airtel Mail Holdings B.V.	(0.02%) (141)	(0.04%)	(34) (0.06%)
29 Bharti Airtel Niger Holdings B.V.	2.41% 18,678	0.28%	236 0.43%
30 Bharti Airtel Nigeria B.V.	(10.84%) (84,108)	37.76%	31,517 56.93%
31 Bharti Airtel Nigeria Holdings II B.V.	(0.02%) (129)	11.32%	9,448 17.07%
32 Bharti Airtel RDC Holdings B.V.	0.03% 227	0.00%	1 0.00%
33 Bharti Airtel Rwanda Holdings Limited	0.00% (38)	(0.01%)	(11) (0.02%)
34 Bharti Airtel Services B.V.	0.05% 360	(0.02%)	(17) (0.03%)

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Name of the entity / Principal activities	March 31, 2023		
	Net Assets ('N A'), i.e., total assets minus total liabilities		Share in profit or loss ('P&L')
	As % of consolidated N A (1.33%)	Amount (10,344)	As % of consolidated P&L 0.59%
35 Bharti Airtel Tanzania BV.	0.23%	1,784	8.89%
36 Bharti Airtel Uganda Holdings BV.	1.52%	11,753	4.23%
37 Bharti Airtel Zambia Holdings BV.	0.41%	3,182	(0.04%)
38 Celtel (Mauritius) Holdings Limited	0.00%	-	0.00%
39 Channel Sea Management Company (Mauritius) Limited	0.15%	1,175	0.43%
40 Indian Ocean Telecom Limited	0.00%	(1)	0.00%
41 Montana International *	0.00%	-	-
42 Partnership Investments Sarl u	0.00%	-	0.00%
43 Société Malgache de Téléphone Cellulaire S.A.*	0.00%	-	0.00%
44 Bharti Airtel International (Mauritius) Investments Limited	0.00%	(1)	0.00%
45 Airtel Mobile Commerce DRC BV.	0.32%	2,452	2.84%
46 Airtel Mobile Commerce Gabon BV.	0.01%	73	0.99%
47 Airtel Mobile Commerce Niger BV.	0.00%	-	0.00%
48 Airtel Digital Services Holdings BV.	0.00%	1	0.00%
49 Airtel Africa Telesonic Holdings Limited	0.00%	(1)	0.00%
50 Airtel Tchad Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	0.00%	(1)	0.00%
51 Airtel Madagascar Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	0.00%	-	0.00%
52 Airtel DRC Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	0.00%	-	0.00%
53 Airtel Uganda Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	0.00%	-	0.00%
54 Airtel Zambia Telesonic Holdings (UK) Ltd (Incorporated on April 11, 2022)	0.00%	-	0.00%
55 Airtel Nigeria Telesonic Holdings (UK) Ltd (Incorporated on April 11, 2022)	0.00%	-	0.00%
56 Airtel Kenya Telesonic Holdings (UK) Ltd (Incorporated on April 11, 2022)	0.00%	-	0.00%
57 Airtel (M) Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	0.00%	-	0.00%

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Name of the entity / Principal activities	March 31, 2023		
	Net Assets ('N A'), i.e., total assets minus total liabilities		Share in profit or loss ('P&L')
	As % of consolidated N A	Amount	As % of consolidated P&L
58 Airtel Congo Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	0.00%	-	0.00%
59 Airtel Gabon Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	0.00%	-	0.00%
60 Airtel Niger Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	0.00%	-	0.00%
61 Airtel Rwanda Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	0.00%	-	0.00%
62 Airtel Seychelles Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	0.00%	-	0.00%
63 Airtel Tanzania Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	0.00%	-	0.00%
64 Airtel Mobile Commerce Tanzania BV. (Incorporated on November 3, 2022)	0.00%	-	0.00%
65 Nxtra Africa Data Holdings Limited (Incorporated on November 24, 2022)	0.00%	-	0.00%
66 Nxtra Nigeria Data Holdings (UK) Limited (Incorporated on November 28, 2022)	0.00%	-	0.00%
67 Nxtra Kenya Data Holdings (UK) Limited (Incorporated on November 28, 2022)	0.00%	-	0.00%
68 Nxtra DRC Data Holdings (UK) Limited (Incorporated on November 28, 2022)	0.00%	-	0.00%
69 Nxtra Gabon Data Holdings (UK) Limited (Incorporated on November 28, 2022)	0.00%	-	0.00%
70 Nxtra Congo Data Holdings (UK) Limited (Incorporated on November 28, 2022)	0.00%	-	0.00%
<b>Mobile commerce services</b>			
1 Airtel Mobile Commerce (Kenya) Limited	0.00%	-	0.00%
2 Airtel Mobile Commerce (Seychelles) Limited	0.00%	(36)	0.00%
3 Airtel Mobile Commerce (Tanzania) Limited	0.00%	-	0.00%
4 Airtel Mobile Commerce Limited	0.31%	2,368	2.37%
5 Airtel Mobile Commerce Madagascar S.A.	0.04%	342	0.14%
6 Airtel Mobile Commerce Rwanda Limited	(0.01%)	(93)	(0.03%)
7 Airtel Mobile Commerce Tchad SA	0.00%	(3)	(0.07%)

