

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 2019, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), 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 "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 2019, and its loss, total comprehensive loss, the 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.

Emphasis of Matter

We draw attention to Note 23(l)(f)(vi) of the Standalone Financial Statements, which describes the uncertainties related to the legal outcome of Department of Telecommunications demand with respect to one-time spectrum charges.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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.

Key audit matter

Revenue recognition:

There is an inherent risk around accuracy of revenue recorded in respect of Mobile Services and Airtel Business segments because of the complexity of the IT systems and other support systems, significance of volumes of data processed by the systems and the impact of changing pricing models (tariff structures, incentive arrangements and discounts, etc.). In addition, for Airtel Business, we considered occurrence of revenue as a risk due to the possibility that revenue may be recorded without active service links being provided to customers or for contracts that are cancelled/not renewed.

Refer note 2.19 "Revenue recognition" for accounting policies and note 24 on disclosures related to Revenue in the standalone financial statements.

Audit Procedures to address Key Audit Matter

We involved our IT specialists to evaluate the design and test the operating effectiveness of the general IT controls and application specific controls within the IT system, including testing of system generated reports used in our audit of revenues. We also tested the controls within the billing systems, prepaid charging systems, capturing and recording of revenue, authorisation and input of changes to the IT systems and over reconciliations performed between the active customers base with billing system.

We performed substantive procedures, which included verifying the accuracy of customer invoices and tracing receipts to customer invoices, comparing the number of links/connection as per the active customer base to the billing system, testing reconciliations between billing system and the general ledger (including validation of relevant journal entries), making test calls and testing whether they are rated correctly and analytical procedures for relevant segment revenue.

We verified the appropriateness of the accounting policies and the disclosures related to Revenue in notes 2.19 and 24 respectively in the standalone financial statements.

Key audit matter	Audit Procedures to address Key Audit Matter
<p>Recoverability of deferred tax assets (DTA) recognized on tax loss carry-forwards and Minimum Alternate Tax (MAT) credit</p> <p>DTA on tax loss carry forwards and MAT credit recognised as at March 31, 2019 amounts to ₹ 126,085 million.</p> <p>Significant judgement is required in assessing the recoverability of DTA on tax loss carry forwards and MAT credit.</p> <p>Recoverability of DTA on tax loss and MAT credit is sensitive to the assumptions used by management in projecting the ten year business plan and tax plan and to expiry of losses and restriction on utilization of MAT credit after the period specified in the Income-tax Act, 1961.</p> <p>Refer note 2.12 "Taxes" for accounting policies, note 3.1.b in "Critical accounting estimates and assumptions" related to taxes and note 12 "Income taxes" for disclosures related to taxes in the standalone financial statements.</p>	<p>We evaluated the design and tested the operating effectiveness of internal controls related to the assessment of recoverability of DTA on carry forward tax losses and MAT credit.</p> <p>We benchmarked and challenged the key business assumptions like revenue growth rates, amount of future capital expenditure and EBIDTA margins in the ten year business plans against historical data and trends and with market data and external sources, where available, to assess their reasonableness.</p> <p>We verified the tax computation for the ten year forecast period and considered whether the tax losses and MAT credit would expire in accordance with the provisions of Income tax Act, 1961. We also performed sensitivity assessment to evaluate whether it is probable that the tax losses and MAT credit would expire within the period specified in the provisions of Income tax Act, 1961 and tested the mathematical accuracy of the business plans and tax computation for the forecast period.</p> <p>We verified that recognition of DTA is consistent with company's accounting guidelines for recognition of deferred tax on tax loss carry forward and MAT credit.</p> <p>We verified the appropriateness of accounting policies, critical accounting estimates and assumptions and disclosures related to Income tax in notes 2.12, 3.1.b and 12 respectively in the standalone financial statements.</p>
<p>Evaluation of impairment assessment for investments in subsidiaries</p> <p>Investments in subsidiaries as at March 31, 2019 amounts to ₹ 357,533 million.</p> <p>The management assessed that there are impairment indicators in respect of its investment in Bharti Infratel limited (BIL). Accordingly, the management estimated the recoverable value of its investment in BIL, the carrying value of which as at March 31, 2019 is ₹ 227,516 million.</p> <p>The evaluation of the recoverable amount involves determination of the most appropriate valuation method and the inputs used in the valuation model.</p> <p>Refer note 2.10(a) for policy on "Recognition, classification and presentation" of financial instruments and note 8 "Investments" for disclosures related to details of Investments in the standalone financial statements.</p>	<p>We evaluated the design and tested the operating effectiveness of internal controls related to evaluation of impairment assessment of investment in Bharti Infratel Limited.</p> <p>We evaluated the management's valuation method used and the accuracy of the inputs used in the model to determine the recoverable value. We challenged the inputs used to assess their reasonableness, tested the sensitivity of the recoverable value to the change in the inputs used and tested the arithmetical accuracy of the model.</p> <p>We verified the appropriateness of the accounting policies and disclosures related to Investments in notes 2.10(a) and 8 respectively in the standalone financial statements.</p>

