Quarterly report on the results for the second quarter and six months ended September 30, 2014

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



October 30, 2014

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

Supplemental Disclosures

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

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

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

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

Functional Translation: - Africa financials reported in the quarterly report are in its functional currency i.e. US$ (Refer Section “9.4 Key Accounting Policies as per IFRS”). South Asia financials reported in the quarterly report are in its presentation currency i.e. US$.

Use of Certain Non-GAAP measures: - This result announcement contains certain information on the Company’s results of operations and cash flows that have been derived from amounts calculated in accordance with International Financial Reporting Standards (IFRS), but are not in themselves IFRS measures. They should not be viewed in isolation as alternatives to the equivalent IFRS measures and should be read in conjunction with the equivalent IFRS measures.
Further, disclosures are also provided under “Use of Non - GAAP financial information” on page 38

Others: In this report, the terms “we”, “us”, “our”, “Bharti”, or “the Company”, unless otherwise specified or the context otherwise implies, refer to Bharti Airtel Limited (“Bharti Airtel”) and its subsidiaries, Bharti Hexacom Limited (“Bharti Hexacom”), Bharti Airtel (Services) Limited, Bharti Infratel Limited (Bharti Infratel), Bharti Telemedia Limited (Bharti Telemedia), Bharti Airtel (USA) Limited, Bharti Airtel (UK) Limited, Bharti Airtel (Canada) Limited, Bharti Airtel (Hong Kong) Limited, Bharti Airtel Lanka (Private) Limited, Network i2i Limited, Telesonic Networks Limited (formerly Alcatel Lucent Network Management Services India Limited), Bharti Airtel Holdings (Singapore) Pte Limited, Bharti Infratel Lanka (Private) Limited, Bharti Airtel International (Netherlands) B.V., Bharti International (Singapore) Pte Ltd, Airtel Bangladesh Limited, Airtel M Commerce Services Limited, Bharti Airtel (Japan) Kabushiki Kaisha, Bharti Airtel (France) SAS, Bharti Airtel International (Mauritius) Limited, Indian Ocean Telecom Limited, Airtel (Seychelles) Limited, Bharti Airtel Africa B.V., Bharti Airtel Acquisition Holdings B.V., Bharti Airtel Burkina Faso Holdings B.V., Bharti Airtel Chad Holdings B.V., Bharti Airtel Congo Holdings B.V., Bharti Airtel Gabon Holdings B.V., Bharti Airtel Ghana Holdings B.V., Bharti Airtel Kenya B.V., Bharti Airtel Kenya Holdings B.V., Bharti Airtel Madagascar Holdings B.V., Bharti Airtel Malawi Holdings B.V., Bharti Airtel Mali Holdings B.V., Bharti Airtel Niger Holdings B.V., Congo RDC Towers S.p.r.l. B.V., Bharti Airtel Nigeria Holdings B.V., Bharti Airtel Nigeria Holdings II B.V., Bharti Airtel RDC Holdings B.V., Bharti Airtel Services B.V., Bharti Airtel Sierra Leone Holdings B.V., Bharti Airtel Tanzania B.V., Bharti Airtel Uganda Holdings B.V., Bharti Airtel Zambia Holdings B.V., Airtel Burkina Faso S.A., Airtel Congo S.A, Celtel Congo RDC S.a.r.l., Airtel Gabon S.A., Airtel (Ghana) Limited, Airtel Networks Kenya Limited, Airtel Madagascar S.A., Airtel Malawi Limited, Celtel Niger S.A., Airtel Networks Limited, Airtel Tanzania Limited, Airtel Uganda Limited, Airtel Networks Zambia Plc (formerly known as Celtel Zambia plc), Bharti Airtel DTH Holdings B.V., Partnership Investments Sprl, MSI-Celtel Nigeria Limited, Celtel (Mauritius) Holdings Limited, Channel Sea Management Co Mauritius Limited, Montana International, Zap Trust Company Nigeria Limited, Airtel Mobile Commerce Tchad SARL, Airtel Mobile Commerce Zambia Limited (formerly known as ZMP Ltd. (Zambia)), Airtel Mobile Commerce Limited (Malawi), Airtel Mobile Commerce Ghana Limited, Airtel Mobile Commerce Kenya Limited, Airtel Money Niger S.A., Airtel Mobile Commerce (SL) Limited, Africa Towers N.V., Airtel Towers (Ghana) Limited, Malawi Towers Limited, Airtel Money S.A. (Gabon), Société Malgache de Telephonie Cellulaire SA, Uganda Towers Limited, Airtel (SL) Limited, Airtel DTH Services Congo (RDC) S.p.r.l, Airtel DTH Services Congo S.A., Airtel DTH Services Nigeria Limited, Bharti DTH Services Zambia Limited, Airtel Money (RDC) S.p.r.l, Burkina Faso Towers S.A., Congo RDC Towers S.p.r.l., Congo Towers S.A., Gabon Towers S.A., Kenya Towers Limited, Madagascar Towers S.A., Mobile Commerce Congo S.A., Niger Towers S.A., Tanzania Towers Limited, Tchad Towers S.A., Towers Support Nigeria Limited, Bharti Airtel Developers Forum Ltd., Bangladesh Infratel Networks Limited, Africa Towers Services Limited, Airtel Mobile Commerce B.V., Airtel Mobile Commerce Burkina Faso S.A., Airtel Mobile Commerce Holdings B.V., Airtel Mobile Commerce Madagascar S.A., Airtel Mobile Commerce Uganda Limited, Airtel Rwanda Limited, Airtel Towers (S.L.) Company Limited, Bharti Airtel Cameroon B.V., Airtel Tchad S.A., Rwanda Towers Limited, Zambian Towers Limited, Zebrano (Mauritius) Limited, Airtel Mobile Commerce Rwanda Limited, Warid Telecom Uganda Limited, Bharti Infratel Services Limited, Nxtra Data Limited, Airtel Mobile Commerce (Seychelles) Limited., Airtel Broadband Services Private Limited (formerly known as Wireless Business Services Private Limited), Airtel Congo S.A., Airtel DTH Services (SL) Limited., Airtel DTH Service Tanzania Limited.,

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SECTION 1

BHARTI AIRTEL – PERFORMANCE AT A GLANCE

Particulars	Unit	Full Year Ended			Quarter Ended				
		2012	2013	2014	Sep-13	Dec-13	Mar-14	Jun-14	Sep-14
Operating Highlights									
Total Customer Base	000's	251,646	271,227	295,948	280,087	287,409	295,948	299,885	303,709
Total Minutes on Network	Mn Min	1,020,615	1,127,150	1,211,522	297,873	301,130	311,152	316,946	309,052
Sites on Network	Nos	141,059	156,905	163,361	159,439	161,267	163,361	164,560	166,160
Total Employees [4]	Nos	19,956	25,710	24,893	25,288	24,725	24,893	24,937	25,004
No. of countries of operation	Nos	20	20	20	20	20	20	20	20
Population Covered	Bn	1.84	1.85	1.85	1.85	1.85	1.85	1.85	1.85
Consolidated Financials (Rs Mn)									
Total revenues	Rs Mn	683,267	769,045	857,461	213,244	219,385	222,193	229,616	228,452
EBITDA	Rs Mn	222,533	233,340	278,430	68,729	71,006	73,186	77,278	77,053
EBIT	Rs Mn	95,457	85,192	121,933	29,336	31,819	33,741	36,913	38,524
Cash profit from operations before Derivative & Exchange Fluctuations	Rs Mn	193,899	195,643	241,813	55,629	62,401	64,672	70,642	68,976
Profit before tax	Rs Mn	63,792	47,853	78,105	14,468	22,128	25,384	28,848	29,969
Net income	Rs Mn	42,594	22,757	27,727	5,120	6,102	9,616	11,085	13,832
Capex	Rs Mn	128,150	126,451	105,843	21,391	28,219	33,278	39,857	37,271
Operating Free Cash Flow (EBITDA - Capex)	Rs Mn	94,382	106,889	172,587	47,338	42,787	39,908	37,422	39,783
Net Debt	Rs Mn	618,442	583,567	605,416	613,500	576,430	605,416	577,443	622,158
Shareholder's Equity	Rs Mn	506,113	503,217	597,560	587,756	592,597	597,560	606,977	615,141
Consolidated Financials (US$ Mn)									
Total Revenue [1]	US$ Mn	14,284	14,129	14,151	3,398	3,535	3,600	3,834	3,777
EBITDA [1]	US$ Mn	4,652	4,287	4,595	1,095	1,144	1,186	1,290	1,274
EBIT [1]	US$ Mn	1,996	1,565	2,012	468	513	547	616	637
Cash profit from operations before Derivative & Exchange Fluctuations [1]	US$ Mn	4,053	3,594	3,991	887	1,006	1,048	1,179	1,140
Profit before Tax [1]	US$ Mn	1,334	879	1,289	231	357	411	482	495
Net income [1]	US$ Mn	890	418	458	82	98	156	185	229
Capex [1]	US$ Mn	2,679	2,323	1,747	341	455	539	665	616
Operating Free Cash Flow (EBITDA - Capex)	US$ Mn	1,973	1,964	2,848	754	690	647	625	658
Net Debt [2]	US$ Mn	12,089	10,729	10,074	9,773	9,313	10,074	9,609	10,098
Shareholder's Equity [2]	US$ Mn	9,893	9,252	9,943	9,363	9,574	9,943	10,101	9,984
Key Ratios									
EBITDA Margin	%	32.6%	30.3%	32.5%	32.2%	32.4%	32.9%	33.7%	33.7%
EBIT Margin	%	14.0%	11.1%	14.2%	13.8%	14.5%	15.2%	16.1%	16.9%
Net Profit Margin	%	6.2%	3.0%	3.2%	2.4%	2.8%	4.3%	4.8%	6.1%
Net Debt to Funded Equity Ratio	Times	1.22	1.16	1.01	1.04	0.97	1.01	0.95	1.01
Net Debt to EBITDA (LTM) - US$	Times	2.60	2.51	2.19	2.20	2.05	2.19	2.04	2.06
Net Debt to EBITDA (Annualised) - US$	Times	2.60	2.51	2.19	2.23	2.03	2.12	1.86	1.98
Interest Coverage ratio	Times	9.11	6.79	7.58	7.43	7.61	7.83	8.55	9.08
Return on Shareholder's Equity	%	8.6%	4.5%	5.0%	3.7%	4.2%	4.8%	5.4%	6.8%
Return on Capital employed	%	7.1%	5.7%	6.6%	6.3%	6.4%	6.5%	6.6%	6.7%
Valuation Indicators									
Market Capitalization	Rs Bn	1,279	1,108	1,275	1,272	1,321	1,275	1,347	1,616
Market Capitalization	US$ Bn	25.0	20.4	21.2	20.3	21.3	21.2	22.4	26.2
Enterprise Value	Rs Bn	1,897	1,692	1,880	1,886	1,897	1,880	1,924	2,238
EV / EBITDA (LTM)	Times	8.53	7.25	6.75	7.47	7.14	6.75	6.63	7.50
P/E Ratio (LTM)	Times	30.00	48.65	45.44	61.53	55.52	45.44	42.16	39.74

Note 1. Average exchange rates used for Rupee conversion to US$ is (a) Rs 47.84 for the financial year ended March 31, 2012 (b) Rs 54.43 for the financial year ended March 31, 2013 (c) Rs 60.59 for the financial year ended March 31, 2014 (d) Rs 62.75 for the quarter ended September 30, 2013 (e) Rs 62.05 for the quarter ended December 31, 2013 (f) Rs 61.71 for the quarter ended March 31, 2013 (g) Rs 59.89 for the quarter ended June 30, 2014 (h) Rs 60.48 for the quarter ended September 30, 2014 based on the RBI Reference rate.
Note 2. Closing exchange rates used for Rupee conversion to US$ is (a) Rs 51.16 for the financial year ended March 31, 2012 (b) Rs 54.39 for the financial year ended March 31, 2013 (c) Rs 60.10 for the quarter and financial year ended March 31, 2014 (d) Rs 62.78 for the quarter ended September 30, 2013 (e) Rs 61.90 for the quarter ended December 31, 2013 (f) Rs 60.10 for the quarter ended March 31, 2013 (g) Rs. 60.09 for the quarter ended June 30, 2014 (h) Rs 61.61 for the quarter ended September 30, 2014 being the RBI Reference rate.
Note 3. Key Ratios computed using translated US$ values may yield different results in comparison with ratios computed using Rupee values.
Note 4. Total employees do not include 42% of Indus Towers employees.

SECTION 2

BHARTI AIRTEL - AN INTRODUCTION

2.1 Introduction

We are one of the world's leading providers of telecommunication services with significant presence in 20 countries representing India, Bangladesh, Sri Lanka and 17 countries in Africa. As per United Nations data published on January 01, 2013, the population of these 20 countries represents around 26% of the world's population.

We provide telecom services under wireless and fixed line technology, national and international long distance connectivity, Digital TV and IPTV services; and complete integrated telecom solutions to our enterprise customers. All these services are rendered under a unified brand "airtel". 'Airtel Money' extends our product portfolio to further our financial inclusion agenda and offers convenience of payments and money transfers on mobile phones over secure and stable platforms in India, Bangladesh and across all 17 countries in Africa. The Company also owns Tower Infrastructure pertaining to telecom operations through its subsidiary and joint venture entity.

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

2.2 Business Divisions

2.2.1 India & South Asia

We follow a segmented approach for our operations in India with clear focus on retail and corporate customers.

B2C Services:

Mobile Services (India) – We are the largest wireless operator in the country both in terms of customers and revenues. We offer postpaid, pre-paid, roaming, internet, m-Commerce (Airtel Money) and other value added services using GSM mobile technology. Our distribution channel is spread across 1.4 Mn outlets with network presence in 5,121 census and 4,62,199 non-census towns and villages in India covering approximately 86.8% of the country's population.

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

Our national long distance infrastructure provides a pan-India reach with 188,793 Rkms of optical fiber.

Telemedia Services – The Company provides fixed-line telephone and broadband (DSL) services for homes as well as offices in 87 cities pan-India. The product offerings include high-speed broadband on copper and fiber and voice connectivity, up to the speeds of 100 mbps for the home segment. In the Office segment, Airtel is a trusted solution provider for fixed-line voice (PRIs), data and other connectivity solutions like MPLS, VoIP, SIP trunking. Additionally, the Company offers solutions to businesses Audio, Video and Web Conferencing. Cloud portfolio is also an integral part of its office solutions suite, which offers Storage, compute, Microsoft office 365, ecommerce package through shopify and CRM packages on a pay as you go model.

Digital TV Services – Our Direct-To-Home (DTH) platform offers both standard and high definition (HD) digital TV services with 3D capabilities and Dolby surround sound. We currently offer a total of 430 channels including 22 HD channels and 4 interactive services.

B2B Services:

Airtel Business – We are India's leading and most trusted provider of ICT services with a diverse portfolio of services to enterprises, governments, carriers and small and medium business. Along with voice, data and video, our services also include network integration, data centers, managed services, enterprise mobility applications and digital media. Airtel Business provides 'One solution, bill, support, face' experience to our customers.

We offer global services in both voice and data including VAS services like International Toll Free Services and SMS hubbing. Our strategically located submarine cables and satellite network enable our customers to connect across the world including hard-to-reach areas. Our global network runs across 225,000 Rkms, covering 50 countries and 5 continents.

Tower Infrastructure Services – Our subsidiary, Bharti Infratel Ltd (Infratel), is India's leading provider of tower and related infrastructure and it deploys, owns & manages telecom towers and communication structures, for various mobile operators. It holds 42% equity interest in Indus towers, a joint venture with Vodafone India and Aditya Birla Telecom who hold 42% and 16% respectively. The Company's consolidated portfolio of 84,303 telecom towers, which includes 36,381 of its own towers and the balance from its 42% equity interest in Indus Towers, makes it one of the largest tower infrastructure providers in the country with presence in all 22 telecom circles. The Company has been the industry pioneer in adopting green energy initiatives for its operations.

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

South Asia – South Asia represents our operations in Bangladesh and Sri Lanka. In Bangladesh, we are present across 64 districts with a distribution network comprising of 135K retailers across the country. We have a robust 3G network with more than 1,300 3G sites across Bangladesh. In Sri Lanka, we operate across 25 administrative districts with distribution network of over 42,000 retailers. Our 3.5G services are present across major towns in Sri Lanka.

2.2.2 Africa

We are present in 17 countries across Africa, namely: Nigeria, Burkina Faso, Chad, Congo B, Democratic Republic of Congo, Gabon, Madagascar, Niger, Ghana, Kenya, Malawi, Seychelles, Sierra Leone, Tanzania, Uganda, Zambia and Rwanda. We offer post-paid, pre-paid, roaming, internet services, content, media & entertainment, and corporate solutions. 3G data and m-Commerce (Airtel Money) are the next growth engines for the Company in Africa. We offer 3G services in 16 countries and Airtel Money across all 17 countries in Africa.

2.3 Partners

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

SECTION 3

FINANCIAL HIGHLIGHTS

The financial results presented in this section are compiled based on the audited consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) and the underlying information.

Detailed financial statements, analysis & other related information is attached to this report (page 31 - 33). Also, kindly refer to Section 7.4 - use of Non - GAAP financial information (page 38) and Glossary (page 56) for detailed definitions.

3.1 Consolidated - Summary of Consolidated Financial Statements

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

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Six Months Ended		
	Sep-14	Sep-13	Y-on-Y Growth	Sep-14	Sep-13	Y-on-Y Growth
Total revenues	**228,452**	**213,244**	**7%**	**458,068**	**415,883**	**10%**
EBITDA	77,053	68,729	12%	154,332	134,238	15%
EBITDA / Total revenues	*33.7%*	*32.2%*		*33.7%*	*32.3%*	
EBIT	38,524	29,336	31%	75,437	56,373	34%
Finance cost (net)	9,057	16,111	-44%	18,623	27,788	-33%
Share of results of Joint Ventures/Associates	1,709	1,652	3%	3,287	2,474	33%
Profit before tax [5]	29,969	14,468	107%	58,817	30,593	92%
Income tax expense [5]	14,827	8,879	67%	29,457	17,454	69%
Net income [6]	13,832	5,120	170%	24,917	12,009	107%
Capex	37,271	21,391	74%	77,127	44,346	74%
Operating Free Cash Flow (EBITDA - Capex)	39,783	47,338	-16%	77,205	89,892	-14%
Cumulative Investments	2,221,036	2,094,302	6%	2,221,036	2,094,302	6%

Note 5: Profit before Tax and Income Tax expense reported above for the quarter ended and six months ended Sep-14 and Sep-13, excludes the impact of exceptional items.
Note 6: Net Income for the quarter ended and six months ended Sep-14 and Sep-13, includes the impact of exceptional items. Refer section 5.4.2 on "Exceptional Items" on page 24 for details.

3.1.2 Consolidated Summarized Statement of Financial Position

Amount in Rs Mn

Particulars	As at Sep 30, 2014	As at Mar 31, 2014
Assets		
Non-current assets	1,640,423	1,607,915
Current assets	243,392	223,857
Total assets	**1,883,814**	**1,831,772**
Liabilities		
Non-current liabilities	724,047	624,060
Current liabilities	500,165	568,050
Total liabilities	**1,224,212**	**1,192,110**
Equity & Non Controlling Interests		
Equity	615,141	597,560
Non controlling interests	44,461	42,102
Total Equity & Non Controlling Interests	**659,602**	**639,662**
Total Equity and liabilities	**1,883,814**	**1,831,772**

3.2 Region wise - Summary of Consolidated Financial Statements

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

Amount in Rs Mn, except ratios

Particulars	Quarter Ended Sep 2014			Quarter Ended Sep 2013			Six Months Ended Sep 2014			Six Months Ended Sep 2013		
	India SA	Africa	Total	India SA	Africa	Total	India SA	Africa	Total	India SA	Africa	Total
Total revenues	**161,827**	**68,956**	**228,452**	**145,079**	**70,258**	**213,244**	**323,846**	**138,642**	**458,068**	**290,030**	**129,567**	**415,883**
EBITDA	60,754	16,310	77,053	49,723	19,004	68,729	121,063	33,267	154,332	99,329	34,903	134,238
EBITDA / Total revenues	*37.5%*	*23.7%*	*33.7%*	*34.3%*	*27.0%*	*32.2%*	*37.4%*	*24.0%*	*33.7%*	*34.2%*	*26.9%*	*32.3%*
EBIT	34,692	3,842	38,524	24,540	4,793	29,336	68,797	6,639	75,437	47,911	8,457	56,373
Profit before tax [7]	34,135	(4,155)	29,969	13,729	739	14,468	67,595	(8,779)	58,817	29,594	994	30,593
Net income (before exceptional items)[8]	**22,960**	**(7,536)**	**15,414**	**8,347**	**(2,884)**	**5,463**	**44,749**	**(15,735)**	**29,015**	**18,422**	**(5,873)**	**12,554**
Exceptional Items (net) [8]			1,581			344			4,097			544
Net income			**13,832**			**5,120**			**24,917**			**12,009**
Capex	21,250	16,021	37,271	11,751	9,640	21,391	51,535	25,592	77,127	25,473	18,872	44,346
Operating Free Cash Flow (EBITDA - Capex)	39,505	289	39,783	37,972	9,365	47,338	69,529	7,675	77,205	73,856	16,031	89,892
Cumulative Investments	1,402,788	818,247	2,221,036	1,202,255	892,046	2,094,302	1,402,788	818,247	2,221,036	1,202,255	892,046	2,094,302

Note 7: Profit before Tax for the quarter ended and six months ended Sep 2014 and Sep 2013, excludes the impact of exceptional items.
Note 8: Refer section 5.4.2 on "Exceptional Items" on page 24 for details.

