bharti

January 24, 2017

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

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400001

Ref: Bharti Airtel Limited (532454 / BHARTIARTL)

Sub: Quarterly report for the third quarter (Q3) ended December 31, 2016

Dear Sir / Madam,

Pursuant to Regulation 30 and other applicable provisions of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, we are enclosing herewith the quarterly report for the third quarter (Q3) ended December 31, 2016 being released by the Company.

Kindly take the same on record.

Thanking you,

Sincerely yours,

For Bharti Airtel Limited

Rajendra Chopra
Sr. Vice President & Company Secretary

bharti

Quarterly report on the results for the third quarter and nine months ended December 31, 2016

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



January 24, 2017

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 "10.11 Key Accounting Policies as per Ind-AS"). South Asia financials reported in the quarterly report are in its presentation currency i.e. Rs.

Use of Certain Non-GAAP measures: - This result announcement contains certain information on the Company's results of operations and cash flows that have been derived from amounts calculated in accordance with Indian Accounting Standards (Ind-AS), but are not in themselves Ind-AS measures. They should not be viewed in isolation as alternatives to the equivalent Ind-AS measures and should be read in conjunction with the equivalent Ind-AS measures.
Further, disclosures are also provided under "7.3 Use of Non - GAAP Financial Information" on page 32

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), Indo Teleports Limited (Formerly Bharti Teleports Limited), SmartX Services Limited, Airtel Money Transfer Limited, Bharti Telemedia Limited (Bharti Telemedia), Bharti Airtel (USA) Limited, Bharti Airtel (UK) 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 Payments Bank Limited (Formerly known as 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 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., 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 Tanzania B.V., Bharti Airtel Uganda Holdings B.V., Bharti Airtel Zambia Holdings B.V., Airtel Congo S.A, Airtel Congo (RDC) S.A. (Formerly 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 S.a.r.l., 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 Ghana Limited, Airtel Mobile Commerce Kenya Limited, Airtel Money Niger S.A., Africa Towers N.V., Airtel Towers (Ghana) Limited, Malawi Towers Limited, Airtel Money S.A. (Gabon), Société Malgache de Telephonie Cellulaire SA, Airtel DTH Services Nigeria Limited, Airtel Money (RDC) S.A., Wynk Limited, Augere Wireless Broadband India Private Limited, Congo RDC Towers S.A., Gabon Towers S.A., Madagascar Towers S.A., Mobile Commerce Congo S.A., Tanzania Towers Limited, 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 Holdings B.V., Airtel Mobile Commerce Madagascar S.A., Airtel Mobile Commerce Uganda Limited, Airtel Rwanda Limited, Airtel Tchad S.A., Bharti Airtel Rwanda Holdings Limited (formerly known as 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 Mobile Commerce Tanzania Limited, Airtel Mobile Commerce Limited (Malawi), Bharti Airtel Nigeria B.V.