Key audit matter	Audit Procedures to address Key Audit Matter
<p>Evaluation of uncertain positions related to tax and regulatory matters</p> <p>The Company has material uncertain positions related to regulatory matters and direct and indirect tax matters under dispute that involves significant judgment to determine the possible outcome of these disputes, provisions required, if any, and/or write back of provision in respect of such matters.</p> <p>Refer Note 2.18 "Contingencies" for accounting policies, Note 20 "Provisions" for disclosure related to provisions for subjudice matters and Note 23(l) in respect of details of Contingent liabilities in the standalone financial statements.</p>	<p>We evaluated the design and tested the operating effectiveness of internal controls related to the assessment of the likely outcome of uncertain positions related to the regulatory and tax matters, the provision made, if any, and/or write back of the provision.</p> <p>We discussed significant open matters and developments with the Company's regulatory and tax team.</p> <p>We involved our internal tax experts to understand and evaluate the status of tax matters, review legal precedence and external expert opinions, if any, obtained by the management to evaluate whether the tax and regulatory position is appropriate and has taken into account recent developments, if any.</p> <p>We challenged management's underlying assumptions in estimating tax and regulatory provisions and/or write back of provisions and assessed management evaluations and conclusions by understanding precedence, if any, set in similar matters and performed substantive procedures on the underlying calculation supporting the provisions required and/or write back of provisions.</p> <p>We verified the appropriateness of the accounting policies, disclosures related to provisions for subjudice matters and details of contingent liabilities in notes 2.18, 20 and 23(l) 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 preparation of the other information. The other information comprises the information included in Management Discussion and Analysis, Board's Report including Annexures to the Board's Report, Business Responsibility Report, Corporate Governance and Integrated Report, but does not include the standalone financial statements and our auditor's report 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.

Management's Responsibility 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, 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, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those 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 control 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 system 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 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 Income, the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.

- d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 over financial reporting 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 over financial reporting.
- 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 explanation given to us, the remuneration paid / accrued by the Company to its Chairman and Managing Director & CEO (India and South Asia) for the year ended March 31, 2019 is in excess by ₹ 300.66 Million vis-à-vis the limits specified in section 197 of Companies Act, 2013 ('the Act') read with Schedule V thereto as the Company does not have profits. The Company has represented to us that it is in the process of complying with the prescribed statutory requirements

to regularize such excess payments, including seeking approval of shareholders, as necessary.

- 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
 - 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.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- 2. As required by the Companies (Auditor's Report) Order, 2016 ("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)

Shyamak R Tata

Partner

(Membership No. 38320)

Place: New Delhi

Date: May 06, 2019

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 to the Members of Bharti Airtel Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Bharti Airtel Limited** (“the Company”) as of March 31, 2019 in conjunction with our audit of the Standalone Financial Statements of the Company 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 based on the internal control over financial reporting 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. 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 over financial reporting 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

system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting 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 over financial reporting 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial

reporting 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 system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the criteria for internal financial control over financial reporting 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.