3.2.2 Region wise Summarized Statement of Financial Position

Amount in Rs Mn

Particulars	As at Sep 30, 2014			
	India SA	Africa	Eliminations	Total
Assets				
Non-current assets	1,506,714	711,425	(577,717)	1,640,423
Current assets	138,732	106,196	(1,536)	243,392
Total assets	**1,645,446**	**817,622**	**(579,253)**	**1,883,814**
Liabilities				
Non-current liabilities	622,980	374,388	(273,321)	724,047
Current liabilities	297,608	204,094	(1,537)	500,165
Total liabilities	**920,587**	**578,482**	**(274,858)**	**1,224,212**
Equity & Non Controlling Interests				
Equity	668,583	250,953	(304,395)	615,141
Non controlling interests	56,275	(11,814)	0	44,461
Total Equity & Non Controlling Interests	**724,858**	**239,139**	**(304,395)**	**659,602**
Total Equity and liabilities	**1,645,446**	**817,622**	**(579,253)**	**1,883,814**

3.3 Segment wise Summarized Statement of Operations

3.3.1 INDIA & SOUTH ASIA

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Six Months Ended		
	Sep-14	Sep-13	Y-on-Y Growth	Sep-14	Sep-13	Y-on-Y Growth
Total revenues	**161,827**	**145,079**	**12%**	**323,846**	**290,030**	**12%**
EBITDA	60,754	49,723	22%	121,063	99,329	22%
EBITDA / Total revenues	*37.5%*	*34.3%*		*37.4%*	*34.2%*	
EBIT	34,692	24,540	41%	68,797	47,911	44%
Capex	21,250	11,751	81%	51,535	25,473	102%
Operating Free Cash Flow (EBITDA - Capex)	39,505	37,972	4%	69,529	73,856	-6%
Cumulative Investments	1,402,788	1,202,255	17%	1,402,788	1,202,255	17%

3.3.2 INDIA

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Six Months Ended		
	Sep-14	Sep-13	Y-on-Y Growth	Sep-14	Sep-13	Y-on-Y Growth
Total revenues	**158,155**	**140,793**	**12%**	**316,025**	**282,026**	**12%**
EBITDA	60,647	49,459	23%	120,781	98,835	22%
EBITDA / Total revenues	*38.3%*	*35.1%*		*38.2%*	*35.0%*	
EBIT	36,033	25,591	41%	71,271	49,904	43%
Capex	20,588	10,429	97%	50,059	23,228	116%
Operating Free Cash Flow (EBITDA - Capex)	40,058	39,030	3%	70,722	75,607	-6%
Cumulative Investments	1,336,906	1,140,587	17%	1,336,906	1,140,587	17%

B2C Services

3.3.3 Mobile Services (India) – comprises of Mobile Services, Airtel Money and Network Groups providing fibre connectivity.

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Six Months Ended		
	Sep-14	Sep-13	Y-on-Y Growth	Sep-14	Sep-13	Y-on-Y Growth
Total revenues	**126,342**	**113,541**	**11%**	**253,867**	**229,554**	**11%**
EBITDA	46,115	38,036	21%	93,188	75,680	23%
EBITDA / Total revenues	*36.5%*	*33.5%*		*36.7%*	*33.0%*	
EBIT	28,983	21,417	35%	58,497	42,407	38%
Capex	14,890	7,228	106%	37,769	15,135	150%
Operating Free Cash Flow (EBITDA - Capex)	31,225	30,807	1%	55,419	60,545	-8%
Cumulative Investments	983,232	796,425	23%	983,232	796,425	23%

3.3.4 Telemedia Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Six Months Ended		
	Sep-14	Sep-13	Y-on-Y Growth	Sep-14	Sep-13	Y-on-Y Growth
Total revenues	**11,160**	**9,757**	**14%**	**21,865**	**19,241**	**14%**
EBITDA	4,481	3,617	24%	8,428	7,381	14%
EBITDA / Total revenues	*40.2%*	*37.1%*		*38.5%*	*38.4%*	
EBIT	2,132	1,404	52%	3,888	2,843	37%
Capex	1,029	810	27%	1,718	1,470	17%
Operating Free Cash Flow (EBITDA - Capex)	3,452	2,807	23%	6,710	5,911	14%
Cumulative Investments	80,244	76,500	5%	80,244	76,500	5%

3.3.5 Digital TV Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Six Months Ended		
	Sep-14	Sep-13	Y-on-Y Growth	Sep-14	Sep-13	Y-on-Y Growth
Total revenues	**6,263**	**5,072**	**23%**	**12,178**	**9,972**	**22%**
EBITDA	1,529	646	137%	2,967	1,407	111%
EBITDA / Total revenues	*24.4%*	*12.7%*		*24.4%*	*14.1%*	
EBIT	(677)	(1,472)	54%	(1,302)	(2,626)	50%
Capex	2,255	1,042	116%	4,882	3,282	49%
Operating Free Cash Flow (EBITDA - Capex)	(726)	(396)	-83%	(1,915)	(1,874)	-2%
Cumulative Investments	51,356	43,613	18%	51,356	43,613	18%

B2B Services

3.3.6 Airtel Business

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Six Months Ended		
	Sep-14	Sep-13	Y-on-Y Growth	Sep-14	Sep-13	Y-on-Y Growth
Total revenues	**17,037**	**16,825**	**1%**	**33,148**	**30,861**	**7%**
EBITDA	4,080	3,243	26%	7,303	6,007	22%
EBITDA / Total revenues	*23.9%*	*19.3%*		*22.0%*	*19.5%*	
EBIT	2,487	1,844	35%	4,242	3,266	30%
Capex	328	142	131%	443	423	5%
Operating Free Cash Flow (EBITDA - Capex)	3,752	3,101	21%	6,860	5,584	23%
Cumulative Investments	49,708	44,719	11%	49,708	44,719	11%

3.3.7 Tower Infrastructure Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Six Months Ended		
	Sep-14	Sep-13	Y-on-Y Growth	Sep-14	Sep-13	Y-on-Y Growth
Total revenues	**13,744**	**12,602**	**9%**	**27,072**	**25,434**	**6%**
EBITDA	6,305	5,421	16%	12,378	11,166	11%
EBITDA / Total revenues	*45.9%*	*43.0%*		*45.7%*	*43.9%*	
EBIT	3,579	2,722	31%	6,946	4,639	50%
Share of results of joint ventures/associates	1,728	1,322	31%	3,324	2,244	48%
Capex	2,054	1,193	72%	4,722	2,920	62%
Operating Free Cash Flow (EBITDA - Capex)	4,251	4,228	1%	7,656	8,246	-7%
Cumulative Investments	167,914	171,864	-2%	167,914	171,864	-2%

Others

3.3.8 Others (India)

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Six Months Ended		
	Sep-14	Sep-13	Y-on-Y Growth	Sep-14	Sep-13	Y-on-Y Growth
Total revenues	**725**	**767**	**-5%**	**1,505**	**1,558**	**-3%**
EBITDA	(567)	(290)	-96%	(928)	(565)	-64%
EBIT	(445)	(289)	-54%	(933)	(575)	-62%
Capex	74	50	47%	604	49	1119%
Operating Free Cash Flow (EBITDA - Capex)	(641)	(340)	-88%	(1,532)	(614)	-149%
Cumulative Investments	4,451	7,466	-40%	4,451	7,466	-40%

3.3.9 South Asia – comprises of operations in Bangladesh and Sri Lanka

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Six Months Ended		
	Sep-14	Sep-13	Y-on-Y Growth	Sep-14	Sep-13	Y-on-Y Growth
Total revenues	**3,893**	**4,537**	**-14%**	**8,264**	**8,449**	**-2%**
EBITDA	107	264	-59%	341	428	-20%
EBITDA / Total revenues	*2.8%*	*5.8%*		*4.1%*	*5.1%*	
EBIT	(1,341)	(1,051)	-28%	(2,416)	(2,059)	-17%
Capex	661	1,323	-50%	1,476	2,245	-34%
Operating Free Cash Flow (EBITDA - Capex)	(554)	(1,059)	48%	(1,136)	(1,817)	38%
Cumulative Investments	65,883	61,669	7%	65,883	61,669	7%

3.3.10 Africa – comprises of operations in 17 countries in Africa.

In INR:

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Six Months Ended		
	Sep-14	Sep-13	Y-on-Y Growth	Sep-14	Sep-13	Y-on-Y Growth
Total revenues	**68,956**	**70,258**	**-2%**	**138,642**	**129,567**	**7%**
EBITDA	16,310	19,004	-14%	33,267	34,903	-5%
EBITDA / Total revenues	*23.7%*	*27.0%*		*24.0%*	*26.9%*	
EBIT	3,842	4,793	-20%	6,639	8,457	-22%
Capex	16,021	9,640	66%	25,592	18,872	36%
Operating Free Cash Flow (EBITDA - Capex)	289	9,365	-97%	7,675	16,031	-52%
Cumulative Investments	818,247	892,046	-8%	818,247	892,046	-8%

In USD:

Amount in US$ Mn, except ratios

Particulars	Quarter Ended			Six Months Ended		
	Sep-14	Sep-13	Y-on-Y Growth	Sep-14	Sep-13	Y-on-Y Growth
Total revenues	**1,140**	**1,119**	**2%**	**2,304**	**2,181**	**6%**
EBITDA	270	301	-11%	553	585	-5%
EBITDA / Total revenues	*23.6%*	*26.9%*		*24.0%*	*26.8%*	
EBIT	63	75	-16%	110	140	-21%
Capex	265	154	72%	425	319	33%
Operating Free Cash Flow (EBITDA - Capex)	5	148	-97%	128	266	-52%
Cumulative Investments	13,280	14,210	-7%	13,280	14,210	-7%

Note 9: Africa financials reported above are in their functional currency i.e., US$.
Note 10: In constant currency terms, the reported revenues of $ 1,140 million for the quarter ended Sep-14, against $ 1,072 million in the same quarter last year, represents a Y-o-Y growth of 6.4% (Refer page 44 for revenues in constant currency).

3.4 Region wise & Segment wise - Investment & Contribution

3.4.1 India SA

Amount in Rs Mn, except ratios

Segment	Quarter Ended Sep 2014						As at Sep 30, 2014	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Cummulative Investments	% of Total
Mobile Services [11]	126,342	78%	46,115	76%	14,890	70%	983,232	70%
Telemedia Services	11,160	7%	4,481	7%	1,029	5%	80,244	6%
Digital TV Services	6,263	4%	1,529	3%	2,255	11%	51,356	4%
Airtel Business	17,037	11%	4,080	7%	328	2%	49,708	4%
Tower Infrastructure Services	13,744	8%	6,305	10%	2,054	10%	167,914	12%
Others	725	0%	(567)	-1%	74	0%	4,451	0%
South Asia	3,893	2%	107	0%	661	3%	65,883	5%
Sub Total	**179,165**	**111%**	**62,050**	**102%**	**21,291**	**100%**	**1,402,788**	**100%**
Eliminations	(17,338)	-11%	(1,296)	-2%	(41)	0%		
Accumulated Depreciation And Amortization							(567,881)	
Total (India SA)	**161,827**	**100%**	**60,754**	**100%**	**21,250**	**100%**	**834,907**	
Consolidated	**228,452**		**77,053**		**37,271**		**2,221,036**	
% of Consolidated	**71%**		**79%**		**57%**		**63%**	

Note 11: Cumulative Investments include National optic fibre network.

Amount in Rs Mn, except ratios

Segment	Six Months Ended Sep 2014						As at Sep 30, 2014	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Cummulative Investments	% of Total
Mobile Services [11]	253,867	78%	93,188	77%	37,769	73%	983,232	70%
Telemedia Services	21,865	7%	8,428	7%	1,718	3%	80,244	6%
Digital TV Services	12,178	4%	2,967	2%	4,882	9%	51,356	4%
Airtel Business	33,148	10%	7,303	6%	443	1%	49,708	4%
Tower Infrastructure Services	27,072	8%	12,378	10%	4,722	9%	167,914	12%
Others	1,505	0%	(928)	-1%	604	1%	4,451	0%
South Asia	8,264	3%	341	0%	1,476	3%	65,883	5%
Sub Total	**357,899**	**111%**	**123,676**	**102%**	**51,614**	**100%**	**1,402,788**	**100%**
Eliminations	(34,052)	-11%	(2,612)	-2%	(79)	0%		
Accumulated Depreciation And Amortization							(567,881)	
Total (India & SA)	**323,846**	**100%**	**121,063**	**100%**	**51,535**	**100%**	**834,907**	
Consolidated	**458,068**		**154,332**		**77,127**		**2,221,036**	
% of Consolidated	**71%**		**78%**		**67%**		**63%**	

3.4.2 Africa

Amount in US$ Mn, except ratios

Segment	Quarter Ended Sep 2014						As at Sep 30, 2014	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Cummulative Investments	% of Total
Africa	1,140	100%	270	100%	265	100%	13,280	0%
Accumulated Depreciation And Amortization							(2,584)	
Total (Africa)	**1,140**	**100%**	**270**	**100%**	**265**	**100%**	**10,696**	
% of Consolidated	**29%**		**21%**		**43%**		**37%**	

Amount in US$ Mn, except ratios

Segment	Six Months Ended Sep 2014						As at Sep 30, 2014	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Cummulative Investments	% of Total
Africa	2,304	100%	553	100%	425	100%	13,280	0%
Accumulated Depreciation And Amortization							(2,584)	
Total (Africa)	**2,304**	**100%**	**553**	**100%**	**425**	**100%**	**10,696**	
% of Consolidated	**29%**		**22%**		**33%**		**37%**	

SECTION 4

OPERATING HIGHLIGHTS

The financial figures used for computing ARPU, Realization per Minute, Revenue per Site, Non Voice revenue, Messaging & VAS revenue, Data revenue, Others revenue, Gross revenue per employee per month, Personnel cost per employee per month are based on IFRS.

4.1 Customers and Non Voice % - Consolidated

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Q-on-Q Growth	Sep 30, 2013	Y-on-Y Growth
Mobile Services	**000's**	**290,798**	**287,147**	**1%**	**268,177**	**8%**
India	000's	211,752	209,411	1%	193,457	9%
South Asia	000's	7,678	8,650	-11%	8,342	-8%
Africa	000's	71,367	69,086	3%	66,378	8%
Telemedia Services	000's	3,372	3,350	1%	3,338	1%
Digital TV Services	000's	9,540	9,388	2%	8,572	11%
Total	**000's**	**303,709**	**299,885**	**1%**	**280,087**	**8%**
Non Voice Revenue as a % of Total Revenues	%	30.1%	27.4%		24.9%	

4.2 Traffic Details – Consolidated

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Q-on-Q Growth	Sep 30, 2013	Y-on-Y Growth
Mobile Services	**Mn Min**	**301,425**	**309,363**	**-3%**	**289,843**	**4%**
India	Mn Min	263,905	270,827	-3%	251,322	5%
South Asia	Mn Min	8,554	10,280	-17%	10,673	-20%
Africa	Mn Min	28,966	28,256	3%	27,848	4%
Telemedia Services	Mn Min	4,363	4,172	5%	4,209	4%
National Long Distance Services	Mn Min	28,447	28,036	1%	25,045	14%
International Long Distance Services	Mn Min	3,686	3,741	-1%	3,406	8%
Total Minutes on Network (Gross)	**Mn Min**	**337,921**	**345,313**	**-2%**	**322,504**	**5%**
Eliminations	Mn Min	(28,869)	(28,367)	-2%	(24,631)	-17%
Total Minutes on Network (Net)	**Mn Min**	**309,052**	**316,946**	**-2%**	**297,873**	**4%**

4.3 Mobile Services India

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Q-on-Q Growth	Sep 30, 2013	Y-on-Y Growth
Customer Base	000's	211,752	209,411	1%	193,457	9%
VLR	%	95.8%	95.0%		95.1%	
Net Additions	000's	2,341	3,892	-40%	2,508	-7%
Pre-Paid (as % of total Customer Base)	%	94.7%	94.9%		95.4%	
Monthly Churn	%	3.1%	2.7%		3.2%	
Average Revenue Per User (ARPU)	Rs	198	202	-2%	192	3%
Average Revenue Per User (ARPU)	US$	3.3	3.4	-3%	3.1	7%
Revenue per site per month	Rs	295,645	301,594	-2%	272,979	8%
Revenues						
Total Revenues	Rs Mn	126,342	127,525	-1%	113,541	11%
Mobile Services	Rs Mn	124,696	126,058	-1%	110,617	13%
Others	Rs Mn	1,646	1,467	12%	2,924	-44%
Voice						
Minutes on the network	Mn	263,905	270,827	-3%	251,322	5%
Voice Average Revenue Per User (ARPU)	Rs	158	166	-5%	161	-2%
Voice Usage per customer	min	418	435	-4%	437	-4%
Voice Realization per minute	paisa	37.69	38.08	-1%	36.79	2%
Non Voice Revenue						
% of Mobile Services	%	20.2%	18.2%		16.4%	
Of Which						
Messaging & VAS as % of Mobile Services	%	5.4%	5.5%		6.7%	
Data as % of Mobile Services	%	14.5%	12.4%		9.4%	
Others as % of Mobile Services	%	0.4%	0.3%		0.3%	
Data						
Data Customer Base	000's	40,108	39,320	2%	28,039	43%
Of which no. of 3G data customers	*000's*	15,445	*12,535*	23%	*7,438*	108%
As % of Customer Base	*%*	*18.9%*	*18.8%*		*14.5%*	
Total MBs on the network	Mn MBs	67,668	55,610	22%	34,624	95%
Data Average Revenue Per User (ARPU)	Rs	150	139	8%	129	17%
Data Usage per customer	MBs	563	495	14%	429	31%
Data Realization per MB	paisa	26.67	28.04	-5%	29.99	-11%

4.4 Telemedia Services

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Q-on-Q Growth	Sep 30, 2013	Y-on-Y Growth
Telemedia Customers	000's	3,372	3,350	1%	3,338	1%
Of which no. of broadband (DSL) customers	*000's*	1,479	1,462	1%	1,439	3%
As % of Customer Base	*%*	*43.9%*	*43.6%*		*43.1%*	
Net additions	000's	22	(6)	451%	49	-56%
Average Revenue Per User (ARPU)	Rs	1,024	1,010	1%	944	8%
Average Revenue Per User (ARPU)	US$	16.9	16.9	0%	15.1	13%
Non Voice Revenue as % of Telemedia revenues	%	63.2%	63.0%		59.1%	

4.5 Digital TV Services

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Q-on-Q Growth	Sep 30, 2013	Y-on-Y Growth
Digital TV Customers	000's	9,540	9,388	2%	8,572	11%
Net additions	000's	151	376	-60%	120	26%
Average Revenue Per User (ARPU)	Rs	220	214	3%	198	11%
Average Revenue Per User (ARPU)	US$	3.6	3.6	2%	3.2	15%
Monthly Churn	%	1.1%	0.6%		1.0%	

4.6 Network and Coverage - India

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Q-on-Q Growth	Sep 30, 2013	Y-on-Y Growth
Mobile Services						
Census Towns	Nos	5,121	5,121	0	5,121	0
Non-Census Towns and Villages	Nos	462,199	461,449	750	460,550	1,649
Population Coverage	%	86.8%	86.8%		86.7%	
Optic Fibre Network	R Kms	188,793	186,341	2,452	175,405	13,388
Sites on Network	Nos	141,290	139,894	1,396	135,412	5,878
Of which no. of 3G sites	*Nos*	38,055	*34,564*	3,491	*26,616*	11,439
Telemedia Services						
Cities covered	Nos	87	87	0	87	0
Airtel Business						
Submarine cable systems	Nos	7	7	0	7	0
Digital TV Services						
Districts Covered	Nos	639	639	0	639	0
Coverage	%	100%	100%		100%	

4.7 Tower Infrastructure Services

4.7.1 Bharti Infratel Standalone

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Q-on-Q Growth	Sep 30, 2013	Y-on-Y Growth
Total Towers	Nos	36,381	36,112	269	35,376	1,005
Total Co-locations	Nos	72,597	70,544	2,053	65,391	7,206
Key Indicators						
Sharing Revenue per sharing operator per month	Rs	37,264	37,428	0%	38,819	-4%
Average Sharing Factor	Times	1.97	1.94		1.84	

Additional Information:

4.7.2 Indus Towers

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Q-on-Q Growth	Sep 30, 2013	Y-on-Y Growth
Total Towers	Nos	114,101	113,490	611	112,144	1,957
Total Co-locations	Nos	242,079	237,562	4,517	225,252	16,827
Average Sharing Factor	Times	2.11	2.08		2.00	

4.7.3 Bharti Infratel Consolidated

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Q-on-Q Growth	Sep 30, 2013	Y-on-Y Growth
Total Towers	Nos	84,303	83,778	526	82,476	1,827
Total Co-locations	Nos	174,270	170,320	3,950	159,997	14,273
Average Sharing Factor	Times	2.05	2.02		1.93	

4.8 Human Resource Analysis – India

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Q-on-Q Growth	Sep 30, 2013	Y-on-Y Growth
Total Employees [12]	Nos	18,846	18,870	(24)	19,502	(656)
Number of Customers per employee	Nos	11,921	11,773	148	10,531	1,390
Personnel cost per employee per month	Rs	100,264	96,846	4%	93,888	7%
Gross Revenue per employee per month	Rs	2,797,320	2,788,736	0%	2,406,470	16%

Note 12: Total Employees do not include 42% of Indus towers employees.