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

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SECTION 1

BHARTI AIRTEL – PERFORMANCE AT A GLANCE

Particulars	Unit	Full Year Ended			Quarter Ended				
		IFRS		Ind-AS	Ind-AS				
		2014	2015	2016	Dec-15	Mar-16	Jun-16	Sep-16	Dec-16
Operating Highlights									
Total Customer Base	000's	295,948	324,368	357,428	350,855	357,428	357,846	363,088	364,564
Total Minutes on Network	Mn Min	1,211,522	1,266,914	1,386,313	343,999	363,325	371,238	370,153	381,011
Network Sites	Nos	163,361	172,225	181,376	177,977	181,376	183,937	185,885	182,285
Total Employees	Nos	24,893	24,694	24,940	24,868	24,940	24,883	24,134	23,289
No. of countries of operation	Nos	20	20	20	20	20	19	18	17
Population Covered	Bn	1.99	2.02	2.03	2.02	2.03	2.00	2.00	1.87
Consolidated Financials (Rs Mn)									
Total revenues	Rs Mn	857,461	920,395	965,320	240,659	249,596	255,465	246,515	233,357
EBITDA	Rs Mn	278,430	314,517	341,682	84,749	91,881	95,913	94,662	85,705
EBIT	Rs Mn	121,933	158,571	166,215	40,972	43,193	45,343	45,042	36,748
Cash profit from operations before Derivative & Exchange Fluctuations	Rs Mn	241,813	285,280	289,083	70,857	76,095	79,414	77,240	67,508
Profit before tax	Rs Mn	78,105	115,662	106,723	29,466	29,076	28,467	27,353	20,595
Net income	Rs Mn	27,727	51,835	60,768	11,082	13,192	14,620	14,607	5,036
Capex	Rs Mn	105,843	186,682	205,919	55,082	60,574	49,252	52,875	58,537
Operating Free Cash Flow (EBITDA - Capex)	Rs Mn	172,587	127,834	135,762	29,667	31,308	46,661	41,786	27,168
Net Debt	Rs Mn	605,416	668,417	835,106	784,515	835,106	834,915	814,803	973,952
Shareholder's Equity	Rs Mn	597,560	619,564	667,693	652,129	667,693	642,886	641,388	631,431
Consolidated Financials (US$ Mn)									
Total Revenue [1]	US$ Mn	14,151	15,064	14,742	3,654	3,688	3,824	3,672	3,450
EBITDA [1]	US$ Mn	4,595	5,148	5,218	1,287	1,358	1,436	1,410	1,267
EBIT [1]	US$ Mn	2,012	2,595	2,538	622	638	679	671	543
Cash profit from operations before Derivative & Exchange Fluctuations [1]	US$ Mn	3,991	4,669	4,415	1,076	1,124	1,189	1,151	998
Profit before Tax [1]	US$ Mn	1,289	1,893	1,630	447	430	426	407	305
Net income [1]	US$ Mn	458	848	928	168	195	219	218	74
Capex [1]	US$ Mn	1,747	3,055	3,145	836	895	737	788	866
Operating Free Cash Flow (EBITDA - Capex)	US$ Mn	2,848	2,092	2,073	450	463	698	622	402
Net Debt [2]	US$ Mn	10,074	10,679	12,604	11,850	12,604	12,365	12,232	14,339
Shareholder's Equity [2]	US$ Mn	9,943	9,899	10,078	9,851	10,078	9,521	9,628	9,296
Key Ratios									
EBITDA Margin	%	32.5%	34.2%	35.4%	35.2%	36.8%	37.5%	38.4%	36.7%
EBIT Margin	%	14.2%	17.2%	17.2%	17.0%	17.3%	17.7%	18.3%	15.7%
Net Profit Margin	%	3.2%	5.6%	6.3%	4.6%	5.3%	5.7%	5.9%	2.2%
Net Debt to Funded Equity Ratio	Times	1.01	1.08	1.25	1.20	1.25	1.30	1.27	1.54
Net Debt to EBITDA (LTM) - US$ [3 & 4]	Times	2.19	2.08	2.46	2.34	2.46	2.37	2.28	2.69
Net Debt to EBITDA (Annualised) - US$ [3]	Times	2.12	2.06	2.38	2.36	2.38	2.21	2.22	2.91
Interest Coverage ratio	Times	7.58	8.43	7.06	6.75	6.51	5.87	5.63	4.94
Return on Shareholder's Equity [4]	%	5.0%	8.5%	9.4%	8.7%	9.4%	8.3%	8.2%	7.3%
Return on Capital employed [4]	%	6.1%	7.6%	8.3%	8.6%	8.4%	7.6%	7.4%	7.1%
Valuation Indicators									
Market Capitalization	Rs Bn	1,275	1,575	1,403	1,359	1,403	1,464	1,255	1,221
Market Capitalization	US$ Bn	21.2	25.2	21.2	20.5	21.2	21.7	18.8	18.0
Enterprise Value	Rs Bn	1,880	2,243	2,296	2,200	2,296	2,353	2,129	2,254
EV / EBITDA (LTM) [4]	Times	6.75	7.13	6.72	6.67	6.72	6.62	5.80	6.12
P/E Ratio (LTM) [4]	Times	45.44	30.36	23.08	24.93	23.08	26.97	23.46	25.72

Note 1: Average exchange rates used for Rupee conversion to US$ is (a) Rs 60.59 for the financial year ended March 31, 2014 (b) Rs 61.10 for the financial year ended March 31, 2015 (c) Rs 65.48 for the financial year ended March 31, 2016 (d) Rs 65.85 for the quarter ended December 31, 2015 (e) Rs 67.78 for the quarter ended March 31, 2016 (f) Rs 66.81 for the quarter ended June 30, 2016 (g) Rs 67.13 for the quarter ended September 30, 2016 (h) Rs 67.63 for the quarter ended December 31, 2016 based on the RBI Reference rate.
Note 2: Closing exchange rates used for Rupee conversion to US$ is (a) Rs 60.10 for the financial year ended March 31, 2014 (b) Rs 62.59 for the financial year ended March 31, 2015 (c) Rs 66.26 for the quarter ended March 31, 2016 (d) Rs 66.20 for the quarter ended December 31,2015 (e) Rs 66.26 for the quarter ended March 31,2016 (f) Rs 67.53 for the quarter ended June 30, 2016 (g) Rs 66.62 for the quarter ended September 30, 2016 (h) Rs 67.93 for the quarter ended December 31, 2016 being the RBI Reference rate.
Note 3: For calculation of this ratio, EBITDA is adjusted downwards to the extent of finance lease charges on towers in Africa.
Note 4: These ratios for quarter ended Dec-15 have not been re-instated to Ind-AS and are based on consolidated IFRS results
Note 5: Key Ratios computed using translated US$ values may yield different results in comparison with ratios computed using Rupee values.