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Name of the entity / Principal activities	March 31, 2023		
	Net Assets ('N A'), i.e., total assets minus total liabilities		Share in profit or loss ('P&L')
	As % of consolidated N A	Amount	As % of consolidated P&L
8 Airtel Mobile Commerce Uganda Limited	0.19%	1,507	5.75%
9 Airtel Mobile Commerce Zambia Limited	0.20%	1,583	6.63%
10 Airtel Money RDC S.A.	0.52%	4,043	2.82%
11 Airtel Money Niger S.A.	0.07%	569	0.10%
12 Airtel Money SA.	0.28%	2,177	1.64%
13 Airtel Money Transfer Limited	0.00%	31	0.01%
14 Mobile Commerce Congo S.A.	0.00%	6	(0.04%)
15 Airtel Money Tanzania Limited	0.07%	541	2.57%
16 Airtel Mobile Commerce Nigeria Limited	0.00%	8	0.00%
17 Airtel Money Kenya Limited	0.09%	675	0.05%
18 Airtel Money Trust Fund	0.00%	-	0.00%
19 The Registered Trustees of Airtel Money Trust Fund	0.00%	-	0.00%
20 Smartcash Payment Service Bank Limited	0.00%	-	0.00%
<b>Submarine Cable System</b>			
1 Network i2i Limited	27.07%	209,989	9.39%
2 Network i2i (Kenya) Limited##	0.00%	0	0.00%
<b>Others</b>			
1 Network i2i (UK) Limited	0.01%	41	0.01%
2 Airtel Africa Services (UK) Limited	(0.19%)	(1,477)	(0.40%)
3 Airtel Africa Telesonic Limited	0.01%	71	0.08%
4 Airtel Mobile Commerce Services Limited	0.00%	(15)	0.04%
<b>Telecommunication services</b>			
1 Airtel (Seychelles) Limited	0.07%	569	0.55%
2 Airtel Congo RDC S.A.	(4.49%)	(34,798)	10.81%
3 Airtel Congo S.A.	(1.08%)	(8,362)	(4.10%)
4 Airtel Gabon S.A.	(0.28%)	(2,138)	1.55%
5 Airtel Madagascar S.A.	(1.72%)	(13,310)	(2.55%)
6 Airtel Malawi Public Limited Company	0.44%	3,424	3.30%
7 Airtel Networks Kenya Limited @	(0.24%)	(1,896)	10.67%
8 Airtel Networks Limited	4.85%	37,620	27.17%
9 Airtel Rwanda Limited	(3.88%)	(30,131)	(5.69%)
10 Airtel Tanzania Public Limited Company	1.57%	12,178	6.83%

## **Notes to Consolidated Financial Statements**

All amounts are in millions of Indian Rupee; unless stated otherwise)

Name of the entity / Principal activities	March 31, 2023		
	Net Assets ('N A'), i.e., total assets minus total liabilities		Share in profit or loss ('P&L')
	As % of consolidated N A	Amount	As % of consolidated P&L
Airtel Tchad S.A.	(0.30%)	(2,300)	2.41%
Airtel Uganda Limited	0.22%	1,703	7.86%
Bharti Airtel (France) SAS	0.22%	1,720	0.35%
Bharti Airtel (Hong Kong) Limited	0.07%	567	0.08%
Bharti Airtel (Japan) Private Limited	0.00%	2	(0.01%)
Bharti Airtel (UK) Limited	0.37%	2,906	1.69%
Bharti Airtel (USA) Limited	0.11%	888	0.00%
Bharti Airtel Lanka (Private) Limited	(1.67%)	(12,984)	(4.14%)
Bharti International (Singapore) Pte. Ltd.	2.34%	18,187	3.46%
Celtel Niger S.A.	(0.37%)	(2,849)	1.97%
Airtel Networks Zambia Plc	0.09%	694	5.67%
Airtel Telesonic Uganda Limited (Incorporated on September 9, 2022)	0.00%	11	0.00%
Airtel Congo RDC Telesonic SA U. (Incorporated on January 31, 2023)	0.00%	2	0.00%
Airtel Nigeria Telesonic Limited (Incorporated on August 26, 2022)	0.00%	-	0.00%
Airtel Kenya Telesonic Limited (Incorporated on July 22, 2022)	0.00%	-	0.00%
Airtel Zambia Telesonic Limited (Incorporated on September 22, 2022)	0.00%	-	0.00%
Airtel (M) Telesonic Limited (Incorporated on August 25, 2022)	0.00%	-	0.00%
Airtel Rwanda Telesonic Limited (Incorporated on August 30, 2022)	0.00%	-	0.00%
Airtel (Seychelles) Telesonic Limited (Incorporated on September 21, 2022)	0.00%	-	0.00%
Nxtra Africa Data (Nigeria) Limited (Incorporated on March 16, 2023)	0.00%	-	0.00%
<b>Employees Trust</b>			
The Airtel Africa Employee Benefit Trust	(0.03%)	(268)	(0.54%)
<b>Minority Interests in all subsidiaries</b>	(37.24%)	(288,814)	(47.23%)
<b>Associates (Investment as per the equity method)</b>	(37.24%)	(288,814)	(47.23%)

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

Name of the entity / Principal activities	March 31, 2023		
	Net Assets ('N A'), i.e., total assets minus total liabilities		Share in profit or loss ('P&L')
	As % of consolidated N A	Amount	As % of consolidated P&L
<b>A. Indian</b>			
<b>Mobile commerce services</b>			
1 Airtel Payments Bank Limited	1.10%	8,509	(0.24%)
<b>Others</b>			
1 Juggernaut Books Private Limited	0.00%	-	0.00%
2 Hughes Communication India Private Limited <sup>10</sup>	0.09%	734	(0.07%)
3 Lavelle Networks Private Limited	0.01%	113	(0.04%)
<b>B. Foreign</b>			
<b>Submarine cable system</b>			
1 Seychelles Cable Systems Company Limited	0.05%	358	0.03%
<b>Telecommunication services</b>			
1 Robi Axiata Limited <sup>11</sup>	2.81%	21,784	0.50%
<b>Joint Ventures (Investment as per the equity method)</b>			
<b>A. Indian</b>			
<b>Passive infrastructure services</b>			
1 Indus Towers Limited (Formerly known as Bharti Infratel Limited) <sup>12</sup>	32.26%	250,201	8.82%
<b>Telecommunication services</b>			
1 FireFly Networks Limited	0.01%	59	0.01%
<b>B. Foreign</b>			
<b>Provision of regional mobile services</b>			
1 Bridge Mobile Pte Limited	0.01%	81	0.00%
<b>Investment Company</b>			
1 Bharti Airtel Ghana Holdings B.V.	0.00%	-	0.00%
<b>Telecommunication services</b>			
1 Mawezzi RDC S.A.	0.00%	1	0.00%
Inter-company eliminations / adjustments on consolidation	(130.84%)	(1,015,023)	(112.38%)
<b>Total</b>	<b>100%</b>	<b>775,629</b>	<b>100%</b>
			<b>55,359</b>

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

## Notes:

### 1 - Others

# The subsidiary is under dissolution as at March 31, 2023.

## Dissolved subsequent to the year ended March 31, 2023.

\* Under removal from the register of Registrar of Companies as at March 31, 2023.

© The Group also holds 100% preference shareholding in the Company. The preference shares do not carry any voting rights.

^ Robi Axiata Limited has a subsidiary, namely RedDot Digital Limited.

\$ Indus Towers Limited has two subsidiaries, namely Smartx Services Limited and Indus Towers Employees' Welfare Trust.

% Hughes Communications India Private Limited has two subsidiaries, namely, Hughes Global Education India Private Limited and HCIL Comtel Private Limited.