4.9 South Asia

4.9.1 Operational Performance

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Q-on-Q Growth	Sep 30, 2013	Y-on-Y Growth
Customer Base	000's	7,678	8,650	-11%	8,342	-8%
VLR	%	87.8%	83.7%		82.9%	
Net Additions	000's	(972)	32	-3123%	317	-406%
Pre-Paid (as % of total Customer Base)	%	97.3%	97.2%		97.3%	
Monthly Churn	%	7.3%	5.2%		6.0%	
Average Revenue Per User (ARPU)	Rs	160	168	-5%	185	-14%
Revenue per site per month	Rs	187,812	211,538	-11%	230,301	-18%
Voice						
Minutes on the network	Mn	8,554	10,280	-17%	10,673	-20%
Voice Average Revenue Per User (ARPU)	Rs	125	138	-10%	158	-21%
Voice Usage per customer	min	351	396	-11%	436	-20%
Voice Realization per minute	paisa	35.62	34.87	2%	36.19	-2%
Non Voice Revenue						
% of Mobile revenues	%	21.7%	18.0%		14.8%	
Of Which						
Messaging & VAS as % of Mobile revenues	%	8.6%	8.1%		7.2%	
Data as % of Mobile revenues	%	10.2%	7.6%		5.4%	
Others as % of Mobile revenues	%	2.9%	2.3%		2.2%	
Data						
Data Customer Base	000's	2,922	3,001	-3%	2,376	23%
As % of Customer Base	*%*	38.1%	34.7%		28.5%	
Total MBs on the network	Mn MBs	2,356	2,098	12%	1,278	84%
Data Average Revenue Per User (ARPU)	Rs	45	38	19%	36	26%
Data Usage per customer	MBs	266	238	12%	184	45%
Data Realization per MB	paisa	16.88	15.84	7%	19.32	-13%

Refer table 8.9.2 on page 50 for KPI's in constant currency.

4.9.2 Network & Coverage

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Q-on-Q Growth	Sep 30, 2013	Y-on-Y Growth
Sites on Network	Nos	6,935	6,885	50	6,583	352
Of which no. of 3G sites	*Nos*	*2,350*	*2,105*	245	*684*	1,666

4.9.3 Human Resource Analysis

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Q-on-Q Growth	Sep 30, 2013	Y-on-Y Growth
Total Employees	Nos	818	783	35	764	54
Number of Customers per employee	Nos	9,387	11,047	(1,660)	10,919	(1,532)
Personnel cost per employee per month	Rs.	149,831	146,535	2%	174,028	-14%
Gross Revenue per employee per month	Rs.	1,586,530	1,860,852	-15%	1,979,440	-20%

4.10 Africa

4.10.1 Operational Performance

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Q-on-Q Growth	Sep 30, 2013	Y-on-Y Growth
Customer Base	000's	71,367	69,086	3%	66,378	8%
VLR	%	85.7%	86.6%		86.8%	
Net Additions	000's	2,281	(357)	738%	2,175	5%
Pre-Paid (as % of total Customer Base)	%	99.3%	99.3%		99.3%	
Monthly Churn	%	6.1%	7.0%		6.6%	
Average Revenue Per User (ARPU)	US$	5.4	5.6	-3%	5.7	-5%
Revenue per site per month	US$	21,283	21,628	-2%	21,247	0%
Voice						
Minutes on the network	Mn	28,966	28,256	3%	27,848	4%
Voice Average Revenue Per User (ARPU)	US$	4.1	4.4	-6%	4.7	-12%
Voice Usage per customer	min	138	136	1%	143	-3%
Voice Realization per minute	US¢	3.00	3.23	-7%	3.30	-9%
Non Voice Revenue						
% of Mobile revenues	%	23.8%	21.5%		17.9%	
Of Which						
Messaging & VAS as % of Mobile revenues	%	9.8%	9.2%		8.8%	
Data as % of Mobile revenues	%	10.1%	8.8%		6.6%	
Others as % of Mobile revenues	%	3.9%	3.5%		2.5%	
Data						
Data Customer Base	000's	26,365	23,650	11%	17,535	50%
As % of Customer Base	*%*	*36.9%*	*34.2%*		*26.4%*	
Total MBs on the network	Mn MBs	8,061	6,541	23%	4,215	91%
Data Average Revenue Per User (ARPU)	US$	1.5	1.5	0%	1.5	2%
Data Usage per customer	MBs	105	96	10%	85	24%
Data Realization per MB	US¢	1.43	1.56	-9%	1.74	-18%

Refer table 8.10.2 on page 51 for KPI's in constant currency.

4.10.2 Network & Coverage

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Q-on-Q Growth	Sep 30, 2013	Y-on-Y Growth
Sites on Network	Nos	17,935	17,781	154	17,444	491
Of which no. of 3G sites	*Nos*	*8,104*	*7,165*	939	*6,237*	1,867

4.10.3 Human Resource Analysis

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Q-on-Q Growth	Sep 30, 2013	Y-on-Y Growth
Total Employees	Nos	5,340	5,284	56	5,022	318
Number of Customers per employee	Nos	13,365	13,075	290	13,218	147
Personnel cost per employee per month	US$	6,222	6,415	-3%	6,984	-11%
Gross Revenue per employee per month	US$	71,174	73,400	-3%	74,271	-4%

SECTION 5

MANAGEMENT DISCUSSION AND ANALYSIS

5.1 Reporting Changes

1. During the current quarter ended September 30, 2014, the Company formally designated for accounting purposes, a significant portion of its Euro borrowings as a hedge against net investments in subsidiaries (in 5 Francophone countries where the local currency is pegged to the Euro). Such hedge accounting is permitted under IFRS and will minimize volatility in the income statements. Any foreign exchange gain or loss on the hedging instrument relating to the effective portion of the hedge is recognized in other comprehensive income to offset the change in the value of the net investment being hedged. During the quarter, foreign exchange gains of Rs 11,716 Mn (US$ 192 Mn) have been recognized in other comprehensive income.
2. During the current quarter ended September 30, 2014, levies consequential to finance income have been re-classified to Other Expenses, amounting Rs 1,206 Mn. The figures for past periods have also been re-instated to make them comparable.

5.2 India SA

A. Key Industry Developments

1. TRAI Recommendations on Spectrum Auctions

In respect of the proposed spectrum auctions coming up in 2015-16 in the 900 MHz and 1800 MHz bands across several circles, there is an urgent national necessity to efficiently put to use this scarce natural resource. Accordingly, Cellular Operators' Association of India (COAI) had represented to the DOT in its detailed letter of 22nd May, 2014 as well as in its letter of 11th July, 2014 to the new Hon'ble Union Minister of Telecom on several aspects of the upcoming spectrum auctions.

TRAI, after considering feedback from several stakeholders, has issued its final recommendations on **"Valuation and Reserve Price of Spectrum: Licences expiring in 2015-16"** on 15th October, 2014.

In these recommendations, TRAI has highlighted *"that the upcoming auction is critical for telecom service providers (TSPs) whose licences are due to expire in 2015-16. In the 900 MHz band, only the spectrum held by them is available for the auction. These licensees will have to win back this spectrum to ensure business continuity in a Licence Service Area (LSA); if they don't, it places the large investment made in the LSAs in jeopardy. The continuity of services to millions of customers is also at stake. Some of these licensees have already acquired spectrum in the 1800 MHz band in the recently held auctions that can be used as a fallback option, in case they fail to win back spectrum in the 900 MHz band. But, that option cannot be said to be a preferable path. Moreover, in the coming auction, even that fallback option may not be available because the amount of spectrum in the 1800 MHz is insignificant in most LSAs. In this backdrop, the Authority has emphasized the need to make available additional spectrum before conducting the auction*".

The TRAI recommendations are quite comprehensive, and they address the urgent national need to make more spectrum available, to usher in the next growth in telecom especially broadband for the masses. TRAI has recommended that:

- In 900 MHz band, 1.2 MHz spectrum should be taken back from BSNL from all the LSAs where licences expire in 2015-16 except in Punjab. In lieu, BSNL should be assigned 1.2 MHz in the 1800 MHz band only in those LSAs where its spectrum holding in that band is less than 3.8 MHz in this band i.e. in Gujarat, Rajasthan and West Bengal.
- The DoT should take a completely fresh look at the implementation of E-GSM band (It may be pointed out that COAI had represented that the 800 MHz band should be put to efficient national use by being reconfigured into E-GSM band, creating potentially the highest value to the exchequer and operators)
- Unused spectrum in the Defence band should not be kept idle. The DoT in coordination with Defence should fix a time frame for migration of Defence from commercial band to Defence band. If because of any reasons, this is not possible then only that much spectrum should be kept reserved for Defence in the Defence band which would make its total spectrum holding 20 MHz in the 1800 MHz band. In some LSAs viz. Andhra Pradesh, Tamilnadu, Kerala, Madhya Pradesh, Bihar and Orissa, where there is nil or negligible spectrum assignment to Defence in both commercial and Defence band, only 5 MHz can be kept reserved for them for any future requirement. The rest of the vacant spectrum in the Defence band should be put to auction.

- In the LSAs, where spectrum assigned to Defence in the 1800 MHz band is more than 20 MHz, DoT should coordinate with Defence for the vacation of spectrum held by Defence in excess of 20 MHz.
- The entire 2x60 MHz in the 2100 MHz band should be made available for commercial use. If required, Defence may be assigned spectrum in the 1900 MHz band (1910-1920/1980-1990 MHz). The Authority also recommends that auctions in this band should be carried out along with the auctions in 900/1800 MHz band.
- Government should also announce the roadmap for the auction of spectrum in 700 MHz band. This should be done before the conduct of the upcoming auctions in 900/1800 MHz band.
- The frequency re-arrangement in the same band, from within the assignments made to the licensees, should be permitted amongst all licensees irrespective of whether the spectrum is liberalised or not. However, the use of spectrum shall be liberalised only if the entire spectrum holding of a licensee in a particular band is liberalized.
- All efforts should be made to make available spectrum in contiguous form. Nevertheless, the entire available spectrum should be put to auction.
- Spectrum should be put to auction in a block size of 2x200 KHz in both the 900 and 1800 MHz bands. In the 900 MHz band, the bidders should be required to bid for a minimum of 2x3.6 MHz in those LSAs where spectrum being put to auction is 10 MHz or more and 2x2.4 MHz in the remaining LSAs. In the 1800 MHz band, the bidders would be required to bid for a minimum of 2x0.6 MHz spectrum.
- A fresh valuation of 1800 MHz spectrum for all 22 LSAs is the preferred way to initiate the process of determining valuation and reserve price of 1800 MHz spectrum for the forthcoming auction.
- A dialogue needs to be held at the level of the Finance Minister, the Minister of Communications and IT and the Defence Minister to ensure the availability of additional spectrum for commercial use. The Authority is also of the view that the auction should be carried out only after a clear roadmap is available for vacating spectrum in 2100 MHz band from Defence and in 900 MHz band from BSNL. The Authority recommends that the forthcoming auction should be scheduled after the above issues are resolved and auction in the 800 MHz, 900 MHz, 1800 MHz and 2100 MHz band be conducted simultaneously.

The reserve prices for 1800 MHz spectrum for 22 LSAs has been recommended as in the table below: (Rs.crore per MHz)

LSA	Category	Recom-mended on 15th Oct'14	Feb-14 Winning Bids	Feb 14 Reserve Price
Delhi	Metro	364.00	364.00	219.00
Mumbai	Metro	272.00	272.00	207.00
Kolkata	Metro	73.00	73.00	73.00
A.P	A	163.00	163.00	163.00
Gujarat	A	238.00	237.80	143.00
Karnataka	A	155.00	155.00	155.00
T.N	A	208.00	208.00	208.00
Haryana	B	32.00	27.00	27.00
Kerala	B	75.00	52.00	52.00
M.P	B	69.00	50.40	43.00
Punjab	B	71.00	54.00	54.00
Rajasthan	B	60.00	26.00	26.00
U. P. (East)	B	97.00	64.00	61.00
U.P. (West)	B	95.00	94.95	62.00
Assam	C	36.00	36.10	7.00
Bihar	C	62.00	43.10	37.00
H.P	C	9.00	6.00	6.00
J & K	C	25.00	6.10	5.00
North East	C	11.00	7.00	7.00
Orissa	C	23.00	16.00	16.00

The Authority recommends that the reserve price of 900 MHz spectrum for each LSA should be as in the table below: (Rs. crore per MHz)

LSA	Category	Recommended on 15th Oct 2014
A.P	A	271.00
Gujarat	A	339.00
Karnataka	A	286.00
Maharashtra	A	420.00
Tamilnadu	A	338.00
Haryana	B	64.00
Kerala	B	150.00
M.P	B	138.00
Punjab	B	141.00
Rajasthan	B	172.00
U. P. (East)	B	195.00
U.P. (West)	B	152.00
West Bengal	B	70.00
Assam	C	58.00
Bihar	C	123.00
H.P	C	19.00
North East	C	21.00
Orissa	C	47.00

It is now expected that the Government will consider the TRAI recommendations and take final decisions in respect of the spectrum auctions in the next few months, so as to enable the auctions to take place in February 2015.

2. Allocations of Spectrum pursuant to auctions in Feb 2014

The Company secured 115 MHz of 900 MHz and 1800 MHz spectrum in the Feb 2014 auctions, at a total bid price of Rs. 18,439 Crores, of which an upfront amount of Rs.5,525.65 crores was paid as per mandated payment terms. The balance Rs. 12,912.90 crores is payable in 10 annual installments after a moratorium period of 2 years. Interest at 10% per annum is chargeable on the unpaid balances with effect from 3rd March, 2014.

Unfortunately, there has been an inordinate delay in actual allocation of spectrum by the Government, which has impacted the business plans in respect of expansion / reconfiguration of existing networks as well as roll-out of new networks / technologies. The Company has been incurring an interest burden without being able to utilize the spectrum. The entire spectrum in the 1800 band (97 MHz) was finally assigned to the company in Oct 2014.

3. Flat rates of Spectrum Usage Charges (SUC) in 900 MHz and 1800 MHz bands

Prior to the auctions in February 2014, the Union Cabinet in its meeting on 31st January, 2014 had approved a flat SUC rate of 5% in respect of the spectrum to be auctioned. In cases of combination of existing spectrum in this band and spectrum acquired through the auction, the weighted average will apply to all the spectrum held by the operator in 900 MHZ and 1800 MHZ bands. The Cabinet had noted that as a matter of policy, it is desirable to move to a flat SUC rate, and that this decision is "expected to improve the bidding sentiment in the forthcoming auction". The flat SUC rate decision was a precursor to the auction, and the auction participation by operators was with this clear understanding. It is therefore requested that the DoT urgently confirms that the SUC rate payable will be as decided by the Union Cabinet in Feb 2014.

4. Company response to TRAI Consultation paper on "Definition of Revenue Base (AGR) for the reckoning of Licence Fees and Spectrum Usage Charges

TRAI issued a Consultation Paper on 31st July, 2014 on "definition of revenue base (AGR) for the reckoning of Licence Fees and Spectrum Usage Charges". The Company, in its response dated 15th Sept, 2014, has pointed out that while this is the subject matter of adjudication in the Courts, without prejudice to the ongoing litigation, it is important to have a fresh start on the basis of established accounting regulatory principles.

Specific points made by the Company in its response to TRAI include:

- In order to reduce litigations, the AGR should include only revenue from activities that fall under the scope of the licence.
- The interpretation of revenue must be consistent with accounting concepts such as the prevalent accounting standards prescribed by the Institute of Chartered Accountants of India, supported by the Interpretations, Guidance Notes and Exposure Drafts issued by the Institute from time to time.
- The present regime on AGR allows deductions for various 'pass through' charges to avoid dual taxation. However, the process of verification of such deductions is extremely complex, and has got the DoT and the operators engrossed in disputes and litigations for many years. It is therefore suggested that a simplified 'LFDS' (Licence Fees Deducted at Source) mechanism be introduced on the same lines as "Tax Deducted at Source" for Income Tax.
- In line with the NTP 2012 directives, and considering that over 30% of the service provider's revenues are going towards various government levies and taxes, there is an urgent need to rationalize the LF and SUC levies. The Company has represented that the current levy of 8% of AGR as LF (including 5% USO levy) should be immediately reduced to 6% with a roadmap of further reducing the USO levy which remains under-utilised. Similarly, SUC is currently levied at very rates despite spectrum being awarded through auctions. This charge should not exceed 1%, which is adequate to recover the administration and maintenance costs, as is currently followed in many countries.

The Company has re-iterated that the above principles, if followed, shall not only bring to an end the era of disputes and litigations, but shall also open up doors for the much needed reforms in the licence fees regime. These proposals will restore investor confidence in the market, bring a high degree of transparency and accelerate the building of a "Digital India".

B. Key Company Developments

- Airtel Ranked "No.1 Service Brand" in the annual Brand Equity Most ' Trusted Brands Survey 2014.
- Bharti Airtel is the winner of "Top Treasury Team Asia 2014" in Adam Smith Awards Asia 2014.
- Airtel extended its 4G presence to Amritsar, Hoshiarpur, Phagwara, Kapurthala, Patiala, Nashik and Nagpur in the states of Punjab and Maharashtra.
- "Bharti Airtel launched 'Wynk Music' - a new music streaming service with an OTT app that is carrier agnostic. Wynk is available for Android and iOS, and offers an 'expert curated' library with over 1.7 million regional and International songs across 8 languages (English, Hindi, Punjabi, Bhojpuri, Tamil, Telugu, Kannada and Bengali). Wynk Music

crossed its first milestone witnessing 1 lakh downloads in just 4 days of its launch. Wynk is currently #1 in the category of new free apps for music and among the top 5 apps overall in the Google Play store.

- Airtel introduced its 'Smart SIM' in the market, which provides customers the freedom to seamlessly work across multiple devices (including smartphones and tablets) without worrying about the compatibility of their SIM card. In the first phase of its launch, 'Smart SIM' has been introduced in markets of Andhra Pradesh, Maharashtra, Mumbai, Goa, Madhya Pradesh and Chhattisgarh.
- Registrations were announced open for the seventh edition of Airtel Delhi Half Marathon, which will be held on 24th November 2014.
- Airtel launched 'The Smartphone Network' campaign, which rides on the surge in adoption of data services led by increasing penetration of smartphones across India. In keeping with the rapidly increasing uptake of data services, Airtel has made significant technology and network investments to ensure the best data experience for smartphone users in India. 'The Smartphone Network' campaign by Airtel drives this very message in a manner that is intrinsic with the company's brand positioning.
- In support of those affected in the Jammu & Kashmir floods, Airtel introduced a series of relief initiatives aimed at expediting restoration of communication services in the region. Facilities like free calling stations, free Talk Time and advance Talk Time were launched to facilitate easy communication between the people of J&K and their families spread across different parts of India.
- COCO (Airtel Business Stores): We have successfully launched 3 stores pan India with upsell of almost 22% and further expansion to 50 flagship stores by November end. We will be opening 11 new stores in Oct'14.
- Airtel DTH & Samsung TV Tie up: Exclusive launch with Samsung for IDTV: India's first integrated TV with inbuilt; HD STB. Customer can put an Airtel CAM card in the TV and enjoy Airtel digital; TV services. No separate STB required
- Airtel DTH introduced multiple HD channel packs (2/5/11/19) for HD STB, providing greater flexibility to consumers.
- Airtel DTH added 24 channels (22 SD, 2 HD), with increased focus on regional markets with launch of 15 regional channels. Total HD channel count is 22.
- Airtel Bangladesh partnered with whatsapp to provide free whatsapp to all subscribers. It also launched new 3G unlimited packs of 2GB and 30MB.
- Airtel Bangladesh also launched a new voice product called "shobai ek" which offers the lowest flat rate of 1paisa/second to all customers.
- Airtel Lanka launched its very own Airtel App Store - a one stop online shop for all local and international apps during the month of September 2014. This modern apps store was empowered by neXva, a global provider of white branded app stores. This provided Airtel Lanka with a full app store eco system which includes a customized website, mobile website and Android app as well as a developer portal for the localization of the app store to make it relevant for the market in Sri Lanka.
- Airtel Lanka completed Airtel Rising Stars program, where 12 aspiring foot ballers were sent Manchester United. This year for the first time, two female players were chosen to represent Sri Lanka. Some more key sponsorship made during the quarter were all island Basketball tournament, 99th Colombo Tennis Championships and the 99th National Tennis Championships. These sponsorships were made with the objective of taking the brand to the masses.

5.3 Africa

A. Key Industry Developments

Congo B

- New termination rate effective from October 1 implemented to end asymmetry between Airtel & Warid.