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 17 countries representing India, Sri Lanka and 15 countries in Africa. As per United Nations data published on January 01, 2013, the population of these 17 countries represents around 24% of the world's population.

We provide telecom services under wireless and fixed line technology, national and international long distance connectivity and Digital TV; and complete integrated telecom solutions to our enterprise customers. All these services are rendered under a unified brand "airtel". 'Airtel Money' (known as 'Airtel Payments Bank' in India) extends our product portfolio to further our financial inclusion agenda and offers convenience of payments and money transfers on mobile phones over secure and stable platforms in India, and across all 15 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 Payments Bank) and other value added services using GSM mobile technology. Our distribution channel is spread across 1.5 Mn outlets with network presence in 7,892 census and 784,769 non-census towns and villages in India covering approximately 95.3% 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, having presence across the country except J&K, 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 223,607 Rkms of optical fiber.

Homes Services – The Company provides fixed-line telephone and broadband (DSL) services for homes 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.

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 535 channels including 55 HD channels, 6 international channels and 5 interactive services.

B2B Services:

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

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 230,000 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 90,255 telecom towers, which includes 38,997 of its own towers and the balance from its 42% equity interest in Indus Towers, makes it one of the largest tower infrastructure providers in the country with presence in all 22 telecom circles. The Company has been the industry pioneer in adopting green energy initiatives for its operations.

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

South Asia – South Asia represents our operations in Sri Lanka. In Sri Lanka, we operate across 25 administrative districts with distribution network of over 48 K retailers across the country. Our 3.5G services are present across major towns in Sri Lanka.

2.2.2 Africa

We are present in 15 countries across Africa, namely: Nigeria, Chad, Congo B, Democratic Republic of Congo, Gabon, Madagascar, Niger, Ghana, Kenya, Malawi, Seychelles, Tanzania, Uganda, Zambia and Rwanda. We offer post-paid, pre-paid, roaming, internet services, content, media & entertainment, and corporate solutions. 3G, 4G data and m-Commerce (Airtel Money) are the next growth engines for the Company in Africa. We offer 3G services, Airtel Money across all 15 countries and 4G services in 3 countries of 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, 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 Indian Accounting Standards (Ind-AS) and the underlying information.

Detailed financial statements, analysis & other related information is attached to this report (page 27 - 30). Also, kindly refer to Section 7.3 - use of Non - GAAP financial information (page 32) and Glossary (page 57) 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			Nine Months Ended		
	Dec-16	Dec-15	Y-on-Y Growth	Dec-16	Dec-15	Y-on-Y Growth
Total revenues	**233,357**	**240,659**	**-3%**	**735,337**	**715,725**	**3%**
EBITDA	85,705	84,749	1%	276,280	249,800	11%
EBITDA / Total revenues	*36.7%*	*35.2%*		*37.6%*	*34.9%*	
EBIT	36,748	40,972	-10%	127,132	123,023	3%
Finance cost (net)	19,357	14,166	37%	57,813	52,125	11%
Share of results of Joint Ventures/Associates	2,696	2,722	-1%	7,941	7,751	2%
Profit before tax [6]	20,595	29,466	-30%	76,414	77,647	-2%
Income tax expense [6]	12,883	13,951	-8%	37,287	41,783	-11%
Net income [7]	5,036	11,082	-55%	34,262	47,576	-28%
Capex	58,537	55,082	6%	160,664	145,346	11%
Operating Free Cash Flow (EBITDA - Capex)	27,168	29,667	-8%	115,616	104,455	11%
Cumulative Investments	2,891,535	2,654,062	9%	2,891,535	2,654,062	9%

Note 6: Profit before Tax and Income Tax expense reported above excludes the impact of exceptional items.
Note 7: Net Income reported above includes the impact of exceptional items. Refer section 5.3.2 on "Exceptional Items" on page 21 for details.