The figures which are appearing as '0' are result of rounding off.

# Notes to Consolidated Financial Statements

(All amounts are in millions of Indian Rupee; unless stated otherwise)

**Table 2 - Details pertaining to share in other comprehensive income**

S. No.	Name of the entity	March 31, 2023		
		Share in other comprehensive income ('OCI') As % of OCI	Amount	
<b>Parent</b>				
<b>Telecommunication services</b>				
1	Bharti Airtel Limited	0.33%	(92)	
<b>Subsidiaries</b>				
<b>Indian</b>				
<b>Telecommunication services</b>				
1	Bharti Hexacom Limited	0.01%	(2)	
2	Nxtra Data Limited	0.00%	(2)	
3	Airtel Digital Limited	0.04%	(10)	
<b>Direct To Home services</b>				
1	Bharti Telemedia Limited	0.02%	(5)	
<b>Other</b>				
1	Bharti Airtel Services Limited	0.01%	(2)	
<b>Foreign</b>				
<b>Telecommunication services</b>				
1	Bharti Airtel Lanka (Private) Limited	0.01%	(2)	
<b>Minority Interests in all subsidiaries</b>				
		23.41%	(6,578)	
<b>Associates (Investment as per the equity method)</b>				
<b>A. Foreign</b>				
<b>Telecommunication services</b>				
1	Robi Axiata Limited ^	(0.11%)	31	
<b>Mobile commerce services</b>				
1	Airtel Payments Bank Limited	(0.06%)	18	
<b>Joint Ventures (Investment as per the equity method)</b>				
<b>A. Indian</b>				
<b>Passive infrastructure services</b>				
1	Indus Towers Limited (Formerly known as Bharti Infratel Limited) \$	0.01%	(4)	
	Inter-company eliminations / adjustments on consolidation	76.32%	(21,452)	
	<b>Total</b>	<b>100%</b>	<b>(28,100)</b>	

**Salient features of the financial statements of subsidiaries, associates and joint ventures for the year ended March 31, 2023, pursuant to Section 129  
(3) of the Companies Act 2013**

**Part A - Subsidiaries**

S. No.	Name of the Subsidiary	Date on which subsidiary was acquired / incorporated	Country of Registration	Reporting Currency	Reporting Period	Financial Year End	Share Capital as of March 31, 2023	Total Assets	Total Liabilities	Investments*	Turnover	Profit / (Loss) Before Taxation	Provision for Taxation	Profit / (Loss) After Taxation	Proposed Dividend	% of shareholding	
1	Bharti Airtel (France) SAS	June 9, 2010	France	EUR	Apr'22 to Mar'23	March 31, 2023	89,72	1	1,719	3,343	1,623	-	2,821	387	97	290	- 100.00%
2	Bharti Airtel (Hong Kong) Limited	October 12, 2006	Hong Kong	HKD	Apr'22 to Mar'23	March 31, 2023	10,48	52	517	873	304	-	598	82	8	74	296 100.00%
3	Bharti Airtel (Japan) Private Limited	April 5, 2010	Japan	JPY	Apr'22 to Mar'23	March 31, 2023	0.62	0	1	18	17	-	22	(10)	(1)	(9)	- 100.00%
4	Bharti Airtel Services Limited	March 26, 2001	India	INR	Apr'22 to Mar'23	March 31, 2023	1,00	1	602	15,365	14,762	-	12,745	877	60	817	- 100.00%
5	Bharti Airtel (UK) Limited	August 29, 2006	United Kingdom	GBP	Apr'22 to Mar'23	March 31, 2023	101,82	34	2,883	20,105	17,188	-	42,548	1,928	391	1,537	- 100.00%
6	Bharti Airtel (USA) Limited	September 12, 2006	United States of America	USD	Apr'22 to Mar'23	March 31, 2023	82,30	0	888	1,601	713	-	1,127	(12)	(12)	0	- 100.00%
7	Bharti International (Singapore) Pte. Ltd.	March 18, 2010	Singapore	USD	Apr'22 to Mar'23	March 31, 2023	82,30	161,615	(136,904)	50,303	25,592	32,521	16,421	3,770	912	2,858	- 100.00%
8	Bharti Airtel International (Mauritius) Limited	April 6, 2010	Mauritius	USD	Apr'22 to Mar'23	March 31, 2023	82,30	296,693	(274,656)	22,046	9	-	-	768	23	745	- 100.00%
9	Bharti Airtel Lanka (Private) Limited	March 29, 2007	Sri Lanka	LKR	Apr'22 to Mar'23	March 31, 2023	0.25	23,117	(36,100)	8,530	21,513	-	2,944	(3,455)	-	(3,455)	- 100.00%
10	Bharti Hexacom Limited	May 18, 2004	India	INR	Apr'22 to Mar'23	March 31, 2023	1,00	2,500	39,595	182,529	140,434	10,460	65,790	7,338	1,846	5,492	750 70.00%
11	Indo Teleports Limited	March 4, 2009	India	INR	Apr'22 to Mar'23	March 31, 2023	1,00	826	(719)	470	363	132	214	(33)	-	(33)	- 100.00%
12	Bharti Telemedia Limited	November 30, 2006	India	INR	Apr'22 to Mar'23	March 31, 2023	1,00	5,102	(8,919)	55,971	59,788	-	29,450	(4,604)	(1,110)	(3,494)	- 100.00%
13	Network12i Limited	September 28, 2007	Mauritius	USD	Apr'22 to Mar'23	March 31, 2023	82,30	226,982	18,842	319,583	73,759	10	14,275	8,276	301	7,975	- 100.00%
14	Nxtra Data Limited	July 2, 2013	India	INR	Apr'22 to Mar'23	March 31, 2023	1,00	119	25,204	34,103	8,780	739	16,011	2,960	759	2,201	- 75.96%
15	Airtel Digital Limited	January 13, 2015	India	INR	Apr'22 to Mar'23	March 31, 2023	1,00	2	3,444	10,359	6,913	546	10,622	129	-	129	- 100.00%
16	Bharti Airtel International (Mauritius) Investments Limited	March 26, 2018	Mauritius	USD	Apr'22 to Mar'23	March 31, 2023	82,30	7	(8)	-	1	-	-	(1)	-	(1)	- 100.00%
17	Bharti Airtel Holding (Mauritius) Limited	June 27, 2018	Mauritius	USD	Apr'22 to Mar'23	March 31, 2023	82,30	16,763	(16,763)	0	(0)	-	-	(87)	-	(87)	- 100.00%
18	Bharti Airtel Overseas (Mauritius) Limited	June 28, 2018	Mauritius	USD	Apr'22 to Mar'23	March 31, 2023	82,30	16,757	(16,746)	11	(0)	-	-	(1)	-	(1)	- 100.00%
19	Airtel Africa Mauritius Limited	June 28, 2018	Mauritius	USD	Apr'22 to Mar'23	March 31, 2023	82,30	173,258	(9,389)	185,254	21,385	-	-	8,066	66	8,000	- 100.00%
20	Network12i (Kenya) Limited ####	July 3, 2019	Kenya	KES	Apr'22 to Mar'23	March 31, 2023	0.62	0	(0)	0	(0)	-	-	(0)	-	(0)	- 100.00%