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

Place: New Delhi
Date: May 06, 2019

Shyamak R Tata
Partner
(Membership No. 38320)

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 to the Members of Bharti Airtel Limited of even date)

- i. In respect of Company’s fixed assets:
- a) The Company has maintained proper records showing full particulars with respect to most of its fixed assets, and is in the process of updating quantitative and situation details with respect to certain fixed assets in the records maintained by the Company
 - b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three 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 fixed assets 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) According to the information and explanations given to us, the records examined by us and based on examination of property tax receipts, utility bills, lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed or court orders approving schemes of arrangements / amalgamations provided to us, we report that, the title in respect of self-constructed buildings and the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- In respect of immovable properties that have been taken on lease and disclosed as property, plant and equipment in the financial statements, based on our examination of the lease agreements or court orders approving the schemes of arrangement or amalgamations, we report that the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- ii. As explained to us, the inventories, except for those lying with the third parties, were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
 - iii. According to information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of Section 185 and 186 of the Companies Act, 2013 are applicable.
 - v. According to the information and explanations given to us, the Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are 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 cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie*, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
 - vii. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company is regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income-tax, Goods and Services Tax, Customs Duty, cess and other material statutory dues applicable to it to the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income-tax, Goods and Services Tax, Customs Duty, cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.
 - (c) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Value Added Tax and Goods and Service Tax which have not been deposited as on March 31, 2019 on account of disputes are given below:

Name of the Statutes	Nature of the Dues	Amount Disputed (in ₹ Million)	Period to Which the amount Relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	128	1999-05, 2002-08	Supreme Court
Income Tax Act, 1961	Income Tax	10,519	1996-08, 2001-10	High Court
Income Tax Act, 1961	Income Tax	25,816	1995-13, 2003-15	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	604	1999-00, 2004-18	Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	638	2000-06, 1996-14	Assessing Officer
Sub Total (A)		37,705		
Andhra Pradesh VAT Act, 2005	Sales Tax	87	2004-13	Tribunal
Andhra Pradesh VAT Act, 2005	Sales Tax	33	2013-15	Deputy Commissioner (Appeals)
Andhra Pradesh VAT Act, 2005	Sales Tax	39	2015-18	Assistant Commissioner
Bihar VAT Act, 2005	Sales Tax	0*	2015-16	Assistant Commissioner
Bihar VAT Act, 2005	Sales Tax	2	2006-07	Commercial Tax Officer
Bihar VAT Act, 2005	Sales Tax	1	2016-17	Deputy Commissioner
Bihar VAT Act, 2005	Sales Tax	22	2015-17	Joint Commissioner (Appeal)
Bihar VAT Act, 2005	Sales Tax	139	2005-15	Tribunal
Chhattisgarh VAT Act, 2003	Sales Tax	0*	2006-07	Assistant Commissioner
Delhi VAT Act, 2004	Sales Tax	0*	2012-13	Add. Commissioner
Delhi VAT Act, 2004	Sales Tax	6	2011-14	Add. Commissioner
The Gujarat VAT Act, 2003	Sales Tax	1	2005-07	Assistant/Deputy Commissioner
The Karnataka VAT Act, 2003	Sales Tax	291	2005-06	Supreme Court
The Karnataka VAT Act, 2003	Sales Tax	0*	2012-13	Deputy Commissioner
The Karnataka VAT Act, 2003	Sales Tax	2	2016-17	Karnataka Appellate Tribunal
The Kerala VAT Act, 2003	Sales Tax	1	2005-17	Commercial Tax Officer
The Kerala VAT Act, 2003	Sales Tax	0*	2016-17	Intelligence Officer Ernakulam
Kerala Sales Tax Act	Sales Tax	16	2005-10	Deputy Commissioner, Appeal
Kerala Sales Tax Act	Sales Tax	0*	2008-10	Intelligence Officer Squad
Kerala Sales Tax Act	Sales Tax	1	2002-05	Tribunal
The Kerala VAT Act, 2003	Sales Tax	71	2006-07	High Court of Kerala
The Kerala VAT Act, 2003	Sales Tax	44	2007-12	Asst. Commissioner, Spl Circle III, Ernakulam
The Kerala VAT Act, 2003	Sales Tax	0*	2015-16	Intelligence Inspector, Squad No. I, Tellichery
The Kerala VAT Act, 2003	Sales Tax	0*	2015-16	Intelligence Inspector, Squad No. 3, Ernakulam
The Madhya Pradesh VAT Act, 2002	Sales Tax	7	2008-13	Tribunal
The Madhya Pradesh VAT Act, 2002	Sales Tax	0*	2004-08	Commercial Tax Officer
The Madhya Pradesh VAT Act, 2002	Sales Tax	1	2008-10	Deputy Commissioner
The Madhya Pradesh VAT Act, 2002	Sales Tax	22	1997-04	Deputy Commissioner, Appeal
The Maharashtra VAT Act, 2002	Sales Tax	0*	2003-04	Joint Commissioner, Appeal
Punjab VAT Act, 2005	Sales Tax	1	2009-17	Deputy Commissioner (Appeal)
Punjab VAT Act, 2005	Sales Tax	30	2003-04	High Court
Punjab VAT Act, 2005	Sales Tax	1	2002-03	Tribunal
Rajasthan VAT Act	Sales Tax	2	2015-16	Commercial Tax Officer
Rajasthan VAT Act	Sales Tax	0*	2015-16	Assistant Commissioner
The TN VAT Act	Sales Tax	0*	2010-11	Deputy Commercial tax Officer