3.1.2 Consolidated Summarized Statement of Financial Position

Amount in Rs Mn

Particulars	As at Dec 31, 2016	As at Mar 31, 2016
Assets		
Non-current assets	2,182,188	2,028,680
Current assets	181,576	228,551
Total assets	**2,363,764**	**2,257,231**
Liabilities		
Non-current liabilities	1,003,242	952,446
Current liabilities	672,402	582,111
Total liabilities	**1,675,644**	**1,534,557**
Equity & Non Controlling Interests		
Equity	631,431	667,693
Non controlling interests	56,689	54,981
Total Equity & Non Controlling Interests	**688,120**	**722,674**
Total Equity and liabilities	**2,363,764**	**2,257,231**

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 Dec 2016			Quarter Ended Dec 2015			Nine Months Ended Dec 2016			Nine Months Ended Dec 2015		
	India SA	Africa	Total	India SA	Africa	Total	India SA	Africa	Total	India SA	Africa	Total
Total revenues	**182,392**	**53,559**	**233,357**	**180,837**	**62,506**	**240,659**	**573,992**	**169,100**	**735,337**	**536,457**	**186,821**	**715,725**
EBITDA	72,693	12,945	85,705	71,488	13,287	84,749	237,040	39,191	276,280	211,141	38,655	249,800
EBITDA / Total revenues	*39.9%*	*24.2%*	*36.7%*	*39.5%*	*213%*	*35.2%*	*413%*	*23.2%*	*37.6%*	*39.4%*	*20.7%*	*34.9%*
EBIT	33,500	3,180	36,748	39,050	1,947	40,972	120,826	6,259	127,132	119,095	3,924	123,023
Profit before tax [8]	23,048	(4,070)	20,595	31,239	(1,300)	29,466	85,115	(12,700)	76,414	93,705	(19,662)	77,647
Net income (before exceptional items)	**11,071**	**(6,204)**	**6,171**	**19,062**	**(4,870)**	**13,877**	**47,802**	**(17,507)**	**33,671**	**55,100**	**(25,660)**	**32,545**
Exceptional Items (net) [9]			1,135			2,794			(591)			(15,030)
Net income			**5,036**			**11,082**			**34,262**			**47,576**
Capex	54,171	4,366	58,537	42,983	12,099	55,082	142,012	18,651	160,664	113,071	32,275	145,346
Operating Free Cash Flow (EBITDA - Capex)	18,522	8,579	27,168	28,505	1,188	29,667	95,027	20,540	115,616	98,070	6,380	104,455
Cumulative Investments	2,307,154	584,381	2,891,535	1,917,449	736,614	2,654,062	2,307,154	584,381	2,891,535	1,917,449	736,614	2,654,062

Note 8: Profit before Tax reported above excludes the impact of exceptional items.
Note 9: Refer section 5.3.2 on "Exceptional Items" on page 21 for details.

3.2.2 Region wise Summarized Statement of Financial Position

Amount in Rs Mn

Particulars	As at Dec 31, 2016			
	India SA	Africa	Eliminations	Total
Assets				
Non-current assets	2,265,535	526,956	(610,304)	2,182,188
Current assets	96,751	90,402	(5,578)	181,576
Total assets	**2,362,286**	**617,358**	**(615,882)**	**2,363,764**
Liabilities				
Non-current liabilities	915,356	393,797	(305,911)	1,003,242
Current liabilities	527,060	150,975	(5,633)	672,402
Total liabilities	**1,442,416**	**544,772**	**(311,544)**	**1,675,644**
Equity & Non Controlling Interests				
Equity	846,778	88,990	(304,338)	631,431
Non controlling interests	73,092	(16,404)	0	56,689
Total Equity & Non Controlling Interests	**919,870**	**72,586**	**(304,338)**	**688,120**
Total Equity and liabilities	**2,362,286**	**617,358**	**(615,882)**	**2,363,764**

3.3 Segment wise Summarized Statement of Operations

3.3.1 India & South Asia

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-16	Dec-15	Y-on-Y Growth	Dec-16	Dec-15	Y-on-Y Growth
Total revenues	**182,392**	**180,837**	**1%**	**573,992**	**536,457**	**7%**
EBITDA	72,693	71,488	2%	237,040	211,141	12%
EBITDA / Total revenues	*39.9%*	*39.5%*		*413%*	*39.4%*	
EBIT	33,500	39,050	-14%	120,826	119,095	1%
Capex	54,171	42,983	26%	142,012	113,071	26%
Operating Free Cash Flow (EBITDA - Capex)	18,522	28,505	-35%	95,027	98,070	-3%
Cumulative Investments	2,307,154	1,917,449	20%	2,307,154	1,917,449	20%