S. No.	Name of the Subsidiary	Date on which subsidiary was acquired / incorporated	Country of Registration	Reporting Currency	Reporting Period	Financial Year End	Exchange Rate as of March 31, 2023	Share Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover	Profit / (Loss) Before Taxation	Provision for Taxation	Profit / (Loss) After Taxation	Proposed Dividend	% of shareholding
21	Network12i (UK) Limited	May 19, 2020	United Kingdom	GBP	Apr'22 to Mar'23	March 31, 2023	101.82	0	55	67	12	-	313	30	6	24	-	100.00%
22	OneWeb India Communications Private Limited	February 4, 2020	India	INR	Apr'22 to Mar'23	March 31, 2023	1.00	95	(9)	88	2	41	2	(4)	-	(4)	-	100.00%
23	Airtel Limited	March 16, 2021	India	INR	Apr'22 to Mar'23	March 31, 2023	1.00	0	(0)	0	0	-	-	(0)	-	(0)	-	100.00%
24	Bharti Airtel Employees' Welfare Trust	March 31, 2001	India	INR	Apr'22 to Mar'23	March 31, 2023	1.00	-	48	1,766	1,718	-	-	8	3	5	-	-
25	Bharti Airtel International (Netherlands) B.V.	March 19, 2010	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	194.183	150.652	454.074	109.239	-	-	31,493	(11)	31,504	-	56.01%
26	Bharti Airtel Africa B.V.	June 8, 2010	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	46	100.272	348.826	248.508	-	-	(4,810)	4	(4,814)	-	56.01%
27	Bharti Airtel Chad Holdings B.V.	June 8, 2010	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	1	557	9,442	8,884	-	-	-	-	-	-	56.01%
28	Airtel Tchad S.A.	June 8, 2010	Chad	XOF	Jan'22 to Dec'22	December 31, 2022	0.14	3,802	(6,102)	12,155	14,455	-	13,939	3,442	1,309	2,133	-	56.01%
29	Bharti Airtel Gabon Holdings B.V.	June 8, 2010	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	2	11,162	11,258	94	-	-	-	-	-	-	56.01%
30	Airtel Gabon S.A.	June 8, 2010	Gabon	XAF	Jan'22 to Dec'22	December 31, 2022	0.14	821	(2,958)	16,414	18,551	-	12,209	2,254	858	1,396	-	56.01%
31	Bharti Airtel Congo Holdings B.V.	June 8, 2010	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	2	8,568	12,942	4,372	-	-	419	-	419	-	56.01%
32	Airtel Congo S.A.	June 8, 2010	Congo Brazzaville	XAF	Jan'22 to Dec'22	December 31, 2022	0.14	11,516	(19,879)	12,982	21,345	-	8,068	(3,700)	-	(3,700)	-	50.41%
33	Bharti Airtel RDC Holdings B.V.	June 8, 2010	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	1	281	35,258	34,976	-	-	1	-	1	-	56.01%
34	Airtel Congo RDC S.A.	June 8, 2010	Democratic Republic of Congo	USD	Jan'22 to Dec'22	December 31, 2022	82.30	28	(34,826)	59,700	94,498	-	39,928	7,741	(1,481)	9,222	-	55.17%
35	Bharti Airtel Mali Holdings B.V.	June 8, 2010	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	1	131	817	685	-	-	(35)	-	(35)	-	56.01%
36	Bharti Airtel Kenya Holdings B.V.	June 8, 2010	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	1	(4,079)	101,184	105,262	-	-	(210)	-	(210)	-	56.01%
37	Bharti Airtel Kenya B.V.	June 8, 2010	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	2	(25,789)	77,157	102,944	-	-	(5,055)	29	(5,054)	-	56.01%
38	Airtel Networks Kenya Limited # Holdings B.V.	June 8, 2010	Kenya	KES	Jan'22 to Dec'22	December 31, 2022	0.62	249	(2,149)	48,360	50,260	-	26,023	(794)	(9,204)	8,410	-	56.01%
39	Bharti Airtel Malawi Holdings B.V.	June 8, 2010	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	2	2,086	2,345	257	-	-	2,097	244	1,853	-	56.01%
40	Airtel Malawi Public Limited Company	June 8, 2010	Malawi	MWK	Jan'22 to Dec'22	December 31, 2022	0.08	-	3,423	16,595	13,172	6	13,007	4,022	1,189	2,833	-	44.81%
41	Bharti Airtel Niger Holdings B.V.	June 8, 2010	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	1	19,337	19,325	(13)	-	-	301	60	241	-	56.01%
42	Celtel Niger S.A.	June 8, 2010	Niger	XOF	Jan'22 to Dec'22	December 31, 2022	0.14	205	(3,054)	20,134	22,983	-	14,381	2,911	1,217	1,694	-	50.41%
43	Airtel Networks Zambia Plc	June 8, 2010	Zambia	ZMW	Jan'22 to Dec'22	December 31, 2022	3.85	4	690	18,701	18,007	-	17,932	5,952	2,089	3,863	-	53.97%