Gabon

- The Regulator has issued a new regulation confirming the asymmetric Interconnect regime and a floor price regime of CFA 50 applicable only to Airtel.

Ghana

- Telecom chamber has commissioned PricewaterhouseCoopers (PwC) to undertake a study on total tax contribution of telecom operators to Ghana's GDP.
- Government announced a policy to grant 4 new types of licenses: Interconnect Clearing House, International Wholesale license, Unified Access Service License and Mobile Virtual Network Operations (MVNO) license.
- NCA has issued directive prohibiting all off-net promotions priced below interconnect cost effective from September 30.

Kenya

- The Regulator confirmed that Airtel Kenya license will be synchronized with Essar to expire on June 30, 2024.

Malawi

- Airtel has acquired additional spectrum of 5 MHz in 3500 band for 3G services and 30 MHz in 2100 band for Wifi services.
- The government has reduced tax payable by telecom companies from 33% to 30%.

Niger

- Airtel has reached an agreement with government for acquisition of 3G license and renewal of 2G. The license is valid for 15 years starting from December 2015.

Nigeria

- The Nigerian Communications Commission (NCC) has approved retention of floor price at Nigerian Naira 6.40 per minute for both on-net and off-net mobile voice calls. This is expected to minimize anti-competitive conduct in the industry.

Uganda

- The regulator has directed Airtel to surrender 2 MHz of spectrum in GSM 900 by 15 December, 2014.

Tanzania

- Government of Tanzania grants mobile phone licence to Vietnam's Viettel telecom company; Viettel will be fifth telecom operator in Tanzania.

TChad

- 3G service launched on September 9th by Chief of State Idris Debby.
- Numbering fees has been reduced by 16.6%.

B. Key Company Developments

- Airtel Money awarded Best Mobile Money Service in Ghana at the Mobile World Ghana Telecoms Awards and also launched a collaborative international money remittance with MTN between Ivory Coast and Burkina Faso during the quarter.

- Airtel Zambia won the Green award for sustained compliance and commitment to continuous environmental improvement; and recognized for outstanding telecommunications service, innovation and corporate citizenship at the PMR Africa Achievers Awards.

- Airtel Ghana awarded best CSR Company and best Mobile Money Service of the year 2013.

- Airtel and Kenya Airways have signed a Memorandum of Understanding (MoU) to deliver an MVNO service for the airline, subject to regulatory approvals.

- Airtel Kenya tied up a unique MVNO plan with Equity Bank, a highly reputed bank in Kenya :

  ✓ Equity will utilize Airtel's excess capacity to deliver MVNO services.

  ✓ The partnership will reduce Equity's cost of delivering MVNO services and this benefit will be passed on to customers.

  ✓ Airtel will get an opportunity to fully utilize its investment and significantly grow revenue.

  ✓ Equity MVNO is a platform bigger than mobile money, a case study of banking going virtual.

  ✓ This is the first in Kenya, indeed first in Africa to offer a full banking suite through an MVNO.

  ✓ This will enable making banking a lifestyle defined by freedom, choice and control.

  ✓ This helps the Company to take a strategic position to capture significant share of East Africa's growth using a simple and shared prosperity model.

- Airtel Sierra Leone demonstrated the true meaning of CSR by embarking on a Private Public Partnership with the Ministry of Health and Sanitation and UNFPA in the fight against the outbreak of the ebola epidemic, where staff donated a day's salary for the cause.

- Airtel Money signed a MOU with United Bank of Africa (UBA) for cross border money transfer in 24 countries across Africa where either Airtel or UBA is present.

5.4 Results of Operations

The financial results presented in this section are compiled based on the audited consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) and the underlying information.

Key Highlights – *For the quarter ended September 30, 2014*

- **Overall customer base at 303.7 Mn across 20 countries**
- **Net addition of 3.8 Mn customers**
- **Total revenues of Rs 228.5 Bn; Y-o-Y growth of 7.1%**
- **Mobile data revenues of Rs 25.4 Bn (up 66.7% Y-o-Y)**
- **EBITDA at Rs 77.1 Bn; Y-o-Y growth of 12.1%**
- **EBIT at Rs 38.5 Bn (up 31.3% Y-o-Y)**
- **Consolidated net income of Rs 13.8 Bn (up 170.2%Y-o-Y)**

Results for the quarter ended September 30, 2014

5.4.1 Bharti Airtel Consolidated

As on September 30, 2014, the Company had 303.7 Mn customers, an increase of 8.4% as compared to corresponding quarter last year. Total minutes of usage on the network during the quarter were 309.1 Bn as compared to 297.9 Bn in the corresponding quarter last year, representing a growth of 3.8%. Mobile Data traffic grew significantly by 94.6% to 78.1 Bn MBs during the quarter as compared to 40.1 Bn MBs in the corresponding quarter last year.

During the quarter, consolidated revenues stood at Rs 228,452 Mn as compared to Rs 213,244 Mn in the corresponding quarter last year, an increase of 7.1%. Mobile data revenues increased by 66.7% to Rs 25,399 Mn as compared to Rs 15,235 Mn in the corresponding quarter last year. Mobile data revenues now represent 11.1% of the total revenues as compared to 7.1% in the corresponding quarter last year. Mobile data contributed to 66.8% of the overall incremental revenue of the Company.

Net revenues, after netting off inter-connect costs and cost of goods sold, increased by 7.9% to Rs 199,386 Mn as compared to Rs 184,872 Mn in the corresponding quarter last year. Operating expenses, excluding access costs, costs of goods sold and licence fees during the quarter increased by 3.9% to Rs 100,939 Mn as compared to Rs 97,170 Mn in the corresponding quarter last year, reflecting improved productivity.

The Company had an EBITDA of Rs 77,053 Mn during the quarter, an increase of 12.1% as compared to Rs 68,729 Mn in the corresponding quarter last year. EBITDA margin improved during the quarter to 33.7% as compared to 32.2% in the corresponding quarter last year. Depreciation and amortisation expenses amounted to Rs 38,530 Mn as compared to Rs 39,394 Mn in the corresponding quarter last year, which reflects a decrease of 2.2%. EBIT for the quarter increased by 31.3% to Rs 38,524 Mn as compared to Rs 29,336 Mn in the corresponding quarter last year. Cash profits from operations (before derivative and exchange fluctuations) during the quarter grew by 24.0% at Rs 68,976 Mn as compared to Rs 55,629 Mn in the corresponding quarter last year.

Other expenses for the quarter at Rs 1206 Mn have increased from Rs 78 Mn in the corresponding quarter last year, due to higher levies related to finance incomes.

Net finance cost during the quarter came down by 43.8% to Rs 9,057 Mn as compared to Rs 16,111 Mn in the corresponding quarter last year. This reduction is primarily due to high MTM losses on investments last year, lower interest costs and reduced forex losses.

The resultant profit before tax and exceptional items for the quarter ended September 30, 2014 was Rs 29,969 Mn as compared to Rs 14,468 Mn in the corresponding quarter last year, an increase of 107.1%.

The current and deferred tax expense (before tax charge on exceptional items) for the period of six months ending September 30, 2014 was Rs 29,457 Mn as compared to Rs 17,454 Mn in corresponding period last year. The effective tax rate in India for this period came in at 27.4% compared to 31.2% for the full year ended March 31, 2014. Excluding the impact of dividend distribution tax, the effective tax rate in India for the period of six months ending September 30, 2014 at 26.5% is lower than 29.1% for the full year ended March 31, 2014. The tax charge in Africa for the period of six months ending September 30, 2014 came at $ 167 Mn compared to $ 273 Mn for the full year ended March 31, 2014. After considering the impact of taxes and minority interests but before exceptional items, the consolidated net income for the quarter increased significantly by 182.1% to Rs 15,414 Mn, as compared to Rs 5,463 Mn in the corresponding period last year. The net income after exceptional items was Rs 13,832 Mn as compared to Rs 5,120 Mn in the corresponding quarter last year, an increase of 170.2%.

The consolidated operating free cash flow during the quarter was lower by 16.0% at Rs 39,783 Mn as compared to Rs 47,338 Mn in the corresponding quarter last year.

5.4.2 Exceptional Items

Exceptional items during the quarter resulted in a net loss of Rs 1,581 Mn, comprising of: (i) charge of Rs 1,457 Mn related to post-acquisition integration activities in two countries and other costs attributable to restructuring activities in a few countries, and (ii) charge of Rs 293 Mn on account of certain one-off disputes. The related tax credit of

Rs 62 Mn and impact on Minority Interest of Rs 107 Mn on (i) above have been recognised.

5.4.3 B2C Services – India

5.4.3.1 Mobile Services

As on September 30, 2014, the Company had 211.8 Mn GSM customers as compared to 193.5 Mn in the corresponding quarter last year, an increase of 9.5%. On a sequential basis, customer churn has gone up to 3.1% in Q2'15 due to seasonality factors, but has improved compared to 3.2% in the corresponding quarter last year. Total minutes on network increased by 5.0% to 263.9 Bn as compared to 251.3 Bn in the corresponding quarter last year. Voice realization per minute on a sequential basis dropped marginally as a result of competitive interventions; however, the realization of 37.69 paise reflects an increase of 0.90 paise over the corresponding quarter last year.

The Company continued to accelerate mobile data growth with 40.1 Mn (18.9% of total customers) data customers as on September 30, 2014, representing a growth of 43.0% as compared to 28.0 Mn (14.5% of total customers) at the end of the corresponding quarter last year. The total MBs on the network increased by 95.4% to 67.7 Bn MBs during the quarter as compared to 34.6 Bn MBs in the corresponding quarter last year. Mobile Data usage per customer has been steadily rising every quarter. The current quarter witnessed an increase of 31.2% to 563 MBs during the quarter as compared to 429 MBs in the corresponding quarter last year. Data ARPU increased by 16.7% to Rs 150.3 during the quarter from Rs 128.8 in the corresponding quarter last year.

The Company continued to invest on upgradation and expansion of network sites. By the end of the quarter, the Company had 141,290 sites as compared to 135,412 sites in the corresponding quarter last year. Out of the total number, 26.9% are 3G sites. With 38,055 3G sites, Airtel has the largest 3G network in India. There were 26,616 sites on 3G at the end of the corresponding quarter last year and 34,564 at the end of the previous quarter.

Revenue from mobile services during the quarter was Rs 126,342 Mn as compared to Rs 113,541 Mn in the corresponding quarter last year, a growth of 11.3%. Revenue from mobile data accounted for 14.5% of the total mobile revenue during the quarter as compared to 9.4% in the corresponding quarter last year. Mobile data revenue during the quarter grew by 73.8% to Rs 18,048 Mn over the corresponding quarter last year.

EBITDA during the quarter increased by 21.2% to Rs 46,115 Mn as compared to Rs 38,036 Mn in the corresponding quarter last year. EBITDA margin significantly improved to 36.5% during the quarter as compared to 33.5% in the corresponding quarter last year. Improvement in margin is mainly due to sustained revenue growth and operational efficiencies. EBIT during the quarter was Rs 28,983 Mn as compared to Rs 21,417 Mn in the corresponding quarter last year, an increase of 35.3%. EBIT margin during the quarter was 22.9% as compared to 18.9% in the corresponding quarter last year, an improvement of 4.1% contributed by improvements in EBITDA as well as asset productivity.

During the quarter, the mobile business incurred capital expenditure of Rs 14,890 Mn largely attributed to 2G and 3G data capex. Operating free cash flows increased by 1.4% at Rs 31,225 Mn as compared to Rs 30,807 Mn in the corresponding quarter last year.

5.4.3.2 Telemedia Services

As on September 30, 2014, the Company had its Telemedia operations in 87 cities with 3.4 Mn customers, out of which approximately 1.5 Mn are broadband (DSL) customers, representing 43.9% of the total Telemedia customers.

For the quarter ended September 30, 2014, revenues from Telemedia operations were Rs 11,160 Mn as compared to Rs 9,757 Mn in the corresponding quarter last year, a growth of 14.4%. EBITDA for the quarter was higher by 23.9% to Rs 4,481 Mn compared to Rs 3,617 Mn in the corresponding quarter last year. EBITDA margin for this segment was higher at 40.2% during the quarter as against 37.1% in the corresponding quarter last year. EBIT for the quarter ended September 30, 2014 was Rs 2,132 Mn as compared to Rs 1,404 Mn in the corresponding quarter last year.

During the quarter ended September 30, 2014, the Company incurred capital expenditure of Rs 1,029 Mn for the Telemedia business. The resultant operating free cash flow during the quarter was Rs 3,452 Mn as compared to Rs 2,807 Mn in the corresponding quarter last year.

5.4.3.3 Digital TV Services

As on September 30, 2014, the Company had its Digital TV operations in 639 districts with 9.5 Mn customers, an increase of 11.3% as compared to corresponding quarter last year. Net customer additions for Digital TV during the quarter were 151 K. As a result of higher HD penetration and upselling of packs, ARPU increased by Rs 22 to Rs 220 as compared to Rs 198 in the corresponding quarter last year.

Revenues from Digital TV services increased by 23.5% to Rs 6,263 Mn as compared to Rs 5,072 Mn in the corresponding quarter last year. EBITDA for the quarter increased to Rs 1,529 Mn as compared to Rs 646 Mn in the corresponding quarter last year. EBITDA margin improved significantly to 24.4% in the current quarter, as compared to a margin of 12.7% in the corresponding quarter last year.

During the current quarter, the Company incurred a capital expenditure of Rs 2,255 Mn. Cash burn during the quarter at Rs 726 Mn has increased, compared to Rs 396 Mn in the corresponding quarter last year, primarily on account of seasonal build-up of boxes.

5.4.4 B2B Services – India: Airtel Business

Revenues for the quarter ended September 30, 2014, represented a growth of 1.3% to Rs 17,037 Mn as compared to Rs 16,825 Mn in the corresponding quarter last year. EBITDA stood at Rs 4,080 Mn during the quarter as compared to Rs 3,243 Mn in the corresponding quarter last year, a growth of 25.8%. EBIT for the current quarter increased by 34.9% to Rs 2,487 Mn as compared to Rs 1,844 Mn during the corresponding quarter last year. EBIT margin increased to 14.6% during the quarter as compared

to 11.0% in the corresponding quarter last year (12.8% for the six months ending September 30, 2014 and 12.7% for the full year ended March 31, 2014).

The Company incurred a capital expenditure of Rs 328 Mn in Airtel Business as compared to Rs 142 Mn in the corresponding quarter last year. Operating free cash flow during the quarter continued to be healthy at Rs 3,752 Mn as compared to Rs 3,101 Mn in the corresponding quarter last year.

5.4.5 Tower Infrastructure Services

The financials of this segment reflect standalone operations of Bharti Infratel Limited (Infratel), a subsidiary of the Company, with the interest in Indus Tower Ltd (Indus) disclosed under share of profits from Joint Ventures/ Associates.

Revenues of Bharti Infratel Ltd for the quarter ended September 30, 2014 was Rs 13,744 Mn as compared to Rs 12,602 Mn in the corresponding quarter last year, an increase of 9.1%. EBITDA during the quarter was Rs 6,305 Mn compared to Rs 5,421 Mn in the corresponding quarter last year, an increase of 16.3%. EBIT for the quarter grew 31.5% to Rs 3,579 Mn as compared to Rs 2,722 Mn in the corresponding quarter last year. As at the end of the quarter, Infratel had 36,381 towers with average sharing factor of 1.97 times compared to 1.84 times in the corresponding quarter last year. Including proportionate share of Indus in which Infratel holds 42%, on a consolidated basis, Infratel had 84,303 towers with an average sharing factor of 2.05 times as compared to 1.93 times in the corresponding quarter last year, reflecting an improvement in the tenancy ratio.

Bharti Infratel incurred a capital expenditure of Rs 2,054 Mn during the quarter on a standalone basis. Operating free cash flows during the quarter were Rs 4,251 Mn as compared to Rs 4,228 Mn in the corresponding quarter last year, an increase of 0.6%. The share of profits of Indus during the quarter came in at Rs 1,728 Mn as compared to Rs 1,322 Mn in the corresponding quarter last year.

During the three months period ended September 30, 2014, in order to comply with the requirement to maintain minimum public shareholding of 25% in terms of rule 19(2)(b)/ 19A of Securities Contracts (Regulation) Rules, 1957, the Company has sold 85 million shares in Bharti Infratel Limited (BIL) for Rs 21,434 Mn, representing 4.5% shareholding in BIL. Subsequent to the transaction, the shareholding of the Company in BIL has reduced to 74.86%. Excess of proceeds over the change in non-controlling interests net of associated costs, taxes and levies, amounting to Rs 13,837 Mn has been recognized directly in consolidated statement of changes in equity.

5.4.6.1 South Asia

As on September 30, 2014, the Company had 7.7 Mn mobile customers on its network compared to 8.3 Mn at the end of last year. Minutes of usage for the quarter were 8.6 Bn as compared to 10.7 Bn in the corresponding quarter last year, a decrease of 19.8%, primarily on account of high churn and lower consumption which is getting arrested after corrective interventions in the market.

Data customers represented 38.1% of the total customer base in the current quarter as compared to 28.5% in the corresponding quarter last year. Total data consumption during the quarter increased by 84.4% to 2.36 Bn MBs as compared to 1.28 Bn MBs in the corresponding quarter last year. Data usage per customer also increased to 265.9 MBs, a growth of 44.7% as compared to 183.8 MBs in the corresponding quarter last year.

By the end of the quarter, the Company had 6,935 sites on network as compared to 6,583 sites in the corresponding quarter last year. Out of the total number, 3G sites represented 33.9% to 2,350 sites as compared to 684 sites in the corresponding quarter last year.

Revenue from operations in South Asia stood at Rs 3,893 Mn for the quarter ended September 30, 2014, a decrease of 14.2% as compared to Rs 4,537 Mn in the corresponding quarter last year, primarily due to lower minutes usage. Data revenue grew by 60.9% to Rs 398 Mn as compared to Rs 247 Mn in the corresponding quarter last year, with continued benefits from new product launches and concentrated efforts. Data revenue now represents 10.2% of mobile revenue during the quarter as compared to 5.4% in the corresponding quarter last year. EBITDA for the quarter was at Rs 107 Mn as compared to EBITDA of Rs 264 Mn in the corresponding quarter last year. EBIT losses during the quarter were Rs 1,341 Mn as compared to Rs 1,051 Mn in the corresponding quarter last year.

During the quarter ended September 30, 2014, the Company incurred capital expenditure of Rs 661 Mn for South Asian operations as compared to Rs 1,323 Mn in the corresponding quarter last year.

5.4.6.2 Africa

In Africa, the revenue-weighted currency depreciation has been 2.8% during the quarter, mainly caused by the depreciation in the CFA by 8.4%; the CFA is pegged to the Euro. The Ghana Cedi depreciated by 14.1% intra-quarter but subsequently bounced back to end the quarter with a marginal gain of 1.2%. The revenue- weighted average currency depreciation in the last 12 months was 5.9%, the major movements being the Ghana Cedi (-51.1%), Zambian Kwacha (-17.6%) and the CFA (-6.5%).

In this quarter, the Company's subsidiary, Bharti Airtel International (Netherlands) B.V. (BAIN)/its subsidiaries and Eaton Towers Limited (Eaton)/ its subsidiaries have entered into agreements for the divestment of over 3,500 telecom towers in six African countries The Company's subsidiaries will have access to a dedicated portion of the towers from Eaton under long-term lease contracts. As the criteria stated in IFRS 5 'Non-current Asset Held for Sale and Discontinued Operations' are met, these assets and relevant liabilities that are part of this sale and will not be leased back, amounting to Rs 15,274 Mn and Rs 1,960 Mn have been re-classified as 'assets held for sale' and 'liabilities held for sale' respectively in the Statement of Financial Position. As at 30th September, 2014 total 'assets held for sale' and 'liabilities

held for sale' reflected in the statement of financial position is Rs 30,875 Mn and Rs 3,349 Mn respectively.

Airtel and Africa's leading airline, Kenya Airways have opened a new innovative chapter in the telecom industry in Africa with the announcement that Airtel will host Kenya Airways as a Mobile Virtual Network Operator, (MVNO) on its Kenyan network. Also, Airtel Kenya tied up a unique MVNO plan with Equity bank, a highly reputed bank in Kenya.

As on September 30, 2014, the Company had an aggregate customer base of 71.4 Mn as compared to 66.4 Mn in the corresponding quarter last year, an increase of 7.5%. Total minutes on network during the quarter were 29.0 Bn as compared to 27.8 Bn in the corresponding quarter last year, a growth of 4.0%.

Data customers during the quarter increased by 50.4% to 26.4 Mn as compared to 17.5 Mn in the corresponding quarter last year. Data customers now represent 36.9% of the total customer base, as compared to 26.4% in the corresponding quarter last year. Data traffic has registered a strong growth of 91.3% Y-o-Y to 8.1 Bn MBs during the quarter as compared to 4.2 Bn MBs in the corresponding quarter last year. Data usage per customer during the quarter was 105.4 MBs as compared to 84.7 MBs in the corresponding quarter last year, an increase of 24.5%.