3.3.2 India

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-16	Dec-15	Y-on-Y Growth	Dec-16	Dec-15	Y-on-Y Growth
Total revenues	**180,126**	**176,937**	**2%**	**563,861**	**525,155**	**7%**
EBITDA	72,518	71,884	1%	236,681	212,049	12%
EBITDA / Total revenues	*40.3%*	*40.6%*		*42.0%*	*40.4%*	
EBIT	34,238	40,939	-16%	124,407	124,210	0%
Capex	53,714	42,436	27%	140,735	110,215	28%
Operating Free Cash Flow (EBITDA - Capex)	18,804	29,448	-36%	95,946	101,835	-6%
Cumulative Investments	2,270,718	1,843,776	23%	2,270,718	1,843,776	23%

B2C Services

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

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-16	Dec-15	Y-on-Y Growth	Dec-16	Dec-15	Y-on-Y Growth
Total revenues	**138,365**	**139,750**	**-1%**	**436,243**	**414,293**	**5%**
EBITDA	52,553	54,362	-3%	178,921	160,412	12%
EBITDA / Total revenues	*38.0%*	*38.9%*		*410%*	*38.7%*	
EBIT	22,577	30,987	-27%	90,116	95,344	-5%
Capex	44,097	32,800	34%	113,093	86,195	31%
Operating Free Cash Flow (EBITDA - Capex)	8,456	21,562	-61%	65,828	74,217	-11%
Cumulative Investments	1,846,255	1,444,429	28%	1,846,255	1,444,429	28%

3.3.4 Homes Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-16	Dec-15	Y-on-Y Growth	Dec-16	Dec-15	Y-on-Y Growth
Total revenues	**7,025**	**6,343**	**11%**	**20,733**	**18,479**	**12%**
EBITDA	3,414	2,711	26%	9,675	7,850	23%
EBITDA / Total revenues	*48.6%*	*42.7%*		*46.7%*	*42.5%*	
EBIT	1,941	1,397	39%	5,189	4,150	25%
Capex	1,858	1,782	4%	6,591	3,781	74%
Operating Free Cash Flow (EBITDA - Capex)	1,555	929	67%	3,084	4,069	-24%
Cumulative Investments	63,676	58,504	9%	63,676	58,504	9%

3.3.5 Digital TV Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-16	Dec-15	Y-on-Y Growth	Dec-16	Dec-15	Y-on-Y Growth
Total revenues	**8,735**	**7,422**	**18%**	**25,649**	**21,338**	**20%**
EBITDA	3,026	2,474	22%	9,066	7,225	25%
EBITDA / Total revenues	*34.6%*	*33.3%*		*35.3%*	*33.9%*	
EBIT	684	538	27%	2,602	1,123	132%
Capex	2,650	3,422	-23%	7,222	8,036	-10%
Operating Free Cash Flow (EBITDA - Capex)	376	(948)	140%	1,844	(811)	327%
Cumulative Investments	72,127	61,770	17%	72,127	61,770	17%

B2B Services

3.3.6 Airtel Business

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-16	Dec-15	Y-on-Y Growth	Dec-16	Dec-15	Y-on-Y Growth
Total revenues	**27,050**	**24,043**	**13%**	**83,660**	**73,327**	**14%**
EBITDA	8,287	7,511	10%	24,460	22,284	10%
EBITDA / Total revenues	*30.6%*	*312%*		*29.2%*	*30.4%*	
EBIT	5,384	4,645	16%	16,193	13,748	18%
Capex	1,239	2,029	-39%	4,683	3,946	19%
Operating Free Cash Flow (EBITDA - Capex)	7,048	5,482	29%	19,778	18,338	8%
Cumulative Investments	89,831	83,607	7%	89,831	83,607	7%

3.3.7 Tower Infrastructure Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-16	Dec-15	Y-on-Y Growth	Dec-16	Dec-15	Y-on-Y Growth
Total revenues	**15,292**	**13,979**	**9%**	**44,812**	**41,441**	**8%**
EBITDA	7,291	6,590	11%	21,234	19,108	11%
EBITDA / Total revenues	*47.7%*	*47.1%*		*47.4%*	*46.1%*	
EBIT	4,299	3,681	17%	12,325	10,510	17%
Share of results of joint ventures/associates	3,041	2,844	7%	8,678	8,010	8%
Capex	3,405	2,389	43%	7,586	7,769	-2%
Operating Free Cash Flow (EBITDA - Capex)	3,886	4,202	-8%	13,648	11,339	20%
Cumulative Investments	192,103	190,496	1%	192,103	190,496	1%