S. No.	Name of the Subsidiary	Date on which subsidiary was acquired / incorporated	Country of Registration	Reporting Currency	Reporting Period	Financial Year End	Exchange Rate as of March 31, 2023	Share Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover	Profit / (Loss) Before Taxation	Provision for Taxation	Profit / (Loss) After Taxation	Proposed Dividend	% of shareholding
44	Bharti Airtel Uganda Holdings B.V.	June 8, 2010	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	2	2,434	2,436	-	-	7,639	-	-	-	56.01%	
45	Airtel Uganda Limited	June 8, 2010	Uganda	UGX	Jan'22 to Dec'22	December 31, 2022	0.02	31	1,672	4,800	43,097	-	35,442	9,631	3,005	6,626	-	56.01%
46	Bharti Airtel Tanzania B.V.	June 8, 2010	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	2	619	3,443	32,822	-	-	544	54	490	-	56.01%
47	Airtel Tanzania Public Limited Company	June 8, 2010	Tanzania	TZS	Jan'22 to Dec'22	December 31, 2022	0.04	1,696	10,481	47,032	34,855	-	21,219	5,108	(664)	5,772	-	28.57%
48	Bharti Airtel Madagascar Holdings B.V.	June 8, 2010	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	2	(2,850)	14,196	17,044	-	-	7	-	7	-	56.01%
49	Channel Sea Management Company (Mauritius) Limited	June 8, 2010	Mauritius	USD	Jan'22 to Dec'22	December 31, 2022	82.30	1	(1)	-	-	-	(1)	-	(1)	-	-	56.01%
50	Bharti Airtel Rwanda Holdings Limited	June 8, 2010	Mauritius	USD	Jan'22 to Dec'22	December 31, 2022	82.30	3	(40)	20,953	20,990	-	-	(11)	-	(11)	-	56.01%
51	Montara International\$	June 8, 2010	Mauritius	USD	Jan'22 to Dec'22	December 31, 2022	82.30	-	-	3	3	-	-	-	-	-	-	56.01%
52	Airtel Madagascar SA	June 8, 2010	Madagascar	MGA	Jan'22 to Dec'22	December 31, 2022	0.02	56	(13,366)	6,079	19,389	-	2,589	(2,115)	-	(2,115)	-	56.01%
53	Bharti Airtel Nigeria Holdings II B.V.	June 8, 2010	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	2	(131)	172,631	172,760	-	-	9,876	-	9,876	-	56.01%
54	Bharti Airtel Nigeria B.V.	June 8, 2010	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	1	(47,195)	128,538	175,732	-	-	37,744	3,780	33,964	-	56.01%
55	Bharti Airtel Services B.V.	June 8, 2010	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	2	359	948	587	-	-	(17)	-	(17)	-	56.01%
56	Airtel Networks Limited	June 8, 2010	Nigeria	NGN	Jan'22 to Dec'22	December 31, 2022	0.18	2,370	34,365	209,803	173,068	-	166,409	32,078	10,058	22,020	-	55.99%
57	Bharti Airtel Zambia Holdings B.V.	June 8, 2010	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	2	17,611	17,613	-	-	-	3,767	191	3,576	-	56.01%
58	Airtel Mobile Commerce Limited	June 8, 2010	Malawi	MWK	Jan'22 to Dec'22	December 31, 2022	0.08	4	2,365	8,375	6,006	-	5,755	2,806	843	1,963	-	41.58%
59	Airtel Mobile Commerce (Kenya) Limited	June 8, 2010	Kenya	KES	Jan'22 to Dec'22	December 31, 2022	0.62	-	-	877	877	-	-	-	-	-	-	41.58%
60	Celtel (Mauritius) Holdings Limited	June 8, 2010	Mauritius	USD	Jan'22 to Dec'22	December 31, 2022	82.30	1	3,300	9,285	5,984	-	-	(30)	-	(30)	-	56.01%
61	Airtel Mobile Commerce Zambia Limited	June 8, 2010	Zambia	ZMW	Jan'22 to Dec'22	December 31, 2022	3.85	8	1,576	14,085	12,501	-	12,045	6,524	1,950	4,574	-	41.58%
62	Airtel Mobile Commerce Tchad S.A.	June 8, 2010	Chad	XOF	Jan'22 to Dec'22	December 31, 2022	0.14	68	(71)	1,020	1,023	-	60	(62)	-	(62)	-	41.58%
63	Airtel Mobile Commerce B.V.	June 8, 2010	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	2	8,450	10,819	2,367	-	-	13,475	660	12,815	-	41.58%
64	Airtel Money S.A.	October 26, 2010	Gabon	XAF	Jan'22 to Dec'22	December 31, 2022	0.14	68	2,109	7,611	5,434	-	5,066	2,099	631	1,468	-	41.58%
65	Airtel Money Niger S.A.	June 8, 2010	Niger	XOF	Jan'22 to Dec'22	December 31, 2022	0.14	179	390	1,080	511	-	365	228	135	93	-	37.42%