The Company's mobile money service, Airtel Money is gaining customer acceptance across Africa. The total customer base using the Airtel Money platform increased by 191% to 5.3 Mn as compared to 1.8 Mn in the corresponding quarter last year. The total number of transactions during the quarter has grown three-fold to 131.2 Mn in the current quarter as compared to 44.2 Mn in the corresponding quarter last year. Total value of transactions on the Airtel money platform has grown almost four-fold to $ 3,345 Mn in current quarter as compared to $ 867 Mn in the corresponding quarter last year. During the quarter, Airtel Money introduced customer relevant innovations such as inter-operable Mobile Financial Services (MFS), International money transfer saving products etc.

The Company had 17,935 network sites by the end of the quarter as compared to 17,444 network sites in the corresponding quarter last year. 3G sites at 8,104 represented 45.2% of the total sites as at the end of the quarter, as compared to 35.8% (6,237 sites) at the end of the corresponding quarter last year.

Revenue for the quarter was $ 1,140 Mn as compared to $ 1,119 Mn in the corresponding quarter last year, representing a growth of 1.9%. The growth in constant currency terms was higher at 6.4%. The contraction in voice revenue was primarily on account of seasonality, regulatory and environmental factors. Mobile data revenue grew by 56.8% to $ 115 Mn during the quarter as compared to $ 73 Mn in the corresponding quarter last year. Mobile data revenue now represents 10.1% of the total mobile revenue during the quarter as compared to 6.6% in the corresponding quarter last year. Net revenue, after netting off inter-connect costs and cost of goods, increased by 7.5% in constant currency terms.

Opex increased by 10.8% to $ 631 Mn as compared to $ 570 Mn in the corresponding quarter last year, primarily on account of investments in network and sales & marketing costs. Consequently, EBITDA during the quarter at $ 270 Mn is significantly lower compared to $ 301 Mn in the corresponding quarter last year. Depreciation and amortization charges have reduced to $ 206 Mn compared to $ 226 Mn in the corresponding quarter last year mainly due to the impact of "assets held for sale". EBIT for the quarter was lower at $ 63 Mn as compared to $ 75 Mn in the corresponding quarter last year, mainly due to the reduced EBITDA. After accounting for the finance costs and taxes, the net loss for the quarter was $ 124 Mn as compared to a loss of $ 46 Mn in the corresponding quarter last year, mainly due to forex losses.

Capital expenditure during the quarter was $ 265 Mn for African operations. The operating free cash flows stood at $ 5 Mn, as against $ 148 Mn in the corresponding quarter last year, representing the impact of the stepped-up capex. Investments are mostly directed towards enhancing capabilities.

5.4 Bharti's Three Line Graph

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

The parameters considered for the three-line graph are:

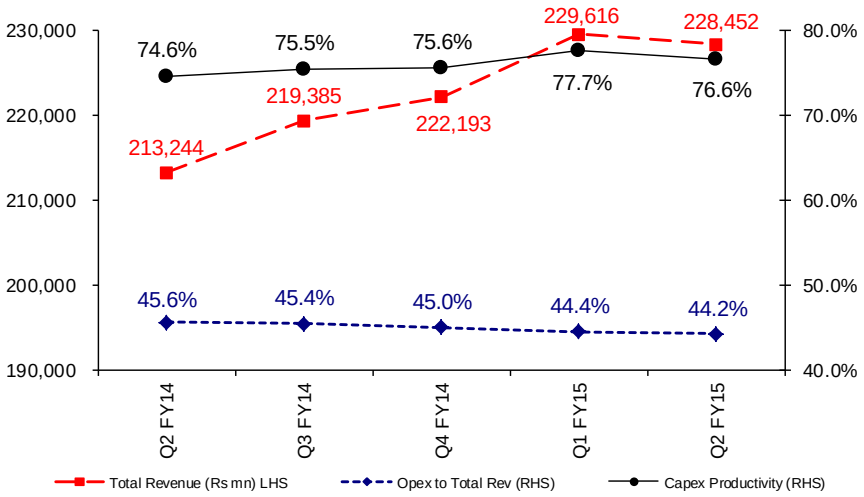
1. Total Revenues i.e. absolute turnover/sales

2. Opex Productivity – this is computed by dividing operating expenses by the total revenues for the respective period. Operating expenses is the sum of (i) employee costs (ii) network operations costs and (iii) selling, general and administrative costs. This ratio depicts the operational efficiencies in the Company

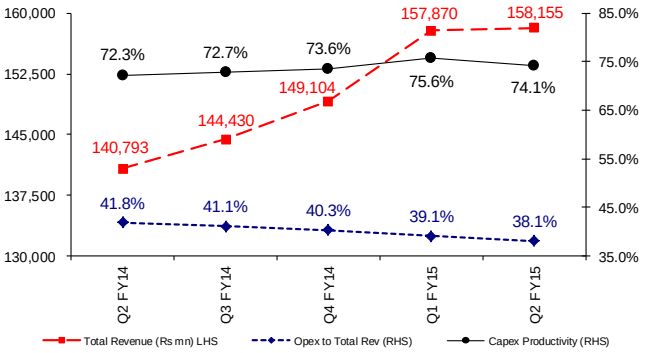
3. Capex Productivity – this is computed by dividing revenue for the quarter (annualized) by gross cumulative capex (gross fixed assets and capital work in progress) till date i.e. the physical investments made in the assets creation of the Company. This ratio depicts the asset productivity of the Company.

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

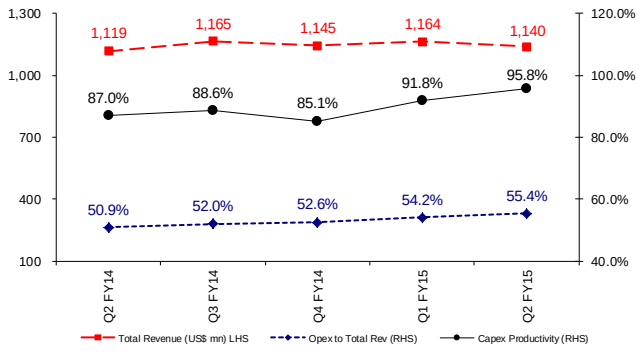
5.4.1 Bharti Airtel Consolidated



5.4.2 Bharti Airtel - India



5.4.3 Bharti Airtel – Africa



SECTION 6

STOCK MARKET HIGHLIGHTS

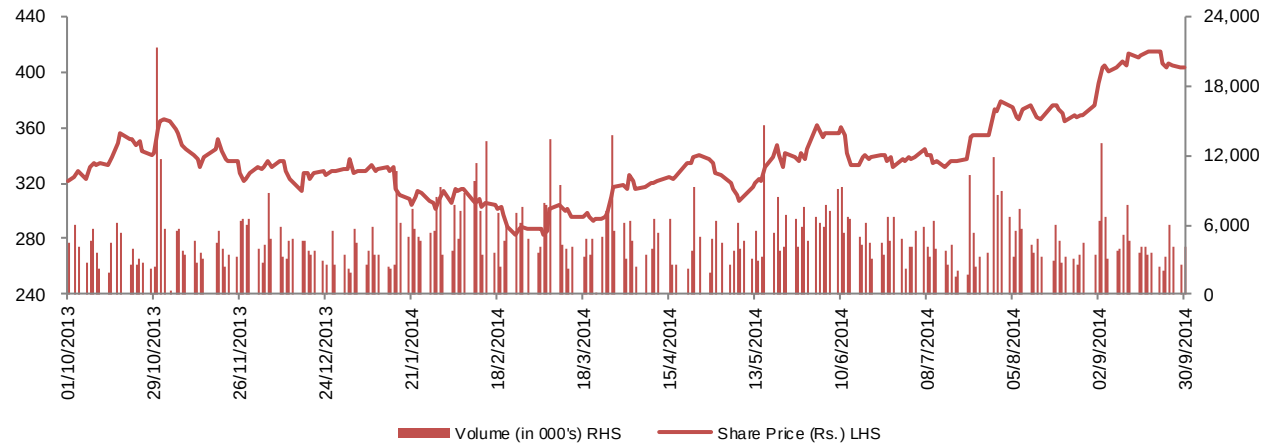
6.1 General Information

Shareholding and Financial Data	Unit	
Code/Exchange		532454/BSE
Bloomberg/Reuters		BHARTI IN/BRTI.BO
No. of Shares Outstanding (30/09/14)	Mn Nos	3,997.40
Closing Market Price - BSE (30/09/14)	Rs /Share	404.25
Combined Volume (NSE & BSE) (01/10/13 - 30/09/14)	Nos in Mn/day	5.01
Combined Value (NSE & BSE) (01/10/13 - 30/09/14)	Rs Mn /day	1,691.79
Market Capitalization	Rs Bn	1,616
Market Capitalization	US$ Bn	26.23
Book Value Per Equity Share	Rs /share	153.89
Market Price/Book Value	Times	2.63
Enterprise Value	Rs Bn	2,238
Enterprise Value	US$ Bn	36.32
Enterprise Value/ EBITDA (LTM)	Times	7.50
P/E Ratio (LTM)	Times	39.74

6.2 Summarized Shareholding pattern as of September 30, 2014

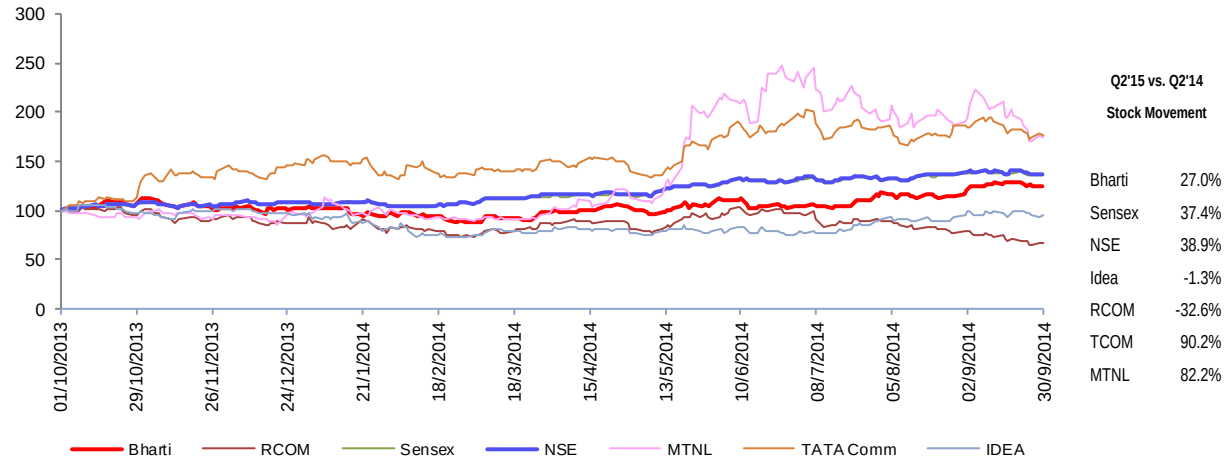
Category	Number of Shares	%
Promoter & Promoter Group		
Indian	1,747,545,460	43.72%
Foreign	865,673,286	21.66%
Sub total	**2,613,218,746**	**65.37%**
Public Shareholding		
Institutions	1,003,191,057	25.10%
Non-institutions	380,990,299	9.53%
Sub total	**1,384,181,356**	**34.63%**
Total	**3,997,400,102**	**100.00%**

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



Source: Bloomberg

6.4 Comparison of Domestic Telecom Stock movement with Sensex and Nifty



Source: Bloomberg

SECTION 7

DETAILED FINANCIAL AND RELATED INFORMATION

7.1 Extracts from Audited Consolidated Financial Statements prepared in accordance with International Financial Reporting Standards (IFRS)

7.1.1 Consolidated Statement of Income

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Six Months Ended		
	Sep-14	Sep-13	Y-on-Y Growth	Sep-14	Sep-13	Y-on-Y Growth
Revenue	228,452	213,244	7%	458,068	415,883	10%
Other operating income	165	184	-10%	604	540	12%
Operating expenses	(151,564)	(144,699)	5%	(304,341)	(282,185)	8%
Depreciation & amortisation	(38,530)	(39,394)	-2%	(78,895)	(77,864)	1%
Profit / (Loss) from operations	**38,523**	**29,335**	**31%**	**75,436**	**56,374**	**34%**
Share of results of Joint Ventures / Associates	1,709	1,652		3,287	2,474	
Profit / (Loss) before interest and tax	**40,232**	**30,987**	**30%**	**78,723**	**58,848**	**34%**
Finance income	3,325	846	293%	9,487	2,525	276%
Finance costs	(12,383)	(16,957)	-27%	(28,110)	(30,312)	-7%
Other expenses	(1,206)	(408)	195%	(1,284)	(468)	175%
Exceptional (expenses) / income, net	(1,750)	(819)		(3,570)	1,433	
Profit / (Loss) before tax	**28,218**	**13,649**	**107%**	**55,246**	**32,026**	**73%**
Income tax income / (expense)	(14,765)	(8,634)	71%	(30,091)	(18,318)	64%
Net income / (loss) for the period	**13,453**	**5,015**	**168%**	**25,155**	**13,708**	**84%**
Income Attributable to :						
Equity holders of the parent	**13,832**	**5,120**	**170%**	**24,917**	**12,009**	**107%**
Non controlling interests	(379)	(105)	261%	238	1,699	-86%
Net Income / (Loss)	13,453	5,015	168%	25,155	13,708	84%
Earning Per Share						
Basic, profit attributable to equity holders of parent (In Rs)	3.46	1.28		6.24	3.07	
Diluted, profit attributable to equity holders of parent (In Rs)	3.46	1.28		6.23	3.07	

7.1.2 Consolidated Statement of Comprehensive Income

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Six Months Ended		
	Sep-14	Sep-13	Y-on-Y Growth	Sep-14	Sep-13	Y-on-Y Growth
Net income / (loss) for the period	13,453	5,015	168%	25,155	13,708	84%
Other comprehensive income:						
Items that may be reclassfied subsequently to profit or loss:						
Exchange differences on translation of foreign operations	(14,345)	9,895	-245%	(15,754)	21,309	-174%
Income tax effect	0	0		0	(150)	100%
Gains/(losses) on hedges of net investment	11,643	0		11,643	0	
Income tax effect	0	0		0	0	
	(2,702)	9,895	-127%	(4,111)	21,158	-119%
Items that will not be reclassfied to profit or loss:						
Re-measurement gains/(losses) on defined benefit plans	(93)	(20)	369%	(84)	(170)	-51%
Income tax effect	21	7	200%	18	32	-44%
	(72)	(13)	462%	(66)	(138)	-52%
Other comprehensive income / (loss) for the period, net of tax	**(2,774)**	**9,882**	**-128%**	**(4,177)**	**21,020**	**-120%**
Total comprehensive income / (loss) for the period, net of tax	**10,679**	**14,897**	**-28%**	**20,978**	**34,728**	**-40%**
Total comprehensive income / (loss) attributable to :						
Equity holders of the parent	**11,434**	**15,244**	**-25%**	**20,812**	**33,658**	**-38%**
Non controlling interests	(755)	(347)	118%	166	1,070	-84%
Total Comprehensive Income / (Loss)	**10,679**	**14,897**	**-28%**	**20,978**	**34,728**	**-40%**

7.1.3 Consolidated Statement of Financial Position

Amount in Rs Mn

Particulars	As at Sep 30, 2014	As at Sep 30, 2013	As at Mar 31, 2014
Assets			
Non-current assets			
Property, plant and equipment	573,972	615,313	596,429
Intangible assets	872,404	786,013	809,716
Investment in joint ventures / associates	47,482	56,224	56,702
Investment (non-current)	36,461	35,647	36,341
Derivative financial assets	2,507	4,140	2,761
Other financial assets	18,602	14,926	17,330
Other non - financial assets	27,718	23,267	26,009
Deferred tax asset	61,277	66,039	62,627
	1,640,423	**1,601,569**	**1,607,915**
Current assets			
Inventories	1,308	1,662	1,422
Trade and other receivable	66,654	52,474	62,441
Derivative financial assets	2,649	1,768	819
Prepayments and other assets	37,931	33,599	29,656
Income tax recoverable	6,000	6,404	9,319
Short term investments	72,901	58,229	62,265
Other financial assets	9,132	6,723	8,127
Cash and cash equivalents	15,941	30,819	49,808
	212,516	**191,678**	**223,857**
Assets of disposal group classified as held for sale	30,875	0	0
	243,392	**191,678**	**223,857**
Total assets	**1,883,814**	**1,793,247**	**1,831,772**
Equity and liabilities			
Equity			
Issued capital	19,987	19,987	19,987
Treasury shares	(242)	(478)	(342)
Share premium	123,456	123,456	123,456
Retained earnings / (deficit)	445,984	421,459	437,167
Foreign currency translation reserve	(20,816)	(10,783)	(16,777)
Other components of equity	46,772	34,115	34,069
Equity attributable to equity holders of parent	**615,141**	**587,756**	**597,560**
Non-controlling interest	44,461	41,265	42,102
Total equity	**659,602**	**629,021**	**639,662**
Non-current liabilities			
Borrowing	594,684	562,929	549,919
Deferred revenue	14,920	12,508	14,010
Provisions	8,082	9,234	10,044
Derivative financial liabilities	1,214	5,308	4,313
Deferred tax liability	13,187	14,572	16,850
Other financial liabilities	90,493	21,718	27,464
Other non - financial liabilities	1,467	2,441	1,460
	724,047	**628,710**	**624,060**
Current liabilities			
Borrowing	82,590	181,508	209,039
Deferred revenue	46,775	44,584	44,899
Provisions	2,172	1,895	1,725
Other non - financial liabilities	24,003	20,095	15,277
Derivative financial liabilities	475	1,381	1,097
Income tax liabilities	12,384	7,960	12,032
Trade & other payables	328,417	278,093	283,981
	496,816	**535,516**	**568,050**
Liabilities of disposal group classified as held for sale	3,349	0	0
	500,165	**535,516**	**568,050**
Total liabilities	**1,224,212**	**1,164,226**	**1,192,110**
Total equity and liabilities	**1,883,814**	**1,793,247**	**1,831,772**

7.1.4 Consolidated Statement of Cash Flows

Amount in Rs Mn

Particulars	Quarter Ended		Six Months Ended	
	Sep-14	Sep-13	Sep-14	Sep-13
Cash flows from operating activities				
Profit before tax	**28,218**	**13,649**	**55,246**	**32,026**
Adjustments for -				
Depreciation and amortization	38,530	39,394	78,895	77,864
Finance income	(3,325)	(846)	(9,487)	(2,525)
Finance cost	12,383	16,957	28,110	30,312
Share of results of Joint ventures / associates	(1,709)	(1,652)	(3,287)	(2,474)
Exceptional items	0	0	0	(2,252)
Amortization of stock based compensation	(56)	(85)	(24)	(116)
Other non-cash items	122	(45)	52	(324)
Operating cash flow before changes in assets and liabilities	**74,163**	**67,372**	**149,505**	**132,511**
Trade & other receivables and prepayments	(5,800)	5,217	(17,958)	11,442
Inventories	472	(63)	94	(332)
Trade and other payables	11,350	(4,334)	35,717	29,240
Change in provision	366	477	402	2,757
Other financial and non financial liabilities	857	589	(1,220)	2,141
Other financial and non financial assets	(4,408)	31,659	(6,081)	(2,403)
Cash generated from operations	**77,000**	**100,917**	**160,459**	**175,356**
Interest received	523	255	977	1,409
Dividend from mutual funds	127	105	394	429
Dividend received	2,692	0	12,202	2,200
Income tax paid	(11,237)	(9,168)	(17,878)	(14,642)
Net cash inflow from operating activities	**69,105**	**92,109**	**156,154**	**164,752**
Cash flows from investing activities				
Purchase of property, plant and equipment	(36,949)	(27,645)	(66,373)	(73,633)
Proceeds from sale of property, plant and equipment 16	576	(2,005)	1,732	3,772
Purchase of intangible assets	(4,846)	(4,831)	(11,807)	(6,469)
Short term investments (Net)	11,791	20,266	(3,980)	(27,381)
Purchase of non-current investments	(2,171)	(2,500)	(2,528)	(2,500)
Sale of non-current investments	1,029	0	1,618	0
Investment in subsidiary, net of cash acquired	0	(747)	0	(3,675)
Demerger of subsidiary	0	0	0	(8,009)
Investment in associate / joint venture	0	0	(10)	0
Loan to associates	(89)	(30,505)	(154)	(30,219)
Net cash outflow from investing activities	**(30,659)**	**(47,967)**	**(81,502)**	**(148,114)**
Cash flows from financing activities				
Proceeds from issuance of borrowings	73,352	22,853	252,365	100,446
Repayment of borrowings	(110,359)	(65,228)	(339,826)	(149,926)
Short term borrowings (net)	265	4,843	465	4,843
Repayment of loan to joint venture	0	0	(9,173)	0
Interest paid	(7,264)	(10,192)	(16,621)	(20,149)
Proceeds from exercise of stock options	32	13	115	26
Dividend paid (including tax) to Company's shareholders	(16,034)	(4,439)	(16,034)	(4,439)
Dividend paid (including tax) to non - controlling interests	(5,297)	(1,772)	(5,297)	(1,904)
Proceeds from issuance of equity shares to institutional investor	0	0	0	67,956
Sale of interest in a subsidiary to non-controlling interest	21,230	0	21,230	0
Payment of long term liability / acquisition of non-controlling interest	0	0	0	(3,828)
Net cash inflow / (outflow) from financing activities	**(44,075)**	**(53,922)**	**(112,776)**	**(6,975)**
Net (decrease) / increase in cash and cash equivalents[13] during the period	**(5,629)**	**(9,780)**	**(38,124)**	**9,663**
Effect of exchange rate changes on cash and cash equivalents	46	(826)	(429)	(910)
Add : Balance as at the beginning of the period	6,605	20,671	46,180	1,312
Balance as at the end of the period	**1,022**	**10,065**	**7,627**	**10,065**

Note 13: Cash and Cash Equivalents is including bank overdraft.