Name of the Statutes	Nature of the Dues	Amount Disputed (in ₹ Million)	Period to Which the amount Relates	Forum where the dispute is pending
The UP VAT Act	Sales Tax	11	2005-13	Assessing officer
The UP VAT Act	Sales Tax	1	2002-19	Assistant Commissioner
The UP VAT Act	Sales Tax	1	2009-10	Joint Commissioner
The UP VAT Act	Sales Tax	6	2008-10	High court
The UP VAT Act	Sales Tax	3	2003-08	Joint Commissioner, Appeal
The UP VAT Act	Sales Tax	9	2005-10	Tribunal
The UP VAT Act	Sales Tax	1	2015-16	Commissioner (Appeals)
The UP VAT Act	Sales Tax	26	2003-17	Deputy Commissioner
The West Bengal VAT Act, 2003	Sales Tax	0*	1996-97	The Deputy Commissioner of Commercial Taxes
The West Bengal VAT Act, 2003	Sales Tax	0*	1995-98	Commercial Tax Officer
The West Bengal VAT Act, 2003	Sales Tax	9	2005-06	Commissioner
The West Bengal VAT Act, 2003	Sales Tax	3	1997-12	Tribunal
Sub Total (B)		890		
Finance Act, 1994 (Service tax provisions)	Service Tax	278	1995-08	Supreme Court
Finance Act, 1994 (Service tax provisions)	Service Tax	51	2002-07	High court
Finance Act, 1994 (Service tax provisions)	Service Tax	6,083	1995-16	Tribunal
Finance Act, 1994 (Service tax provisions)	Service Tax	821	1999-13	Commissioner/Deputy Commissioner of Service Tax
Finance Act, 1994 (Service tax provisions)	Service Tax	1	2003-04	Deputy Commissioner
Sub Total (C)		7,234		
Goods and Services Tax Act, 2017	UPGST	14	2017-19	Assistant Commissioner
Sub Total (D)		14		
Custom Act, 1962	Custom Act	4,128	2001-05	Supreme Court
Custom Act, 1962	Custom Act	755	2003-15	Tribunal
Sub Total (E)		4,883		
Grand Total (A+B+C+D+E):		50,728		

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, total amount deposited in respect of Sales Tax is 341 Mn, Service Tax is 497 Mn, Goods & Services Tax Act, 2017 is 0* Mn, Custom Duty is 2,142 Mn and Income Tax is 16,774 Mn.

* Amount less than million are appearing as '0'.

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks and government and dues to debenture holders.
- ix. During the current year, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were raised, other than temporary deployment pending application of proceeds.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and to the best of our information and according to explanation given to us, the remuneration paid / accrued by the Company to its Chairman and Managing Director & CEO (India and South Asia) for the year ended March 31, 2019 is in excess by ₹ 300.66 Million vis-à-vis the limits specified in section 197 of Companies Act, 2013 ('the Act') read with Schedule V thereto as the Company does

- not have profits. The Company has represented to us that it is in the process of complying with the prescribed statutory requirements to regularize such excess payments, including seeking approval of shareholders, as necessary.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **DELOITTE HASKINS & SELLS LLP**

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Shyamak R Tata

Partner

Place: New Delhi
Date: May 06, 2019

(Membership No. 38320)