S. No.	Name of the Subsidiary	Date on which subsidiary was acquired / incorporated	Country of Registration	Reporting Currency	Reporting Period	Financial Year End	Exchange Rate as of March 31, 2023	Share Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover	Profit / (Loss) Before Taxation	Provision for Taxation	Profit / (Loss) After Taxation	Proposed Dividend	% of shareholding
66	Société Malgache de Téléphone Cellulaire S.A. <sup>\$</sup>	June 8, 2010	Mauritius	USD	Jan'22 to Dec'22	December 31, 2022	82.30	3	(3)	-	-	-	(1)	-	-	-	56.01%	
67	Airtel Mobile Commerce Holdings B.V.	June 8, 2010	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	2	52	-	(54)	-	-	48	7	41	-	41.58%
68	Indian Ocean Telecom Limited	October 19, 2010	Jersey	USD	Jan'22 to Dec'22	December 31, 2022	82.30	206	1,373	1,580	1	-	-	383	-	383	-	56.01%
69	Airtel (Seychelles) Limited	August 27, 2010	Seychelles	SCR	Jan'22 to Dec'22	December 31, 2022	5.90	212	357	3,085	2,516	358	2,060	658	190	468	-	56.01%
70	Airtel Mobile Commerce (Tanzania) Limited	November 11, 2010	Tanzania	TZS	Jan'22 to Dec'22	December 31, 2022	0.04	-	-	-	-	-	-	-	-	-	-	41.58%
71	Airtel Mobile Commerce Uganda Limited	October 7, 2010	Uganda	UGX	Jan'22 to Dec'22	December 31, 2022	0.02	218	1,289	15,150	13,643	-	14,224	6,868	2,016	4,852	-	41.58%
72	Mobile Commerce Congo S.A.	June 8, 2010	Congo Brazzaville	XAF	Jan'22 to Dec'22	December 31, 2022	0.14	68	(63)	1,009	1,004	-	-	(40)	-	(40)	-	41.58%
73	Airtel Money RDC S.A.	June 8, 2010	Democratic Republic of Congo	USD	Jan'22 to Dec'22	December 31, 2022	82.30	730	3,313	12,928	8,885	-	6,217	3,485	1,079	2,406	-	41.58%
74	Congo RDC Towers S.A.	April 5, 2011	Democratic Republic of Congo	USD	Jan'22 to Dec'22	December 31, 2022	82.30	8	(820)	321	1,133	-	-	(16)	-	(16)	-	56.01%
75	Gabon Towers S.A.##	May 17, 2011	Gabon	XAF	Jan'22 to Dec'22	December 31, 2022	0.14	1	(4)	-	3	-	-	-	-	-	-	56.01%
76	Airtel Mobile Commerce Madagascar S.A.	April 5, 2011	Madagascar	MGAA	Jan'22 to Dec'22	December 31, 2022	0.02	9	334	1,750	1,407	-	713	181	69	112	-	41.58%
77	Airtel Rwanda Limited	September 2, 2011	Rwanda	RWF	Jan'22 to Dec'22	December 31, 2022	0.07	7	(30,138)	7,832	37,963	-	3,246	(4,632)	-	(4,632)	-	56.01%
78	Airtel Africa Plc	July 12, 2018	United Kingdom	USD	Apr'22 to Mar'23	March 31, 2023	82.30	281,464	56,767	335,589	(2,642)	-	-	19,330	-	19,330	10,123	56.01%
79	Airtel Mobile Commerce Rwanda Limited	February 22, 2013	Rwanda	RWF	Jan'22 to Dec'22	December 31, 2022	0.07	15	(108)	866	959	-	377	(23)	-	(23)	-	41.58%
80	Airtel Mobile Commerce (Seychelles) Limited	August 9, 2013	Seychelles	SCR	Jan'22 to Dec'22	December 31, 2022	5.90	6	(43)	24	61	-	3	1	-	1	-	41.58%
81	Airtel Money Tanzania Limited	June 10, 2016	Tanzania	TZS	Jan'22 to Dec'22	December 31, 2022	0.04	-	540	1,532	992	-	7,666	3,115	921	2,194	-	28.57%
82	Airtel Mobile Commerce Nigeria B.V.	December 5, 2018	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	0	(172)	968	1,140	-	0	-	0	0	-	41.58%
83	Airtel Mobile Commerce Nigeria Limited	August 31, 2017	Nigeria	NGN	Jan'22 to Dec'22	December 31, 2022	0.18	9	(1)	10	2	-	-	1	-	1	-	55.99%
84	Airtel Mobile Commerce (Seychelles) B.V.	January 29, 2019	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	0	(0)	0	0	-	-	0	-	0	-	41.58%
85	Airtel Mobile Commerce Congo B.V.	January 29, 2019	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	0	(0)	72	72	-	-	0	-	0	-	41.58%

S. No.	Name of the Subsidiary	Date on which subsidiary was acquired / incorporated	Country of Registration	Reporting Currency	Reporting Period	Financial Year End	Exchange Rate as of March 31, 2023	Share Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover	Profit / (Loss) Before Taxation	Provision for Taxation	Profit / (Loss) After Taxation	Proposed Dividend	% of shareholding	
86	Airtel Mobile Commerce Kenya B.V.	January 29, 2019	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	0	(0)	707	707	-	-	(0)	-	(0)	-	41.58%	
87	Airtel Mobile Commerce Madagascar B.V.	January 29, 2019	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	0	1	642	641	-	-	204	21	184	-	41.58%	
88	Airtel Mobile Commerce Malawi B.V.	January 29, 2019	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	0	(0)	0	(0)	-	0	-	0	-	41.58%		
89	Airtel Mobile Commerce Rwanda B.V.	January 29, 2019	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	0	(0)	18	18	-	-	(0)	-	(0)	-	41.58%	
90	Airtel Mobile Commerce Tchad B.V.	January 29, 2019	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	0	(0)	70	70	-	0	-	0	-	41.58%		
91	Airtel Mobile Commerce Uganda B.V.	January 29, 2019	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	0	797	224	(573)	-	-	4,797	-	4,797	-	41.58%	
92	Airtel Mobile Commerce Zambia B.V.	January 29, 2019	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	0	(0)	0	(0)	-	0	-	0	-	0	-	41.58%
93	Airtel Money Transfer Limited	July 20, 2015	Kenya	KES	Jan'22 to Dec'22	December 31, 2022	0.62	25	6	29	(2)	-	7	7	2	5	-	56.01%	
94	Airtel International LLP	March 27, 2019	India	INR	Apr'22 to Mar'23	March 31, 2023	1.00	33	297	2,977	2,647	-	-	227	133	94	-	56.01%	
95	Airtel Money Kenya Limited	June 29, 2020	Kenya	KES	Jan'22 to Dec'22	December 31, 2022	0.62	638	37	963	288	-	194	52	15	37	-	41.58%	
96	Airtel Mobile Commerce DRC B.V.	April 9, 2020	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	0	2,452	5,686	3,234	-	-	3,170	669	2,501	-	41.58%	
97	Airtel Mobile Commerce Gabon B.V.	April 9, 2020	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	0	73	73	0	-	-	1,114	233	881	-	41.58%	
98	Airtel Mobile Commerce Niger B.V.	April 9, 2020	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	0	0	181	181	-	0	-	0	-	41.58%		
99	The Registered Trustees of Airtel Money Trust Fund	April 13, 2021	Tanzania	TZS	Jan'22 to Dec'22	December 31, 2022	0.04	-	-	8,913	8,913	-	3	-	-	-	-	28.57%	
100	Airtel Digital Services Holdings B.V.	November 12, 2020	Netherlands	USD	Apr'22 to Mar'23	March 31, 2023	82.30	0	0	1	1	-	-	0	-	0	-	56.01%	
101	Airtel Mobile Commerce Services Limited	March 24, 2021	Kenya	USD	Jan'22 to Dec'22	December 31, 2022	82.30	0	(14)	169	183	-	-	33	-	33	-	41.58%	
102	Airtel Africa Telesonic Holdings Limited	October 6, 2021	United Kingdom	USD	Apr'22 to Mar'23	March 31, 2023	82.30	0	(1)	20	21	-	-	(1)	-	(1)	-	56.01%	
103	Airtel Africa Telesonic Limited	October 6, 2021	United Kingdom	USD	Apr'22 to Mar'23	March 31, 2023	82.30	-	70	2,545	2,475	-	1,168	71	-	71	-	56.01%	
104	Airtel Africa Services (UK) Limited	November 2, 2020	United Kingdom	USD	Apr'22 to Mar'23	March 31, 2023	82.30	0	(1,477)	13,910	15,387	-	-	1,130	1,471	(341)	-	56.01%	
105	The Airtel Africa Employee Benefit Trust	May 14, 2020	St Helier, Jersey	USD	Apr'22 to Mar'23	March 31, 2023	82.30	0	(268)	917	1,185	-	-	(459)	-	(459)	-	-	
106	Smartcash Payment Service Bank Limited	November 30, 2021	Nigeria	NGN	Jan'22 to Dec'22	December 31, 2022	0.18	892	(917)	1,662	-	39	(893)	-	(893)	-	55.99%		