7.2 Schedules to Financial Statements

7.2.1 India

7.2.1.1 Schedule of Operating Expenses

Amount in Rs Mn

Particulars	Quarter Ended		Six Months Ended	
	Sep-14	Sep-13	Sep-14	Sep-13
Access charges	19,749	17,780	38,515	36,920
Licence fees, revenue share & spectrum charges	17,320	14,744	34,930	29,501
Network operations costs	37,073	35,299	73,463	69,498
Cost of goods sold	421	166	688	480
Employee costs	5,669	5,493	11,151	11,081
Selling, general and adminstration expense	17,527	18,113	37,325	36,166
Operating Expenses	**97,758**	**91,594**	**196,073**	**183,646**

7.2.1.2 Schedule of Depreciation & Amortization

Amount in Rs Mn

Particulars	Quarter Ended		Six Months Ended	
	Sep-14	Sep-13	Sep-14	Sep-13
Depreciation	21,315	20,635	42,926	42,514
Amortization	3,299	3,233	6,584	6,417
Depreciation & Amortization [14]	**24,614**	**23,868**	**49,510**	**48,931**

Note 14: Depreciation and Amortization reported above for the six months ended Sep-13, excludes the impact of exceptional items.

7.2.1.3 Schedule of Income Tax

Amount in Rs Mn

Particulars	Quarter Ended		Six Months Ended	
	Sep-14	Sep-13	Sep-14	Sep-13
Current tax expense	11,780	4,754	20,538	10,048
Deferred tax expense / (income)	(2,616)	(60)	(1,787)	(682)
Dividend distribution tax	346	179	640	179
Income tax expense [15]	**9,510**	**4,873**	**19,391**	**9,545**

Note 15: Income tax expense reported above for the six months ended Sep-13, excludes the impact of exceptional items.

7.2.2 South Asia

7.2.2.1 Schedule of Operating Expenses

Amount in Rs Mn

Particulars	Quarter Ended		Six Months Ended	
	Sep-14	Sep-13	Sep-14	Sep-13
Access charges	541	787	1,270	1,428
Licence fees, revenue share & spectrum charges	367	434	753	816
Network operations costs	1,326	1,254	2,664	2,432
Cost of goods sold	40	81	114	121
Employee costs	335	370	649	646
Selling, general and adminstration expense	1,177	1,346	2,473	2,579
Operating Expenses	**3,786**	**4,273**	**7,924**	**8,022**

7.2.2.2 Schedule of Depreciation & Amortization

Amount in Rs Mn

Particulars	Quarter Ended		Six Months Ended	
	Sep-14	Sep-13	Sep-14	Sep-13
Depreciation	1,205	1,183	2,278	2,264
Amortization	243	132	479	224
Depreciation & Amortization	**1,448**	**1,315**	**2,757**	**2,487**

7.2.3 Africa

7.2.3.1 Schedule of Operating Expenses

Amount in US$ Mn

Particulars	Quarter Ended		Six Months Ended	
	Sep-14	Sep-13	Sep-14	Sep-13
Access charges	166	174	341	331
Licence fees, revenue share & spectrum charges	64	63	130	117
Network operations costs	217	202	444	405
Cost of goods sold	10	11	20	31
Employee costs	100	105	201	200
Selling, general and adminstration expense	314	263	616	516
Operating Expenses	**872**	**818**	**1,752**	**1,600**

7.2.3.2 Schedule of Depreciation & Amortization

Amount in US$ Mn

Particulars	Quarter Ended		Six Months Ended	
	Sep-14	Sep-13	Sep-14	Sep-13
Depreciation	162	181	355	352
Amortization	44	45	88	93
Depreciation & Amortization [16]	**206**	**226**	**443**	**445**

Note 16: Depreciation and Amortization reported above for the quarter ended and six months ended Sep-14 and Sep-13, excludes the impact of exceptional items.

7.2.3.3 Schedule of Income Tax

Amount in US$ Mn

Particulars	Quarter Ended		Six Months Ended	
	Sep-14	Sep-13	Sep-14	Sep-13
Current tax expense	47	41	103	91
Withholding taxes (WHT)	9	19	20	43
Deferred tax expense / (income)	31	3	44	(3)
Income tax expense [17]	**87**	**63**	**167**	**131**

Note 17: Income tax expense reported above for the quarter ended and six months ended Sep-14 and Sep-13, excludes the impact of exceptional items. Refer section 5.4.2 on "Exceptional Items" on page 24 for details.

7.3 Consolidated Schedule of Net Debt & Finance Cost

7.3.1 Schedule of Net Debt in INR

Amount in Rs Mn

Particulars	As at Sep 30, 2014	As at Sep 30, 2013	As at Mar 31, 2014
Long term debt, net of current portion	594,684	562,929	549,919
Short-term borrowings and current portion of long-term debt	82,590	181,508	209,039
Deferred payment liability	71,952	0	1,026
Less:			
Cash and Cash Equivalents	15,941	30,819	49,808
Restricted Cash	1,008	1,994	1,982
Restricted Cash, non-current	757	4,248	4,172
Investments	109,362	93,876	98,606
Net Debt	**622,158**	**613,500**	**605,416**

7.3.2 Schedule of Net Debt in US$

Amount in US$ Mn

Particulars	As at Sep 30, 2014	As at Sep 30, 2013	As at Mar 31, 2014
Long term debt, net of current portion	9,652	8,967	9,150
Short-term borrowings and current portion of long-term debt	1,340	2,891	3,478
Deferred payment liability	1,168	0	17
Less:			
Cash and Cash Equivalents	259	491	829
Restricted Cash	16	32	33
Restricted Cash, non-current	12	68	69
Investments	1,775	1,495	1,641
Net Debt	**10,098**	**9,773**	**10,074**

7.3.3 Schedule of Finance Cost

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		Six Months Ended	
	Sep-14	Sep-13	Sep-14	Sep-13
Interest on borrowings & Finance charges	9,870	10,608	20,386	21,023
Derivatives and exchange (gain)/ loss	2,187	3,419	5,193	8,758
Investment (income)/ loss	(2,999)	2,084	(6,956)	(1,993)
Finance cost (net)	**9,057**	**16,111**	**18,623**	**27,788**

7.4 Use of Non-GAAP Financial Information

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

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

Non – GAAP measure	Equivalent GAAP measure for IFRS	Location in this results announcement of reconciliation and further information
Earnings before Interest, Taxation, Depreciation and Amortization (EBITDA)	Profit / (Loss) from Operating Activities	Page 38
Cash Profit from Operations before Derivative & Exchange (Gain)/Loss	Profit / (Loss) from Operating Activities	Page 38
Capex	NA	NA
Operating Free Cash flow	NA	NA
Cumulative investments	NA	NA

7.4.1 Reconciliation of Non-GAAP financial information based on IFRS

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		Six Months Ended	
	Sep-14	Sep-13	Sep-14	Sep-13
Profit / (Loss) from Operating Activities To EBITDA				
Profit / (Loss) from Operating Activities	38,523	29,335	75,436	56,374
Add: Depreciation and Amortization	38,530	39,394	78,895	77,864
EBITDA	**77,053**	**68,729**	**154,331**	**134,238**
Reconciliation of Finance Cost				
Finance Cost	12,383	16,957	28,110	30,312
Finance Income	(3,325)	(846)	(9,487)	(2,525)
Finance Cost (net)	**9,058**	**16,111**	**18,623**	**27,787**
Profit / (Loss) from Operating Activities to Cash Profit from Operations before Derivative & Exchange Fluctuation				
Profit / (Loss) from Operating Activities	38,523	29,335	75,436	56,374
Add: Depreciation and Amortization	38,530	39,394	78,895	77,864
Less: Finance Cost (net)	9,058	16,111	18,623	27,787
Add: Derivatives and exchange (gain)/loss	2,187	3,419	5,193	8,758
Cash Profit from Operations before Derivative & Exchange Fluctuation	**68,976**	**55,629**	**139,618**	**114,741**

Section 8

TRENDS AND RATIO ANALYSIS

8.1 Based on Statement of Operations

Consolidated

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-14	Jun-14	Mar-14	Dec-13	Sep-13
Total revenues	**228,452**	**229,616**	**222,193**	**219,385**	**213,244**
Access charges	28,077	27,890	28,731	28,756	27,475
Cost of goods sold	988	937	968	1,367	897
Net revenues	**199,386**	**200,790**	**192,495**	**189,262**	**184,872**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	100,939	102,025	99,890	99,654	97,170
Licence Fee	21,559	21,925	19,831	18,823	19,157
EBITDA	**77,053**	**77,278**	**73,186**	**71,006**	**68,729**
Cash profit from operations before Derivative and Exchange Fluctuations	68,976	70,642	64,672	62,401	55,629
EBIT	38,524	36,913	33,741	31,819	29,336
Share of results of Joint Ventures/Associates	1,709	1,578	1,673	1,064	1,652
Profit before Tax	29,969	28,848	25,384	22,128	14,468
Net income	13,832	11,085	9,616	6,102	5,120
Capex	37,271	39,857	33,278	28,219	21,391
Operating Free Cash Flow (EBITDA - Capex)	39,783	37,422	39,908	42,787	47,338
Cumulative Investments	2,221,036	2,161,720	2,158,800	2,103,006	2,094,302

	Sep-14	Jun-14	Mar-14	Dec-13	Sep-13
As a % of Total revenues					
Access charges	12.3%	12.1%	12.9%	13.1%	12.9%
Cost of goods sold	0.4%	0.4%	0.4%	0.6%	0.4%
Net revenues	87.3%	87.4%	86.6%	86.3%	86.7%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	44.2%	44.4%	45.0%	45.4%	45.6%
Licence Fee	9.4%	9.5%	8.9%	8.6%	9.0%
EBITDA	33.7%	33.7%	32.9%	32.4%	32.2%
Cash profit from operations before Derivative and Exchange Fluctuations	30.2%	30.8%	29.1%	28.4%	26.1%
EBIT	16.9%	16.1%	15.2%	14.5%	13.8%
Share of results of JV / Associates	0.7%	0.7%	0.8%	0.5%	0.8%
Profit before tax	13.1%	12.6%	11.4%	10.1%	6.8%
Net income	6.1%	4.8%	4.3%	2.8%	2.4%

Refer Note 5, 6, on page 6

India & South Asia

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-14	Jun-14	Mar-14	Dec-13	Sep-13
Total revenues	**161,827**	**162,019**	**153,298**	**148,706**	**145,079**
Access charges	20,126	19,315	18,895	18,274	18,361
Cost of goods sold	461	341	438	536	247
Net revenues	**141,240**	**142,363**	**133,965**	**129,896**	**126,470**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	63,049	64,635	63,000	62,389	61,832
Licence Fee	17,687	17,996	16,141	15,484	15,178
EBITDA	**60,754**	**60,309**	**55,343**	**52,355**	**49,723**
EBIT	34,692	34,104	29,845	27,040	24,540
Profit before Tax	34,135	33,460	29,010	24,580	13,729
Net income (before exceptional items)	22,960	21,790	18,413	14,115	8,347
Capex	21,250	30,285	22,410	19,538	11,751
Operating Free Cash Flow (EBITDA - Capex)	39,505	30,024	32,933	32,817	37,972
Cumulative Investments	1,402,788	1,318,040	1,294,057	1,218,560	1,202,255

	Sep-14	Jun-14	Mar-14	Dec-13	Sep-13
As a % of Total revenues					
Access charges	12.4%	11.9%	12.3%	12.3%	12.7%
Cost of goods sold	0.3%	0.2%	0.3%	0.4%	0.2%
Net revenues	87.3%	87.9%	87.4%	87.4%	87.2%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	39.0%	39.9%	41.1%	42.0%	42.6%
Licence Fee	10.9%	11.1%	10.5%	10.4%	10.5%
EBITDA	37.5%	37.2%	36.1%	35.2%	34.3%
EBIT	21.4%	21.0%	19.5%	18.2%	16.9%
Profit before tax	21.1%	20.7%	18.9%	16.5%	9.5%
Net income	14.2%	13.4%	12.0%	9.5%	5.8%

Refer Note 7 on page 7

India

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-14	Jun-14	Mar-14	Dec-13	Sep-13
Total revenues	**158,155**	**157,870**	**149,104**	**144,430**	**140,793**
Access charges	19,749	18,766	18,366	17,613	17,780
Cost of goods sold	421	267	337	457	166
Net revenues	**137,985**	**138,837**	**130,401**	**126,360**	**122,847**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	60,269	61,671	60,095	59,380	58,905
Licence Fee	17,320	17,611	15,776	15,269	14,744
EBITDA	**60,647**	**60,134**	**55,047**	**52,042**	**49,459**
EBIT	36,033	35,238	30,928	28,168	25,591
Profit before Tax	35,665	35,168	30,699	26,274	15,041
Net income (before exceptional items)	24,499	23,481	20,119	15,826	9,677
Capex	20,588	29,470	20,312	17,421	10,429
Operating Free Cash Flow (EBITDA - Capex)	40,058	30,664	34,735	34,621	39,030
Cumulative Investments	1,336,906	1,254,975	1,231,352	1,155,724	1,140,587

	Sep-14	Jun-14	Mar-14	Dec-13	Sep-13
As a % of Total revenues					
Access charges	12.5%	11.9%	12.3%	12.2%	12.6%
Cost of goods sold	0.3%	0.2%	0.2%	0.3%	0.1%
Net revenues	87.2%	87.9%	87.5%	87.5%	87.3%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	38.1%	39.1%	40.3%	41.1%	41.8%
Licence Fee	11.0%	11.2%	10.6%	10.6%	10.5%
EBITDA	38.3%	38.1%	36.9%	36.0%	35.1%
EBIT	22.8%	22.3%	20.7%	19.5%	18.2%
Profit before tax	22.6%	22.3%	20.6%	18.2%	10.7%
Net income	15.5%	14.9%	13.5%	11.0%	6.9%

Refer Note 7 on page 7

South Asia

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-14	Jun-14	Mar-14	Dec-13	Sep-13
Total revenues	**3,893**	**4,371**	**4,488**	**4,466**	**4,537**
Access charges	541	729	764	791	787
Cost of goods sold	40	74	101	79	81
Net revenues	**3,312**	**3,568**	**3,623**	**3,596**	**3,668**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	2,838	2,949	2,963	3,068	2,970
Licence Fee	367	386	365	215	434
EBITDA	**107**	**233**	**296**	**313**	**264**
EBIT	(1,341)	(1,076)	(1,083)	(1,129)	(1,051)
Profit before Tax	(1,531)	(1,650)	(1,689)	(1,694)	(1,312)
Net income (before exceptional items)	(1,539)	(1,633)	(1,706)	(1,711)	(1,330)
Capex	661	815	2,098	2,117	1,323
Operating Free Cash Flow (EBITDA - Capex)	(554)	(582)	(1,802)	(1,804)	(1,059)
Cumulative Investments	65,883	63,066	62,705	62,836	61,669

Particulars	Quarter Ended				
	Sep-14	Jun-14	Mar-14	Dec-13	Sep-13
Exchange Fluctuation Impact					
Reported revenues (Rs Mn)	3,893	4,371	4,488	4,466	4,537
a. QoQ growth (%)	*-10.92%*	*-2.61%*	*0.50%*	*-1.57%*	*15.96%*
b. Impact of exchange fluctuation (%)) [18]	*0.83%*	*-2.76%*	*-0.79%*	*-0.97%*	*13.46%*
c. QoQ growth in constant currency (%) (a - b)	*-11.75%*	*0.16%*	*1.29%*	*-0.60%*	*2.49%*
Revenues in constant currency (Rs Mn)[19]	3,893	4,412	4,405	4,349	4,375

Note 18: Based on Q-o-Q variation and weighted on the revenues of each country for the current quarter
Note 19: Revenues for all prior periods restated at the average exchange rates of each country for the quarter ended Sep-14.

	Sep-14	Jun-14	Mar-14	Dec-13	Sep-13
As a % of Total revenues					
Access charges	13.9%	16.7%	17.0%	17.7%	17.4%
Cost of goods sold	1.0%	1.7%	2.2%	1.8%	1.8%
Net revenues	85.1%	81.6%	80.7%	80.5%	80.9%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	72.9%	67.5%	66.0%	68.7%	65.5%
Licence Fee	9.4%	8.8%	8.1%	4.8%	9.6%
EBITDA	2.8%	5.3%	6.6%	7.0%	5.8%
EBIT	-34.4%	-24.6%	-24.1%	-25.3%	-23.2%
Profit before tax	-39.3%	-37.8%	-37.6%	-37.9%	-28.9%
Net income	-39.5%	-37.4%	-38.0%	-38.3%	-29.3%

Africa

In INR:

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-14	Jun-14	Mar-14	Dec-13	Sep-13
Total revenues	**68,956**	**69,685**	**70,623**	**72,298**	**70,258**
Access charges	10,037	10,456	11,408	11,903	10,949
Cost of goods sold	625	595	540	831	656
Net revenues	**58,295**	**58,634**	**58,675**	**59,564**	**58,653**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	38,166	37,752	37,179	37,597	35,706
Licence Fee	3,872	3,929	3,690	3,339	3,979
EBITDA	**16,310**	**16,958**	**17,850**	**18,652**	**19,004**
EBIT	3,842	2,797	3,904	4,779	4,793
Profit before Tax	(4,155)	(4,624)	(3,616)	(2,450)	739
Net income (before exceptional items)	(7,536)	(8,200)	(6,453)	(5,798)	(2,884)
Capex	16,021	9,571	10,868	8,681	9,640
Operating Free Cash Flow (EBITDA - Capex)	289	7,386	6,981	9,971	9,365
Cumulative Investments	818,247	843,679	864,744	884,446	892,046

	Sep-14	Jun-14	Mar-14	Dec-13	Sep-13
As a % of Total revenues					
Access charges	14.6%	15.0%	16.2%	16.5%	15.6%
Cost of goods sold	0.9%	0.9%	0.8%	1.1%	0.9%
Net revenues	84.5%	84.1%	83.1%	82.4%	83.5%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	55.3%	54.2%	52.6%	52.0%	50.8%
Licence Fee	5.6%	5.6%	5.2%	4.6%	5.7%
EBITDA	23.7%	24.3%	25.3%	25.8%	27.0%
EBIT	5.6%	4.0%	5.5%	6.6%	6.8%
Profit before tax	-6.0%	-6.6%	-5.1%	-3.4%	1.1%
Net income	-10.9%	-11.8%	-9.1%	-8.0%	-4.1%

Refer Note 7 on page 7

Africa

In USD:

Amount in US$ Mn, except ratios

Particulars	Quarter Ended				
	Sep-14	Jun-14	Mar-14	Dec-13	Sep-13
Total revenues	**1,140**	**1,164**	**1,145**	**1,165**	**1,119**
Access charges	166	175	185	192	174
Cost of goods sold	10	10	9	13	11
Net revenues	**964**	**979**	**951**	**960**	**934**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	631	630	602	606	570
Licence Fee	64	66	60	54	63
EBITDA	**270**	**283**	**290**	**300**	**301**
EBIT	63	47	64	77	75
Profit before Tax	(69)	(77)	(58)	(40)	11
Net income (before exceptional items)	(124)	(137)	(105)	(94)	(46)
Capex	265	160	176	140	154
Operating Free Cash Flow (EBITDA - Capex)	5	123	114	160	148
Cumulative Investments	13,280	14,039	14,388	14,289	14,210

Particulars	Quarter Ended				
	Sep-14	Jun-14	Mar-14	Dec-13	Sep-13
Exchange Fluctuation Impact					
Reported revenues (US$ Mn)	1,140	1,164	1,145	1,165	1,119
a. QoQ growth (%)	*-2.00%*	*1.66%*	*-1.76%*	*4.11%*	*5.36%*
b. Impact of exchange fluctuation (%)) [20]	*-1.79%*	*-1.39%*	*-0.94%*	*-0.22%*	*0.14%*
c. QoQ growth in constant currency (%) (a - b)	*-0.22%*	*3.05%*	*-0.82%*	*4.34%*	*5.22%*
Revenues in constant currency (US$ Mn)[21]	1,140	1,143	1,109	1,118	1,072

Note 20: Based on Q-o-Q variation and weighted on the revenues of each country for the current quarter.
Note 21: Revenues for all prior periods restated at the average exchange rates of each country for the quarter ended Sep-14.