Others

3.3.8 Others (India)

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-16	Dec-15	Y-on-Y Growth	Dec-16	Dec-15	Y-on-Y Growth
Total revenues	**658**	**792**	**-17%**	**2,157**	**2,260**	**-5%**
EBITDA	13	(400)	103%	(532)	(1,078)	51%
EBIT	(394)	(404)	2%	(944)	(1,090)	13%
Capex	463	14	3237%	1,560	486	221%
Operating Free Cash Flow (EBITDA - Capex)	(451)	(414)	-9%	(2,092)	(1,565)	-34%
Cumulative Investments	6,726	4,971	35%	6,726	4,971	35%

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

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-16	Dec-15	Y-on-Y Growth	Dec-16	Dec-15	Y-on-Y Growth
Total revenues	**2,454**	**4,135**	**-41%**	**10,766**	**12,066**	**-11%**
EBITDA	162	(371)	144%	346	(1,088)	132%
EBITDA / Total revenues	*6.6%*	*-9.0%*		*3.2%*	*-9.0%*	
EBIT	(751)	(1,868)	60%	(3,602)	(5,309)	32%
Capex	457	547	-16%	1,278	2,856	-55%
Operating Free Cash Flow (EBITDA - Capex)	(295)	(917)	68%	(932)	(3,944)	76%
Cumulative Investments	36,436	73,673	-51%	36,436	73,673	-51%

Note 10: W.e.f November 16, 2016, Bangladesh operations merged with "Robi Axiata Limited", where Bharti Airtel is having 25% stake and hence the above results reflects Bangladesh operations till November 16, 2016 only. Consequent to above, operational KPIs for South Asia have been discontinued effective Q3'17.

3.3.10 Africa – comprises of operations in 15 countries in Africa

In USD Constant Currency - 15 Countries [Note 11 & 12]

Amount in US$ Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-16	Dec-15	Y-on-Y Growth	Dec-16	Dec-15	Y-on-Y Growth
Total revenues	**919**	**871**	**5%**	**2,680**	**2,576**	**4%**
EBITDA	225	174	29%	621	496	25%
EBITDA / Total revenues	*24.5%*	*20.0%*		*23.2%*	*19.2%*	
EBIT	61	12	389%	103	9	1035%
Capex	65	166	-61%	275	470	-41%
Operating Free Cash Flow (EBITDA - Capex)	160	8	1827%	346	25	1262%
Cumulative Investments	8,603	10,210	-16%	8,603	10,210	-16%

Note 11: During the current financial year, Bharti Airtel had divested 2 countries telecom operations (Burkina Faso & Sierra Leone) in Africa. For the above table, financials and operational parameters have been shown for remaining 15 countries and the historical periods have been re-instated to make them comparable.
Note 12: Closing currency rates as on March 1, 2016 (AOP FY 16-17 currency) considered for above financials upto EBIT. Actual currency rates taken for Capex & Cumulative Investments.
Refer page 43 & 45 for the last 5 quarter trends in constant currency and reported currency.

In USD Constant Currency [Note 12]

Amount in US$ Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-16	Dec-15	Y-on-Y Growth	Dec-16	Dec-15	Y-on-Y Growth
Total revenues	**919**	**945**	**-3%**	**2,758**	**2,798**	**-1%**
EBITDA	225	201	12%	648	577	12%
EBITDA / Total revenues	*24.5%*	*213%*		*23.5%*	*20.6%*	
EBIT	61	30	101%	118	59	100%
Capex	65	184	-65%	279	495	-44%
Operating Free Cash Flow (EBITDA - Capex)	160	17	831%	369	82	351%
Cumulative Investments	8,603	11,127	-23%	8,603	11,127	-23%

Note 13: Above table reflects the USD reported numbers translated to constant currency.
Refer page 44 & 46 for the last 5 quarter trends in constant currency and reported currency.

3.4 Region wise & Segment wise - Investment & Contribution

Quarter Ended:

Amount in Rs Mn, except ratios

Segment	Quarter Ended Dec 2016						As at Dec 31, 2016	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Cummulative Investments	% of Total
Mobile Services	138,365	76%	52,553	72%	44,097	81%	1,846,255	80%
Homes Services	7,025	4%	3,414	5%	1,858	3%	63,676	3%
Digital TV Services	8,735	5%	3,026	4%	2,650	5%	72,127	3%
Airtel Business	27,050	15%	8,287	11%	1,239	2%	89,831	4%
Tower Infrastructure Services	15,292	8%	7,291	10%	3,405	6%	192,103	8%
Others (India)	658	0%	13	0%	463	1%	6,726	0%
South Asia	2,454	1%	162	0%	457	1%	36,436	2%
Sub Total	**199,579**	**109%**	**74,745**	**103%**	**54,171**	**100%**	**2,307,154**	**100%**
Eliminations	(17,187)	-9%	(2,052)	-3%	0	0%		
Accumulated Depreciation and Amortisation							(789,986)	
Total (India SA)	**182,392**	**100%**	**72,693**	**100%**	**54,171**	**100%**	**1,517,167**	
India SA % of Consolidated	**78%**		**85%**		**93%**		**80%**	
Africa	53,559		12,945		4,366		584,381	
Accumulated Depreciation and Amortisation							(95,364)	
Total (Africa)	**53,559**		**12,945**		**4,366**		**489,017**	
Africa % of Consolidated	**23%**		**15%**		**7%**		**20%**	
Eliminations	(2,594)		67		0		0	
Eliminations % of Consolidated	-1%		0%		0%		0%	
Consolidated	**233,357**		**85,705**		**58,537**		**2,891,535**	

Nine Months Ended:

Amount in Rs Mn, except ratios

Segment	Nine Months Ended Dec 2016						As at Dec 31, 2016	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Cummulative Investments	% of Total
Mobile Services	436,243	76%	178,921	75%	113,093	80%	1,846,255	80%
Homes Services	20,733	4%	9,675	4%	6,591	5%	63,676	3%
Digital TV Services	25,649	4%	9,066	4%	7,222	5%	72,127	3%
Airtel Business	83,660	15%	24,460	10%	4,683	3%	89,831	4%
Tower Infrastructure Services	44,812	8%	21,234	9%	7,586	5%	192,103	8%
Others (India)	2,157	0%	(532)	0%	1,560	1%	6,726	0%
South Asia	10,766	2%	346	0%	1,278	1%	36,436	2%
Sub Total	**624,019**	**109%**	**243,170**	**103%**	**142,012**	**100%**	**2,307,154**	**100%**
Eliminations	(50,027)	-9%	(6,130)	-3%	0	0%		
Accumulated Depreciation and Amortisation							(789,986)	
Total (India & SA)	**573,992**	**100%**	**237,040**	**100%**	**142,012**	**100%**	**1,517,167**	
India SA % of Consolidated	**78%**		**86%**		**88%**		**80%**	
Africa	169,100		39,191		18,651		584,381	
Accumulated Depreciation and Amortisation							(95,364)	
Total (Africa)	**169,100**		**39,191**		**18,651**		**489,017**	
Africa % of Consolidated	**23%**		**14%**		**12%**		**20%**	
Eliminations	(7,755)		49		0		0	
Eliminations % of Consolidated	-1%		0%		0%		0%	
Consolidated	**735,337**		**276,280**		**160,664**		**2,891,535**	

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 Ind-AS.

4.1 Customers and Non Voice % - Consolidated

Parameters	Unit	Dec 31, 2016	Sep 30, 2016	Q-on-Q Growth	Dec 31, 2015	Y-on-Y Growth
Mobile Services	**000's**	**348,147**	**346,886**	**0.4%**	**336,152**	**3.6%**
India	000's	265,853	259,941	2.3%	243,289	9.3%
South Asia	000's	1,938	8,800	-78.0%	10,792	-82.0%
Africa	000's	80,356	78,145	2.8%	82,070	-2.1%
Homes Services	000's	2,102	2,083	0.9%	1,874	12.2%
Digital TV Services	000's	12,588	12,405	1.5%	11,106	13.3%
Airtel Business	000's	1,728	1,714	0.8%	1,724	0.2%
Total	**000's**	**364,564**	**363,088**	**0.4%**	**350,855**	**3.9%**
Non Voice Revenue as a % of Total Revenues	%	37.8%	37.4%		36.7%	

4.2 Traffic Details – Consolidated

Parameters	Unit	Dec 31, 2016	Sep 30, 2016	Q-on-Q Growth	Dec 31, 2015	Y-on-Y Growth
Mobile Services	**Mn Min**	**370,882**	**358,862**	**3.3%**	**334,194**	**11.0%**
India	Mn Min	330,217	313,403	5.4%	290,459	13.7%
South Asia	Mn Min	4,752	8,819	-46.1%	10,066	-52.8%
Africa	Mn Min	35,913	36,640	-2.0%	33,669	6.7%
Homes Services	Mn Min	2,426	3,128	-22.4%	2,195	10.5%
Airtel Business	Mn Min	2,842	3,002	-5.3%	3,070	-7.4%
National Long Distance Services	Mn Min	34,755	34,226	1.5%	31,780	9.4%
International Long Distance Services	Mn Min	4,910	5,193	-5.4%	4,657	5.4%
Total Minutes on Network (Gross)	**Mn Min**	**415,814**	**404,411**	**2.8%**	**375,895**	**10.6%**
Eliminations	Mn Min	(34,803)	(34,258)	-1.6%	(31,896)	-9.1%
Total Minutes on Network (Net)	**Mn Min**	**381,011**	**370,153**	**2.9%**	**343,999**	**10.8%**