S. No.	Name of the Subsidiary	Date on which subsidiary was acquired / incorporated	Country of Registration	Reporting Currency	Reporting Period	Financial Year End	Exchange Rate as of March 31, 2023	Share Capital	Reserves	Total Assets	Total Liabilities	Investments*	Turnover	Profit / (Loss) Before Taxation	Provision for Taxation	Profit / (Loss) After Taxation	Proposed Dividend	% of shareholding
122	Airtel Zambia Telesonic Limited (Incorporated on September 22, 2022)	September 22, 2022	Zambia	ZMW	Jan'22 to Dec'22	December 31, 2022	3.85	-	-	-	-	-	-	-	-	-	56.01%	
123	Airtel (M) Telesonic Limited (Incorporated on August 25, 2022)	August 25, 2022	Malawi	MWK	Jan'22 to Dec'22	December 31, 2022	0.08	-	-	-	-	-	-	-	-	-	56.01%	
124	Airtel Congo Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	April 11, 2022	United Kingdom	USD	Apr'22 to Mar'23	March 31, 2023	82.30	-	-	-	-	-	-	-	-	-	56.01%	
125	Airtel Gabon Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	April 11, 2022	United Kingdom	USD	Apr'22 to Mar'23	March 31, 2023	82.30	-	-	-	-	-	-	-	-	-	56.01%	
126	Airtel Niger Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	April 11, 2022	United Kingdom	USD	Apr'22 to Mar'23	March 31, 2023	82.30	-	-	-	-	-	-	-	-	-	56.01%	
127	Airtel Rwanda Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	April 11, 2022	United Kingdom	USD	Apr'22 to Mar'23	March 31, 2023	82.30	-	-	-	-	-	-	-	-	-	56.01%	
128	Airtel Seychelles Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	April 11, 2022	United Kingdom	USD	Apr'22 to Mar'23	March 31, 2023	82.30	-	-	-	-	-	-	-	-	-	56.01%	
129	Airtel Tanzania Telesonic Holdings (UK) Limited (Incorporated on April 11, 2022)	April 11, 2022	United Kingdom	USD	Apr'22 to Mar'23	March 31, 2023	82.30	-	-	-	-	-	-	-	-	-	56.01%	

**Notes:**

1. The above financial information is basis audited / unaudited financial statements / financial information considered for the purpose of consolidated audited Ind AS financial statements.
  2. The figures which are appearing as '0' are result of rounding off.
  3. All particulars has been converted using closing exchange rate as on March 31, 2023.
  4. Financial information has been extracted from the submission considered for the purpose of consolidated audited Ind AS financial statements.
- # Share capital includes preference share capital.
- ## The subsidiary is under dissolution as at March 31, 2023.
- ### Dissolved subsequent to the year ended March 31, 2023.
- \$ Under removal from the register of Registrar of Companies as at March 31, 2023.
- \* Investments exclude investments in subsidiaries.

**Other details:****I. Subsidiaries yet to commence operations:**

S. No.	Name of Subsidiary Company	Date of incorporation
1	Airtel Limited	March 16, 2021
2	OneWeb India Communications Private Limited	April 13, 2021
3	Airtel Rwanda Telesonic Limited	August 30, 2022
4	Airtel (Seychelles) Telesonic Limited	September 21, 2022
5	Airtel Mobile Commerce Tanzania B.V.	November 3, 2022
6	Nxtra Africa Data Holdings Limited	November 24, 2022
7	Nxtra Nigeria Data Holdings (UK) Limited	November 28, 2022
8	Nxtra Kenya Data Holdings (UK) Limited	November 28, 2022
9	Nxtra DRC Data Holdings (UK) Limited	November 28, 2022
10	Nxtra Gabon Data Holdings (UK) Limited	November 28, 2022
11	Nxtra Congo Data Holdings (UK) Limited	November 28, 2022
12	Nxtra Africa Data (Nigeria) Limited	March 16, 2023

**II. Subsidiaries that have been merged during the year:**

S. No.	Transferor Company	Transferee Company	Effective Date of Merger
1	Nettel Infrastructure Investments Limited	Bharti Airtel Limited	February 1, 2023
2	Telesonic Networks Limited	Bharti Airtel Limited	February 1, 2023

**Salient features of the financial statements of subsidiaries, associates and joint ventures for the year ended March 31, 2023, pursuant to Section 129  
(3) of the Companies Act 2013**

**Part B - Associates and Joint Ventures**

S. No.	Name of the Associate / Joint Venture	Date on which Associate / Joint Venture was associated or acquired	Share of Associates / Joint Ventures held by the company as of March 31, 2023		Description of how there is significant influence / joint control	Net Worth attributable to shareholders as per latest audited Balance Sheet	Profit / (loss) for the year ended March 31, 2023
			Amount of Investment in Associate / Joint Venture	Number of shares			
<b>Associates</b>							
1	Robi Axiata Limited @	November 16, 2016	December 31, 2022	1,475,834,961	21,784	28.18%	15,189
2	Seychelles Cable Systems Company Limited	June 8, 2010	June 30, 2022	260	358	14.56%	171
3	Hughes Communications India Private Limited%	January 4, 2022	March 31, 2022	7,524,808	734	33.33%	1,734
4	Lavelle Networks Private Limited	February 10, 2022	March 31, 2022	37,414	113	25.00%	(56)
5	Airtel Payments Bank Limited*	October 25, 2018	March 31, 2023	1,724,025,128	8,509	72.61%	46
6	Juggernaut Books Private Limited	November 26, 2017	March 31, 2022	2,100,471	-	18.75%	(34)
<b>Joint Ventures</b>							
1	Bridge Mobile Pte Limited	November 3, 2004	March 31, 2023	800,000	81	10%	2,935
2	Indus Towers Limited (Formerly known as Bharti Infratel Limited) <sup>\$~</sup>	November 19, 2020	March 31, 2023	1,292,261,364	250,201	47.95%	101,220
3	Firefly Networks Limited	February 4, 2014	March 31, 2023	1,000,000	59	50%	58
4	Bharti Airtel Ghana Holdings BV.#	October 12, 2017	March 31, 2017	18,000	0.000001^	50%	NA
5	Mawezzi RDC S.A.	March 1, 2023	-	50	1	27.58%	NA

©RedDot Digital Limited is incorporated on November 5, 2019 and is subsidiary of Robi Axiata Limited.  
# The group has acquired stake in joint venture during the year ended March 31, 2018. However, the latest audited balance sheet is pertaining to the period prior to the acquisition date.  
^ Amount considered for Ghana entities are consolidated number.  
\$ The group has increased its shareholding to 47.95% (46.49% as of March 31, 2022) during the year ended March 31, 2023.  
\* The group has decreased its shareholding to 72.61% (73.41% as of March 31, 2022) during the year ended March 31, 2023.