	Sep-14	Jun-14	Mar-14	Dec-13	Sep-13
As a % of Total revenues					
Access charges	14.6%	15.0%	16.2%	16.5%	15.6%
Cost of goods sold	0.9%	0.9%	0.8%	1.1%	0.9%
Net revenues	84.5%	84.1%	83.1%	82.4%	83.5%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	55.4%	54.2%	52.6%	52.0%	50.9%
Licence Fee	5.6%	5.6%	5.2%	4.6%	5.7%
EBITDA	23.6%	24.3%	25.3%	25.8%	26.9%
EBIT	5.6%	4.0%	5.6%	6.6%	6.7%
Profit before tax	-6.0%	-6.6%	-5.1%	-3.5%	0.9%
Net income from operations	-10.9%	-11.8%	-9.1%	-8.0%	-4.1%

Refer Note 7 on page 7

8.2 Financial Trends of Business Operations

Mobile Services India

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-14	Jun-14	Mar-14	Dec-13	Sep-13
Total revenues	**126,342**	**127,525**	**120,836**	**116,446**	**113,541**
EBITDA	46,115	47,073	42,174	39,791	38,036
EBITDA / Total revenues	*36.5%*	*36.9%*	*34.9%*	*34.2%*	*33.5%*
EBIT	28,983	29,514	25,420	23,145	21,417
Capex	14,890	22,879	12,901	13,529	7,228
Operating Free Cash Flow (EBITDA - Capex)	31,225	24,194	29,273	26,262	30,807
Cumulative Investments	983,232	906,159	878,872	809,910	796,425

Telemedia Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-14	Jun-14	Mar-14	Dec-13	Sep-13
Total revenues	**11,160**	**10,705**	**10,242**	**9,869**	**9,757**
EBITDA	4,481	3,947	3,816	3,574	3,617
EBITDA / Total revenues	*40.2%*	*36.9%*	*37.3%*	*36.2%*	*37.1%*
EBIT	2,132	1,756	1,420	1,278	1,404
Capex	1,029	689	1,932	823	810
Operating Free Cash Flow (EBITDA - Capex)	3,452	3,258	1,884	2,751	2,807
Cumulative Investments	80,244	79,225	79,315	77,293	76,500

Digital TV Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-14	Jun-14	Mar-14	Dec-13	Sep-13
Total revenues	**6,263**	**5,915**	**5,415**	**5,384**	**5,072**
EBITDA	1,529	1,438	967	972	646
EBITDA / Total revenues	*24.4%*	*24.3%*	*17.9%*	*18.1%*	*12.7%*
EBIT	(677)	(625)	(1,107)	(1,079)	(1,472)
Capex	2,255	2,627	1,779	1,109	1,042
Operating Free Cash Flow (EBITDA - Capex)	(726)	(1,189)	(811)	(137)	(396)
Cumulative Investments	51,356	47,977	46,468	44,712	43,613

Airtel Business

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-14	Jun-14	Mar-14	Dec-13	Sep-13
Total revenues	**17,037**	**16,111**	**16,305**	**16,195**	**16,825**
EBITDA	4,080	3,223	3,661	4,139	3,243
EBITDA / Total revenues	*23.9%*	*20.0%*	*22.5%*	*25.6%*	*19.3%*
EBIT	2,487	1,755	2,136	2,676	1,844
Capex	328	115	700	242	142
Operating Free Cash Flow (EBITDA - Capex)	3,752	3,108	2,962	3,896	3,101
Cumulative Investments	49,708	48,574	48,279	44,612	44,719

Tower Infrastructure Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Sep-14	Jun-14	Mar-14	Dec-13	Sep-13
Total revenues	**13,744**	**13,328**	**13,060**	**12,592**	**12,602**
EBITDA	6,305	6,073	6,340	5,344	5,421
EBITDA / Total revenues	*45.9%*	*45.6%*	*48.5%*	*42.4%*	*43.0%*
EBIT	3,579	3,368	3,774	2,739	2,722
Share of results of Joint ventures / Associates	1,728	1,596	1,691	1,179	1,322
Capex	2,054	2,667	2,939	1,679	1,193
Operating Free Cash Flow (EBITDA - Capex)	4,251	3,405	3,401	3,665	4,228
Cumulative Investments	167,914	168,454	174,336	171,720	171,864

Others

Amount in Rs Mn

Particulars	Quarter Ended				
	Sep-14	Jun-14	Mar-14	Dec-13	Sep-13
Total revenues	**725**	**779**	**835**	**707**	**767**
EBITDA	(567)	(361)	(444)	(583)	(290)
EBIT	(445)	(488)	(434)	(583)	(289)
Capex	74	530	140	44	50
Operating Free Cash Flow (EBITDA - Capex)	(641)	(891)	(584)	(627)	(340)
Cumulative Investments	4,451	4,585	4,081	7,476	7,466

8.3 Based on Statement of Financial Position

Consolidated

Amount in Rs Mn, except ratios

Particulars	As at				
	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013
Equity attributable to equity holders of parent	615,141	606,977	597,560	592,597	587,756
Net Debt	622,158	577,443	605,416	576,430	613,500
Net Debt (US$ Mn)	10,098	9,609	10,074	9,313	9,773
Capital Employed = Equity attributable to equity holders of parent + Net Debt	1,237,299	1,184,420	1,202,976	1,169,027	1,201,256

	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013
Return on Equity attributable to equity holders of parent (LTM)	6.8%	5.4%	4.8%	4.2%	3.7%
Return on Capital Employed (LTM)	6.7%	6.6%	6.5%	6.4%	6.3%
Net Debt to EBITDA (LTM) - US$	2.06	2.04	2.19	2.05	2.20
Net Debt to EBITDA (Annualised) - US$	1.98	1.86	2.12	2.03	2.23
Assets Turnover ratio (LTM)	70.4%	70.2%	69.0%	68.2%	67.8%
Interest Coverage ratio (times)	9.08	8.55	7.83	7.61	7.43
Net debt to Equity attributable to equity holders of parent (Times)	1.01	0.95	1.01	0.97	1.04
Per share data (for the period)					
Net profit/(loss) per common share (in Rs)	3.46	2.77	2.41	1.53	1.28
Net profit/(loss) per diluted share (in Rs)	3.46	2.77	2.41	1.53	1.28
Book Value Per Equity Share (in Rs)	153.9	151.8	149.5	148.2	147.0
Market Capitalization (Rs Bn)	1,616	1,347	1,275	1,321	1,272
Enterprise Value (Rs Bn)	2,238	1,924	1,880	1,897	1,886

8.4 Operational Performance – India

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013
Total Customers Base	**000's**	**224,664**	**222,149**	**217,887**	**210,675**	**205,367**
Mobile Services						
Customer Base	000's	211,752	209,411	205,519	198,513	193,457
VLR	%	95.8%	95.0%	96.0%	95.3%	95.1%
Net Additions	000's	2,341	3,892	7,006	5,057	2,508
Pre-Paid (as a % of total Customer Base)	%	94.7%	94.9%	95.1%	95.3%	95.4%
Monthly Churn	%	3.1%	2.7%	2.4%	2.7%	3.2%
Average Revenue Per User (ARPU)	Rs	198	202	196	195	192
Average Revenue Per User (ARPU)	US$	3.3	3.4	3.2	3.1	3.1
Revenue per site per month	Rs	295,645	301,594	287,897	279,871	272,979
Revenues						
Total Revenues	Rs Mn	126,342	127,525	120,835	116,446	113,541
Mobile Services	Rs Mn	124,696	126,058	119,113	114,389	110,617
Others	Rs Mn	1,646	1,467	1,721	2,056	2,924
Voice						
Minutes on the network	Mn	263,905	270,827	264,843	255,030	251,322
Voice Average Revenue Per User (ARPU)	Rs	158	166	162	162	161
Voice Usage per customer	min	418	435	437	434	437
Voice Realization per minute	paisa	37.69	38.08	37.16	37.23	36.79
Non Voice Revenue						
% of Mobile Services	%	20.2%	18.2%	17.4%	17.0%	16.4%
Of Which						
Messaging & VAS as % of Mobile Services	%	5.4%	5.5%	5.6%	6.1%	6.7%
Data as % of Mobile Services	%	14.5%	12.4%	11.5%	10.6%	9.4%
Others as % of Mobile Services	%	0.4%	0.3%	0.3%	0.3%	0.3%
Data						
Data Customer Base	000's	40,108	39,320	35,605	31,898	28,039
Of which no. of 3G data customers	*000's*	*15,445*	*12,535*	*10,255*	*8,806*	*7,438*
As % of Customer Base	*%*	*18.9%*	*18.8%*	*17.3%*	*16.1%*	*14.5%*
Total MBs on the network	Mn MBs	67,668	55,610	47,655	39,932	34,624
Data Average Revenue Per User (ARPU)	Rs	150	139	133	137	129
Data Usage per customer	MBs	563	495	464	450	429
Data Realization per MB	paisa	26.67	28.04	28.62	30.38	29.99
Telemedia Services						
Telemedia Customers	000's	3,372	3,350	3,356	3,355	3,338
Of which no. of Broadband (DSL) customers	*000's*	*1,479*	*1,462*	*1,462*	*1,455*	*1,439*
As % of Customer Base	*%*	43.9%	43.6%	43.6%	43.4%	43.1%
Net Additions	000's	22	(6)	1	17	49
Average Revenue Per User (ARPU)	Rs	1,024	1,010	963	954	944
Average Revenue Per User (ARPU)	US$	16.9	16.9	15.6	15.4	15.1
Non Voice Revenue as % of Telemedia Revenues	%	63.2%	63.0%	61.7%	60.4%	59.1%
Digital TV						
Digital TV Customers	000's	9,540	9,388	9,012	8,807	8,572
Net additions	000's	151	376	205	235	120
Average Revenue Per User (ARPU)	Rs	220	214	203	207	198
Average Revenue Per User (ARPU)	US$	3.6	3.6	3.3	3.3	3.2
Monthly Churn	%	1.1%	0.6%	0.9%	0.8%	1.0%

8.5 Traffic Trends – India

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013
Mobile Services	Mn Min	263,905	270,827	264,843	255,030	251,322
Telemedia Services	Mn Min	4,363	4,172	4,122	4,075	4,209
National Long Distance Services	Mn Min	28,447	28,036	28,583	27,310	25,045
International Long Distance Services	Mn Min	3,686	3,741	4,103	3,606	3,406
Total Minutes on Network (Gross)	**Mn Min**	**300,401**	**306,776**	**301,651**	**290,020**	**283,983**
Eliminations	Mn Min	(28,734)	(28,321)	(28,866)	(27,516)	(24,631)
Total Minutes on Network (Net)	**Mn Min**	**271,667**	**278,456**	**272,786**	**262,505**	**259,352**

8.6 Network and Coverage Trends - India

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013
Mobile Services						
Census Towns	Nos	5,121	5,121	5,121	5,121	5,121
Non-Census Towns & Villages	Nos	462,199	461,449	460,783	460,655	460,550
Population Coverage	%	86.8%	86.8%	86.7%	86.7%	86.7%
Optic Fibre Network	R Kms	188,793	186,341	184,211	178,884	175,405
Sites on Network	Nos	141,290	139,894	138,755	137,069	135,412
Of which no. of 3G sites	*Nos*	*38,055*	*34,564*	*31,301*	*28,179*	*26,616*
Telemedia Services						
Cities covered	Nos	87	87	87	87	87
Airtel Business						
Submarine cable systems	Nos	7	7	7	7	7
Digital TV Services						
Districts Covered	Nos	639	639	639	639	639
Coverage	%	100%	100%	100%	100%	100%

8.7 Tower Infrastructure Services

8.7.1 Bharti Infratel Standalone

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013
Total Towers	Nos	36,381	36,112	35,905	35,515	35,376
Total Co-locations	Nos	72,597	70,544	69,137	66,871	65,391
Key Indicators						
Sharing Revenue per sharing operator per month	Rs	37,264	37,428	37,591	36,955	38,819
Average Sharing Factor	Times	1.97	1.94	1.90	1.87	1.84

Additional Information

8.7.2 Indus Towers

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013
Total Towers	Nos	114,101	113,490	113,008	112,615	112,144
Total Co-locations	Nos	242,079	237,562	233,488	229,760	225,252
Average Sharing Factor	Times	2.11	2.08	2.05	2.02	2.00

8.7.3 Bharti Infratel Consolidated

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013
Total Towers	Nos	84,303	83,778	83,368	82,813	82,476
Total Co-locations	Nos	174,270	170,320	167,202	163,370	159,997
Average Sharing Factor	Times	2.05	2.02	1.99	1.96	1.93

8.8 Human Resource Analysis - India

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013
Total Employees [12]	Nos	18,846	18,870	18,975	19,014	19,502
Number of Customers per employee	Nos	11,921	11,773	11,483	11,080	10,531
Personnel Cost per employee per month	Rs	100,264	96,846	92,747	96,925	93,888
Gross Revenue per employee per month	Rs	2,797,320	2,788,736	2,619,305	2,531,999	2,406,470

Refer Note 12 on page 16.

8.9 South Asia

8.9.1 Operational Performance

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013
Customer Base	000's	7,678	8,650	8,618	8,426	8,342
VLR	%	87.8%	83.7%	84.5%	84.5%	82.9%
Net Additions	000's	(972)	32	192	84	317
Pre-Paid (as % of total Customer Base)	%	97.3%	97.2%	97.2%	97.2%	97.3%
Monthly Churn	%	7.3%	5.2%	5.1%	5.5%	6.0%
Average Revenue Per User (ARPU)	Rs	160	168	174	177	185
Revenue per site per month	Rs	187,812	211,538	219,352	223,610	230,301
Voice						
Minutes on the network	Mn	8,554	10,280	10,345	10,518	10,673
Voice Average Revenue Per User (ARPU)	Rs	125	138	143	148	158
Voice Usage per customer	min	351	396	402	417	436
Voice Realization per minute	paisa	35.62	34.87	35.68	35.54	36.19
Non Voice Revenue						
% of Mobile revenues	%	21.7%	18.0%	17.7%	16.3%	14.8%
Of Which						
Messaging & VAS as % of Mobile revenues	%	8.6%	8.1%	7.5%	7.3%	7.2%
Data as % of Mobile revenues	%	10.2%	7.6%	6.8%	6.6%	5.4%
Others as % of Mobile revenues	%	2.9%	2.3%	3.4%	2.4%	2.2%
Data						
Data Customer Base	000's	2,922	3,001	3,079	2,773	2,376
As % of Customer Base	*%*	*38.1%*	*34.7%*	*35.7%*	*32.9%*	*28.5%*
Total MBs on the network	Mn MBs	2,356	2,098	1,832	1,497	1,278
Data Average Revenue Per User (ARPU)	Rs	45	38	35	39	36
Data Usage per customer	MBs	266	238	209	198	184
Data Realization per MB	paisa	16.88	15.84	16.52	19.56	19.32

8.9.2 Operational Performance (in constant currency)

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013
Average Revenue Per User (ARPU)	Rs	169	170	170	172	175
Voice Average Revenue Per User (ARPU)	Rs	157	139	140	144	149
Voice Realization per minute	paisa	42.29	35.19	35.01	34.60	34.89

8.9.3 Network and Coverage Trends

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013
Sites on Network	Nos	6,935	6,885	6,814	6,633	6,583
Of which no. of 3G sites	*Nos*	*2,350*	*2,105*	*1,986*	*1,684*	*684*

8.9.4 Human Resource Analysis

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013
Total Employees	Nos	818	783	791	794	764
Number of Customers per employee	Nos	9,387	11,047	10,895	10,612	10,919
Personnel Cost per employee per month	Rs	149,831	146,535	170,859	161,656	174,028
Gross Revenue per employee per month	Rs	1,586,530	1,860,852	1,891,159	1,874,727	1,979,440

8.10 Africa

8.10.1 Operational Performance

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013
Customer Base	000's	71,367	69,086	69,443	68,307	66,378
VLR	%	85.7%	86.6%	86.9%	86.5%	86.8%
Net Additions	000's	2,281	(357)	1,136	1,929	2,175
Pre-Paid (as % of total Customer Base)	%	99.3%	99.3%	99.3%	99.3%	99.3%
Monthly Churn	%	6.1%	7.0%	6.1%	6.7%	6.6%
Average Revenue Per User (ARPU)	US$	5.4	5.6	5.5	5.8	5.7
Revenue per site per month	US$	21,283	21,628	21,406	21,993	21,247
Voice						
Minutes on the network	Mn	28,966	28,256	28,155	28,270	27,848
Voice Average Revenue Per User (ARPU)	US$	4.1	4.4	4.4	4.7	4.7
Voice Usage per customer	min	138	136	136	141	143
Voice Realization per minute	US¢	3.00	3.23	3.23	3.31	3.30
Non Voice Revenue						
% of Mobile revenues	%	23.8%	21.5%	20.5%	19.6%	17.9%
Of Which						
Messaging & VAS as % of Mobile revenues	%	9.8%	9.2%	9.7%	9.3%	8.8%
Data as % of Mobile revenues	%	10.1%	8.8%	7.7%	7.4%	6.6%
Others as % of Mobile revenues	%	3.9%	3.5%	3.1%	3.0%	2.5%
Data						
Data Customer Base	000's	26,365	23,650	22,305	19,634	17,535
As % of Customer Base	*%*	*36.9%*	*34.2%*	*32.1%*	*28.7%*	*26.4%*
Total MBs on the network	Mn MBs	8,061	6,541	6,114	5,383	4,215
Data Average Revenue Per User (ARPU)	US$	1.5	1.5	1.4	1.6	1.5
Data Usage per customer	MBs	105	96	96	99	85
Data Realization per MB	US¢	1.43	1.56	1.44	1.59	1.74

8.10.2 Operational Performance (in constant currency)

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013
Average Revenue Per User (ARPU)	US$	5.4	5.5	5.4	5.6	5.5
Voice Average Revenue Per User (ARPU)	US$	4.1	4.3	4.3	4.5	4.5
Voice Realization per minute	US¢	3.00	3.17	3.13	3.18	3.16

8.10.3 Network and Coverage Trends

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013
Sites on Network	Nos	17,935	17,781	17,792	17,565	17,444
Of which no. of 3G sites	*Nos*	*8,104*	*7,165*	*6,923*	*6,675*	*6,237*

8.10.4 Human Resource Analysis

Parameters	Unit	Sep 30, 2014	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013
Total Employees	**Nos**	**5,340**	**5,284**	**5,127**	**4,917**	**5,022**
Number of Customers per employee	Nos	13,365	13,075	13,545	13,892	13,218
Personnel Cost per employee per month	US$	6,222	6,415	6,344	6,499	6,984
Gross Revenue per employee per month	US$	71,174	73,400	74,414	78,979	74,271

Section 9

KEY ACCOUNTING POLICIES AS PER IFRS

1. Investment in Joint Ventures and Associated

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. 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 and that is neither a subsidiary nor an interest in a joint venture. 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.

The results and assets and liabilities of associates or joint ventures are accounted for using the equity method of accounting. Under the equity method, an investment in an associate or a joint venture is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter for post-acquisition changes in the Group's share of the net assets of the joint venture or associate, less any impairment in the value of the investments. Losses of a joint venture or an associate in excess of the Group's interest in that joint venture or associate are not recognised. Additional losses are provided for, and a liability is recognised, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture or associate. The financial statements of the joint venture or associate are prepared for the same reporting period as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group. Goodwill relating to the joint venture or associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

2. Property and equipment

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

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

Assets	Years
Building	20
Network Equipment	3-20
Computer equipment	3
Office, furniture and equipment	2 – 5
Vehicles	3 – 5
Leasehold improvements	Remaining period of the lease or 10/20 years, as applicable, whichever is less
Assets individually costing Rs. 5 thousand or less	1
Customer premises equipment	5 – 6

Land is not depreciated. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Gains and losses arising from retirement or disposal of property and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated statement of comprehensive income on the date of retirement and disposal.

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

3. Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognized at the date of acquisition. Goodwill on acquisition of subsidiaries is disclosed separately. Goodwill arising on accounting for jointly controlled entities or entities in which the Group exercises significant influence is included in investments in the related associates/jointly controlled entities.

Goodwill is initially recognized as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each date of statement of financial position. Goodwill is not subject to amortization but is tested for impairment annually and when circumstances indicate, the carrying value may be impaired. Negative goodwill arising on an acquisition is recognized directly in the statement of comprehensive income.

On disposal of a subsidiary or a jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss recognized in the statement of comprehensive income on disposal.

Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash- generating unit is less than their carrying amount an impairment loss is

recognized. Impairment losses relating to goodwill are not reversed in future periods.

4. Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Gains or losses resulting from foreign currency transactions are included in the consolidated statement of comprehensive income.

The assets and liabilities of foreign operations are translated into functional currency of parent (i.e. INR) at the rate of exchange prevailing at the reporting date and their statements of comprehensive income are translated at average exchange rates prevailing during the period. The exchange differences arising on the translation are recognized in 'foreign currency translation reserve (FCTR)'. Exchange differences arising on a monetary item that forms part of Group entity's net investment in a foreign operation is recognized in profit or loss in the separate financial statements of the Group entity or the individual financial statements of the foreign operation, as appropriate. In the consolidated financial statements, such exchange differences are recognized in other comprehensive income. On disposal of a foreign operation (reduction in percentage ownership interest), the component of FCTR relating to that particular foreign operation is recognized in the statement of comprehensive income.

The Company hedges certain net investment in foreign subsidiaries. Any foreign exchange gain or loss on the hedging instrument relating to the effective portion of the hedge is recognized in other comprehensive income to offset the change in the value of the net investment being hedged. The ineffective portion of these hedges is immediately recognized in the income statement.