~ Smartx Services Limited (incorporated on September 21, 2015) and Indus Towers Employees Welfare Trust are subsidiaries of Indus Towers Limited.  
%^ Hughes Global Education India Private Limited (incorporated on March 10, 2011) and HCL Comtel Private Limited (incorporated on September 13, 2007) are subsidiaries of Hughes Communications India Private Limited.

**Notes:**

Amount of investment in joint venture / associate is based on the carrying value of investments in the consolidated financial statements of Bharti Airtel Limited.

# Corporate Information

## Board of Directors

Mr. Sunil Bharti Mittal, Chairman  
Ms. Chua Sock Koong  
Mr. Dinesh Kumar Mittal  
Mr. Gopal Vittal, Managing Director & CEO  
Ms. Kimsuka Narasimhan  
Ms. Nisaba Godrej  
Mr. Pradeep Kumar Sinha  
Mr. Rakesh Bharti Mittal  
Mr. Shyamal Mukherjee  
Mr. Tao Yih Arthur Lang  
Mr. V. K. Viswanathan

## Chief Financial Officer

Mr. Soumen Ray

## Company Secretary

Mr. Pankaj Tewari

## Chief Internal Auditor

Mr. Anil Jeet Singh Riat

## Statutory Auditors

Deloitte Haskins & Sells, LLP  
Chartered Accountants

## Internal Assurance Partners

Ernst & Young LLP  
ANB & Co., Chartered Accountants

## Cost Auditors

Sanjay Gupta & Associates  
Cost Accountants

## Secretarial Auditors

Chandrasekaran Associates  
Company Secretaries

## Registered Office

Airtel Center, Plot No. 16,  
Udyog Vihar, Phase-IV,  
Gurugram – 122 015,  
India

## Corporate Office

Bharti Crescent,  
1, Nelson Mandela Road,  
Vasant Kunj, Phase-II,  
New Delhi – 110 070,  
India

## Website

[www.airtel.in](http://www.airtel.in)

# Circle Offices

## Andhra Pradesh

1-8-437, 438 & 445, Splendid Towers  
Opp. Begumpet Police Station,  
Huda Road, Begumpet,  
Hyderabad – 500016,  
Telangana

## Assam & North East States

Subham Buildwell, Sundarpur,  
RG Baruah Road,  
Guwahati – 781006,  
Assam

## Bihar & Jharkhand

Airtel Campus, Plot no 18,  
Patliputra Industrial Area,  
Patna – 800013,  
Bihar

## Delhi NCR

Plot No. 16, NH-8  
Udyog Vihar, Phase-IV,  
Gurgaon – 122015,  
Haryana

## Gujarat

2<sup>nd</sup> Floor, Zodiac Square,  
Opp. Gurudwara, S. G. Highway,  
Ahmedabad – 380054,  
Gujarat

## Haryana, Punjab, Himachal

Plot No. 21,  
Rajiv Gandhi Technology Park,  
Chandigarh – 160101

## J & K

B2 (3<sup>rd</sup> Floor), South Block,  
Bahu Plaza, Jammu,  
J&K – 180012

## Karnataka

Divyasree Towers, No. 55,  
Bannerghatta Main Road,  
Opp. Jayadeva Hospital,  
Bengaluru – 560 029,  
Karnataka

## Tamil Nadu

No-42/147 & 44/146,  
Santhome High Road &  
Rosary Church Road, Mylapore,  
Chennai – 600004,  
Tamil Nadu

## Kerala

SL Avenue, NH Bye pass,  
Kundanoor Junction,  
Maradu PO,  
Kochi – 682304,  
Kerala

## Madhya Pradesh & Chhattisgarh

3<sup>rd</sup> & 4<sup>th</sup> Floor, Scheme No. 54,  
A. B. Road, Metro Tower,  
Near Vijay Nagar Square,  
Indore – 452010,  
Madhya Pradesh

## Maharashtra & Goa

Plot No. 3/1, North Tower,  
e-Park, Kharadi Tal - Haveli,  
Pune – 411014,  
Maharashtra

## Mumbai

Interface 7, 7<sup>th</sup> Floor,  
Behind Infinity Mall,  
Off. Link road,  
Malad West,  
Mumbai – 400064,  
Maharashtra

## Rajasthan

K-21, Sunny House,  
Malviya Marg, C-Scheme,  
Jaipur – 302001,  
Rajasthan

## Uttar Pradesh & Uttarakhand

TCG - 7/7, Vibhuti Khand,  
Gomti Nagar,  
Lucknow – 226010,  
Uttar Pradesh

## West Bengal

1<sup>st</sup>, 5<sup>th</sup>, 6<sup>th</sup> & 7<sup>th</sup> Floor, Infinity Building,  
Salt Lake Electronics Complex,  
Block GP, Sector V,  
Kolkata – 700091,  
West Bengal

## Odisha

Bharti House, E-13/1,  
Infority, Patia,  
Chandrashekharpur,  
Bhubaneshwar, Odisha – 751024

## Notes





**Registered Office**

**Bharti Airtel Limited**

Airtel Center, Plot No. 16, Udyog Vihar,  
Phase-IV, Gurugram – 122015, India  
Telephone No.: +91 124 4222222  
Fax No.: +91 124 4248063

**Corporate Office**

**Bharti Airtel Limited**

Bharti Crescent, 1, Nelson Mandela Road,  
Vasant Kunj, Phase II, New Delhi – 110 070, India  
Telephone No.: +91 11 46666100  
Fax No.: +91 11 46666137

CIN No.: L74899HR1995PLC095967

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