5. Capital leases

Lessee accounting

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized in the statement of comprehensive income.

Amortization of leased assets is computed on straight line basis over the shorter of useful life of the assets or remaining lease period. Amortization charge for capital leases is included in depreciation expense for the period.

Lessor accounting

Assets leased to others under capital leases are recognized as receivables at an amount equal to the net investment in the leased assets. The finance income is recognized based on periodic rate of return on the net investment of the lessor outstanding in respect of the capital lease.

6. Indefeasible right to use (IRU)

The Group enters into agreements for leasing assets under 'Indefeasible right to use' with third parties. Under the arrangement the assets are taken or given on lease over the substantial part of the asset life. However the title to the assets and associated risks are retained by the lessor. Hence, such arrangements are recognized as operating lease. Direct expenditures incurred in connection with agreements are capitalized and expensed over the term of the agreement.

The contracted price is received in advance and is recognized as revenue during the period of the agreement. Unearned IRU revenue net of the amount recognizable within one year is disclosed as unearned income in non-current liabilities and the amount recognizable within one year as unearned income in current liabilities.

Exchange of network capabilities with other telecommunication service providers are recorded as non-monetary transactions and measured at the carrying amount of capacities relinquished, as these exchanges are for similar productive assets used to provide telecommunication services to customers.

7. Impairment of long – lived assets and intangible assets

The Group reviews its long-lived assets, including identifiable intangibles with finite lives, for impairment whenever events or changes in business circumstances indicate that the carrying amount of assets may not be fully recoverable. Such circumstances include, though are not limited to, significant or sustained declines in revenues or earnings and material adverse changes in the economic climate. For assets that the Group intends to hold for use, if the total of the expected future undiscounted cash flows produced by the asset or asset Group is less than the carrying amount of the assets, a loss is recognized for the difference between the fair value and carrying value of the assets. For assets the Group intends to dispose of by sale, a loss is recognized for the amount by which the estimated fair value, less cost to sell, is less than the carrying value of the assets. Fair value is determined based on quoted market prices, if available, or other valuation techniques including discounted future net cash flows.

8. Revenue recognition

(i) Service revenues

Service revenues include amounts invoiced for usage charges, fixed monthly subscription charges and VSAT/ internet usage charges, roaming charges, activation fees, processing fees and fees for value added services ('VAS'). Service revenues also include revenues associated with access and interconnection for usage of the telephone network of other operators for local, domestic long distance and international calls.

Service revenues are recognized as the services are rendered and are stated net of discounts, waivers and taxes. Revenues from pre-paid cards are recognized based on actual usage. Activation revenue and related activation costs, not exceeding the activation revenue, are deferred and amortized over the estimated customer relationship period. The excess of activation costs over activation revenue, if any, are expensed as incurred. Subscriber acquisition costs are expensed as incurred. On introduction of new prepaid products, processing fees on recharge coupons is being recognized over the estimated customer relationship period or coupon validity period, whichever is lower.

Service revenues from the internet and VSAT business comprise revenues from registration, installation and provision of internet and satellite services. Registration fee and installation charges are deferred and amortized over their expected customer relationship period of 12 months. Service revenue is recognized from the date of satisfactory installation of equipment and software at the customer site and provisioning of internet and satellite services. Revenue from prepaid dialup packs is recognized on an actual usage basis and is net of sales returns and discounts.

Revenues from national and international long distance operations comprise revenue from provision of voice services which are recognized on completion of services while revenue from provision of bandwidth services is recognized over the period of arrangement.

Unbilled receivables represent revenues recognized from the bill cycle date to the end of each month. These are billed in subsequent periods based on the terms of the billing plans.

Unearned income includes amounts received in advance on pre-paid cards and advance monthly rentals on post-paid. The related services are expected to be performed within the next operating cycle.

(ii) Equipment sales

Equipment sales consist primarily of revenues from sale of VSAT and internet equipment (hardware) and related accessories to subscribers. Equipment sales are treated as activation revenue and are deferred and amortized over the customer relationship period.

(iii) Multiple element arrangements

The Group has entered into certain multiple-element revenue arrangements. These arrangements involve the delivery or performance of multiple products, services or rights to use assets including VSAT and internet equipment, internet and satellite services, set top boxes and subscription fees on DTH, indefeasible right to use and hardware and equipment maintenance. The Group evaluates all deliverables in an arrangement to determine whether they represent separate units of accounting at the inception of the arrangement in accordance "Revenue Arrangements with Multiple Deliverables" applying the hierarchy in IAS 8.12.
Revenue is determined for each of the units of accounting on the basis of their fair values Arrangements involving the delivery of bundled products or services shall be separated into individual elements, each with own separate revenue contribution. Total arrangement consideration related to the bundled contract is allocated among the different elements based on their relative fair values (i.e., a ratio of the fair value of each element to the aggregated fair value of the bundled deliverables is generated). Where the Group has determined that the fair value of individual element is not ascertainable, equipment sales for these arrangements are deferred and amortized over the term of the arrangement.

9. License fees

Acquired licenses are shown at historical cost. Licenses acquired in a business combination are recognized at fair value at the acquisition date. License and spectrum entry fees are measured at cost less accumulated amortization. Amortization is charged to the statement of comprehensive income on a straight-line basis over the period of the license from the date of commencement of commercial operations in the respective jurisdiction and is disclosed as components of depreciation and amortization. The amortization period is determined primarily by reference to the unexpired license period.

Group's shares of licenses acquired under business combination are accounted for at their respective fair values as at the date of acquisition. The amounts are amortized on a straight-line basis over the remaining period of the license from the date of acquisition of respective circles.
The revenue-share fee on license and spectrum is computed as per the licensing agreement and is expensed as incurred.

10. Other intangible assets

Other intangible assets comprising enterprise resource planning software, bandwidth capacities, brands, customer relationships, distribution networks, licenses and non-compete clauses, are capitalized at the Group's share of respective fair values on the date of an acquisition. Amortization is charged to the statement of comprehensive income on a straight-line basis over the estimated useful lives of intangible assets from the date they are available for use or placed in service. The intangibles are amortized as follows:

- Software is amortized over the period of its license, not exceeding three years. Software up to Rs 500 thousand is amortized over a period of 1 year.
- Bandwidth capacities are amortized over the period of the agreement.
- Brand: Over the period of their expected benefits, not exceeding the life of the licenses and are written off in their entirety when no longer in use.
- Distribution network : Overestimated useful life
- Customer base: The estimated life of such relationships.

11. Income-taxes

Income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, and is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences, except:

- Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the reporting date, in the countries where the Group operates and generates taxable income.

12. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. The interest cost incurred for funding a qualifying asset during the construction period is capitalized based on actual investment in the asset at the average interest rate. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds.

13. Derivative financial instruments

The Group enters into derivative instruments, including interest rate swaps and foreign currency forward contracts, to manage interest rate movements of its debt obligations and foreign currency exposures related to the import of equipment used in operations and its foreign currency denominated debt instruments.

All derivative instruments are recorded on the balance sheet at their fair value. Changes in the fair value of derivatives are recorded each period in current earnings or in other comprehensive income, depending on whether a derivative is designated as part of a hedging relationship and, if it is, depending on the type of hedging relationship.

14. Asset Retirement Obligations

Asset retirement obligations (ARO) are provided for those operating lease arrangements where the Group has a binding 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 using discounted cash flows and are recognized as part of the cost of that particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of comprehensive income as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

15. Allowance for uncollectible accounts receivable

The allowance for uncollectible accounts receivable reflects management's best estimate of probable losses inherent in the accounts receivable balance. Management primarily determines the allowance based on the aging of accounts receivable balances and historical write-off experience, net of recoveries. The Group provides for amounts outstanding net of security deposits, or in specific cases where management is of the view that the amounts are not recoverable. Amounts due from debtors that have been outstanding, though fully provided, are evaluated on a regular basis by the management and are written off, if as a result of such evaluation, it is determined that these amounts will not be collected.

16. Issuance of Stock by Subsidiaries

At the time a subsidiary sells its stock to unrelated parties at a price less than or in excess of its book value, the resultant change in the Company's interest in the net assets of that subsidiary is recognized directly in consolidated statement of changes in equity.

Section 10

GLOSSARY

Technical and Industry Terms

Company Related	
3G	Third Generation of Mobile Telephony.
3G Customers	Customer who made at least one revenue generating call or a data session of more than zero Kbs on 3G network in the last 30 days
3G Data Customers	A customer who used at least one data session of more than zero Kbs on 3G network in the last 30 days
Average Revenue per User (ARPU)	Average revenue per customer per month is computed by: dividing the total revenues (including sale of goods) during the relevant period by the average customers; and dividing the result by the number of months in the relevant period.
Asset Turnover	Asset Turnover is defined as total revenues, for the preceding (last) 12 months from the end of the relevant period, divided by average assets. Asset is defined as the sum of non-current assets and net current assets. Net current assets are computed by subtracting current liabilities from current assets. Average assets are calculated by considering average of quarterly average for the preceding (last) four quarters from the end of the relevant period.
Average Customers	Average customers are derived by computing the average of the monthly average customers for the relevant period.
Average Co-locations	Average co-locations are derived by computing the average of the Opening and Closing co-locations for the relevant period.
Average Sharing Factor	It is calculated as the average of the opening and closing number of co-locations divided by the average of the opening and closing number of towers for the relevant period.
Average Towers	Average towers are derived by computing the average of the Opening and Closing towers for the relevant period
Bn	Billion
Book Value Per Equity Share	Total stockholder's equity as at the end of the relevant period divided by outstanding equity shares as at the end of the relevant period.
Capex	It includes investment in gross fixed assets and capital work in progress for the period.
Capital Employed	Capital Employed is defined as sum of equity attributable to equity holders of parent and net debt.
Cumulative Investments	Cumulative Investments comprises of gross value of property, plant & equipment (including CWIP & capital advances) and intangibles including investment in associates.
Cash Profit From Operations before Derivative & Exchange Fluctuation	It is not an IFRS measure and is defined as operating income adjusted for depreciation and amortization, pre-operating costs, interest expense and interest income before adjusting for derivative & exchange (gain)/ loss.
Churn	Churn is calculated by dividing the total number of disconnections during the relevant period by the average customers; and dividing the result by the number of months in the relevant period.
Co-locations	Co-location is the total number of sharing operators at a tower, and where there is a single operator at a tower, 'co-location' refers to that single operator. Co-locations as referred to are revenue generating Co-locations.

Customer Base	Customer who made at least one revenue generating call or a data session of more than zero Kbs on 2G / 3G / 4G network in the last 30 days.
Customers Per Employee	Number of customers on networks of a business unit as at end of the relevant period divided by number of employees in the respective business unit as at end of the relevant period.
Data as % of Mobile Revenue	It is computed by dividing the 'data' revenues by the total revenues of mobile services for the relevant period. Data revenue includes revenue from use of data session on GPRS / 3G / 4G including blackberry.
Data ARPU	Average revenue per data customer per month is computed by: dividing the total data revenues during the relevant period by the average data customers; and dividing the result by the number of months in the relevant period.
Data Customer Base	India: A customer who used at least 1 MB on GPRS / 3G / 4G network in the last 30 days. South Asia / Africa: A customer who used at least one data session of more than 0 Kbs on GPRS / 3G network in the last 30 days.
Data Usage per Customer	It is calculated by dividing the total MBs consumed on the network during the relevant period by the average data customer base; and dividing the result by the number of months in the relevant period.
Data Realization per MB	It is computed by dividing the Data revenues by total MBs consumed on the network.
DTH / Digital TV Services	Direct to Home broadcast service
Earnings Per Basic Share.	It is computed by dividing net income attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. The calculation of Net Profit/ (loss) per diluted share adjusts net profit or loss and the weighted average number of ordinary shares outstanding, to give effect to all dilutive potential ordinary shares that were outstanding during the year.
Earnings Per Diluted Share	Net profit or loss attributable to ordinary shareholders is adjusted for the after-tax effect of the following: (1) dividends on potential ordinary shares (for example, dilutive convertible preferred shares); (2) interest recognized on potential ordinary shares (for example, dilutive convertible debt); and (3) any other changes in income or expense resulting from the conversion of dilutive potential ordinary shares (e.g., an entity's contribution to its non-discretionary employee profit-sharing plan may be revised based on changes in net profit due to the effects of items discussed above).
EBITDA	Earnings/ (loss) before interest, taxation, depreciation and amortization. It is not a IFRS measure and is defined as operating income adjusted for depreciation and amortization and pre-operating costs.
EBITDA Margin	It is computed by dividing EBITDA for the relevant period by total revenues for the relevant period.
EBIT	Earnings / (Loss) before interest, taxation for the relevant period.
Enterprise Valuation (EV)	Calculated as sum of Market Capitalization plus Net Debt as at the end of the relevant period.
EV / EBITDA (times)	Computed by dividing Enterprise Valuation as at the end of the relevant period (EV) by EBITDA for the relevant period (LTM).
Gross Revenue per Employee per month	It is computed by dividing the Gross Revenue (net of inter-segment eliminations) by the closing number of employees in a given business unit and number of months in the relevant period.
ILD	International Long Distance Services.
Intangibles	Comprises of goodwill, software, bandwidth, one-time entry fee paid towards acquisition of licenses, distribution network and customer relationships.
Interest Coverage Ratio	EBITDA for the relevant period divided by interest on borrowing for the relevant period.
IPTV	Internet Protocol TV. IPTV is the method of delivering and viewing television programmes using an IP transmission and service infrastructure, which can deliver digital television to the customers. IPTV when offered using an IP network and high speed broadband technology

	becomes interactive because of availability of return path and is capable of providing Video on Demand (VOD), time shifted television and many other exciting programmes.
KPI	Key Performance Indicators
LTM	Last twelve months.
Market Capitalization	Number of issued and outstanding shares as at end of the period multiplied by closing market price (BSE) as at end of the period.
Mn	Million
Messaging & VAS as % of Mobile Revenue	It is computed by dividing 'messaging and VAS' revenue by the total revenues of mobile services for the relevant period. Messaging revenue includes revenue from exchange of text or multimedia messages (MMS) as well as termination revenues from other operators. VAS revenue includes revenue from hello tunes, ring tones, music downloads etc.
MNP	Mobile Number Portability
MoU	Minutes of Usage. Duration in minutes for which a customer uses the network. It is typically expressed over a period of one month.
MPLS	Multi-Protocol Label Switching
Network Site	Comprises of Base Transmission System (BTS) which holds the radio transreceivers (TRXs) that define a cell and coordinates the radio links protocols with the mobile device. It includes all the Ground based, Roof top and In Building Solutions as at the end of the period.
Net Debt	It is not a IFRS measure and is defined as the long-term debt, net of current portion plus short-term borrowings and current portion of long-term debt minus cash and cash equivalents, short-term investments, restricted cash and restricted cash non-current as at the end of the relevant period. Restricted cash deducted does not include cash related to mobile commerce services which is restricted in use.
Net Debt to EBITDA (LTM)	It is computed by dividing net debt as at the end of the relevant period by EBITDA for preceding (last) 12 months from the end of the relevant period.
Net Debt to EBITDA (Annualized)	It is computed by dividing net debt as at the end of the relevant period by EBITDA for the relevant period (annualized).
Net Debt to Funded Equity Ratio	It is computed by dividing net debt as at the end of the relevant period by Equity attributable to equity holders of parent as at the end of the relevant period.
Net Income from operations	It is calculated by adding back the interest expense on loans taken for the Africa acquisition to the net income of Africa.
Net Revenues	It is not IFRS measure and is defined as total revenues adjusted for access charges and cost of goods sold for the relevant period.
NLD	National Long Distance Services.
Non Voice Revenue as % of total revenue	It is computed by dividing the total non-voice revenue of the Company (consolidated) by the total revenues for the relevant period. Non-voice revenues include Messaging & VAS and Data revenues for Mobile, VAS and Internet Revenues for Telemedia Services, Bandwidth and Internet Revenues for Airtel Business Services, Media & Broadcasting revenues for DTH Services, site sharing revenues, sale of goods etc.
Non Voice Revenue as % of Mobile Revenue	It is computed by dividing the total non voice revenue of mobile services by the total revenues of mobile services for the relevant period. Non voice revenue, which includes revenue from services other than voice i.e., Messaging & VAS (including SMS, GPRS, MMS, Ring Back Tone), Data, others etc.
Non Voice Revenue as % of Telemedia Revenue	It is computed by dividing the total non voice revenue of Telemedia services by the total revenues of Telemedia services for the relevant period. Non voice revenue for Telemedia services includes revenues from services such as DSL, Leaseline, MPLS, IPTV etc.
Others as % of Mobile Revenues	It is computed by dividing 'other' revenue by the total revenues of mobile services for the relevant period. Others include revenue from infrastructure sharing, sale of goods etc.

Operating Free Cash flow	It is computed by subtracting capex from EBITDA.
Personnel Cost per Employee per month	It is computed by dividing the Personnel Cost by the closing number of employees in a given business unit and number of months in the relevant period.
Price-Earnings Ratio – P/E Ratio	It is computed by dividing the closing market price (BSE) as at end of the relevant period by the earnings per basic share for the relevant period (LTM).
Profit / (Loss) after current tax expense	It is not an IFRS measure and is defined as Profit / (Loss) before taxation adjusted for current tax expense.
Return On Capital Employed (ROCE)	For the full year ended March 31, 2011, 2012 and 2013. ROCE is computed by dividing the sum of net profit and finance cost (net) for the period by average (of opening and closing) capital employed. For the quarterly computation, it is computed by dividing the sum of net profit and finance cost (net) for the preceding (last) 12 months from the end of the relevant period by average capital employed. Average capital employed is calculated by considering average of quarterly average for the preceding (last) four quarters from the end of the relevant period.
Return On Equity attributable to equity holders of parent	For the full year ended March 31, 2011, 2012 and 2013, it is computed by dividing net profit for the period by the average (of opening and closing) Equity attributable to equity holders of parent. For the quarterly computations, it is computed by dividing net profit for the preceding (last) 12 months from the end of the relevant period by the average Stockholder's equity for the preceding (last) 12 months. Average Stockholder's equity is calculated by considering average of quarterly average for the preceding (last) four quarters from the end of the relevant period.
Revenue per Site per month	Revenue per Site per month is computed by: dividing the total mobile revenues, excluding sale of goods (if any) during the relevant period by the average sites; and dividing the result by the number of months in the relevant period.
SA	South Asia
Sharing revenue per Sharing Operator per month	It is calculated on the basis of the total revenues less energy and other pass through accrued during the relevant period divided by the average number of co-locations for the period, determined on the basis of the opening and closing number of co-locations for the relevant period.
TD-LTE	Time Division – Long Term Evolution.
Total MBs on Network	Includes total MBs consumed on the network (uploaded & downloaded) on our network during the relevant period.
Towers	Infrastructure located at a site which is permitted by applicable law to be shared, including, but not limited to, the tower, shelter, diesel generator sets and other alternate energy sources, battery banks, air conditioners and electrical works. Towers as referred to are revenue generating Towers.
TSP	Telecom Service Provider
Total Operating Expenses	It is defined as sum of employee costs, network operations costs and selling, general and administrative cost for the relevant period.
VAS	Value Added Service
Voice Minutes on Network	Includes usage on our network (incoming, outgoing & in-roaming minutes) during the relevant period.
Voice ARPU	Voice Average revenue per customer per month is computed by: dividing the voice revenues during the relevant period by the average voice customers; and dividing the result by the number of months in the relevant period. Voice Revenues include airtime revenue from usage, processing fees, activation, roaming and termination charges from other operators.
Voice Minutes of Usage per Customer per month	It is calculated by dividing the voice minutes of usage on our network during the relevant period by the average customers; and dividing the result by the number of months in the relevant period.
Voice Realization per Minute	It is computed by dividing the voice revenues by voice minutes.

Regulatory	
BWA	Broadband Wireless Access
3G	Third - Generation Technology
4G	Fourth - Generation Technology
UCC	Unsolicited Commercial Calls
DoT	Department of Telecommunications
IP	Internet Protocol
ITFS	International Toll Free Service
QoS	Quality of Service
TDSAT	Telecom Disputes Settlement and Appellate Tribunal
TRAI	Telecom Regulatory Authority of India
UAS	Unified Access Service
UASL	Unified Access Service License
USSD	Unstructured Supplementary Services Data
VSAT	Very Small Aperture Terminals
VLR	Visitor Location Register
Others	
BSE	The Stock Exchange, Mumbai
CMAI	Communication Multimedia & Infrastructure
RBI	Reserve Bank of India
GSM	Global System for Mobile Communications.
CDMA	Code Division Multiple Access
DSL	Digital Subscriber Line
ICT	Information and Communication Technology
GAAP	Generally Accepted Accounting Principles
KYC	Know Your Customer
MMS	Multimedia Messaging Service
MTM	Mark to Market
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
NSE	The National Stock Exchange of India Limited.
Sensex	Sensex is a stock index introduced by The Stock Exchange, Mumbai in 1986.
SMS	Short Messaging Service.
BYOD	Bring Your Own Device

STB/CPE	Set Top Box/Customer Premises Equipment
DAS	Digital Addressable System
SIM	Subscriber Identity Module
VAT	Value Added Tax
IPLC	International Private Leased Circuit

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