4.3 Mobile Services India

Parameters	Unit	Dec 31, 2016	Sep 30, 2016	Q-on-Q Growth	Dec 31, 2015	Y-on-Y Growth
Customer Base	000's	265,853	259,941	2.3%	243,289	9.3%
VLR	%	97.2%	97.4%		96.0%	
Net Additions	000's	5,912	4,206	40.6%	8,078	-26.8%
Pre-Paid (as % of total Customer Base)	%	93.7%	93.7%		94.1%	
Monthly Churn	%	4.1%	3.7%		3.4%	
Average Revenue Per User (ARPU)	Rs	172	188	-8.4%	192	-10.4%
Average Revenue Per User (ARPU)	US$	2.5	2.8	-9.1%	2.9	-12.8%
Revenue per towers per month	Rs	283,359	306,055	-7.4%	305,630	-7.3%
Revenues						
Total Revenues	Rs Mn	138,366	147,352	-6.1%	139,750	-1.0%
Mobile Services	Rs Mn	135,644	145,065	-6.5%	137,850	-1.6%
Others	Rs Mn	2,723	2,287	19.0%	1,900	43.3%
Voice						
Minutes on the network	Mn	330,217	313,403	5.4%	290,459	13.7%
Voice Average Revenue Per User (ARPU)	Rs	123	132	-6.4%	137	-9.8%
Voice Usage per customer	min	419	406	3.2%	405	3.5%
Voice Realization per minute	paisa	29.42	32.42	-9.3%	33.75	-12.8%
Non Voice Revenue						
% of Mobile Services	%	28.4%	30.0%		28.9%	
Of Which						
Messaging & VAS as % of Mobile Services	%	5.2%	4.9%		5.3%	
Data as % of Mobile Services	%	22.8%	24.7%		23.1%	
Others as % of Mobile Services	%	0.4%	0.4%		0.5%	
Data						
Data Customer Base	000's	54,915	62,659	-12.4%	54,860	0.1%
Of which Mobile Broadband costumers	*000's*	37,690	*41,335*	-8.8%	*30,881*	22.0%
As % of Customer Base	*%*	*20.7%*	*24.1%*		*22.5%*	
Total MBs on the network	Mn MBs	171,817	178,125	-3.5%	133,946	28.3%
Data Average Revenue Per User (ARPU)	Rs	175	201	-13.0%	200	-12.8%
Data Usage per customer	MBs	972	1000	-2.8%	843	15.4%
Data Realization per MB	paisa	17.97	20.08	-10.5%	23.77	-24.4%

4.4 Homes Services

Parameters	Unit	Dec 31, 2016	Sep 30, 2016	Q-on-Q Growth	Dec 31, 2015	Y-on-Y Growth
Homes Customers	000's	2,102	2,083	0.9%	1,874	12.2%
Of which no. of broadband (DSL) customers	*000's*	1,922	1,897	1.3%	1,646	16.8%
As % of Customer Base	*%*	91.4%	91.1%		87.8%	
Net additions	000's	19	64	-70.3%	83	-77.3%
Average Revenue Per User (ARPU)	Rs	1,112	1,143	-2.7%	1,153	-3.6%
Average Revenue Per User (ARPU)	US$	16.4	17.0	-3.5%	17.5	-6.1%
Non Voice Revenue as % of Homes revenues	%	87.9%	86.7%		86.2%	

4.5 Digital TV Services

Parameters	Unit	Dec 31, 2016	Sep 30, 2016	Q-on-Q Growth	Dec 31, 2015	Y-on-Y Growth
Digital TV Customers	000's	12,588	12,405	1.5%	11,106	13.3%
Net additions	000's	183	256	-28.6%	530	-65.5%
Average Revenue Per User (ARPU)	Rs	232	232	0.1%	229	1.6%
Average Revenue Per User (ARPU)	US$	3.4	3.5	-0.6%	3.5	-1.1%
Monthly Churn	%	1.3%	1.2%		0.7%	

4.6 Network and Coverage - India

Parameters	Unit	Dec 31, 2016	Sep 30, 2016	Q-on-Q Growth	Dec 31, 2015	Y-on-Y Growth
Mobile Services						
Census Towns	Nos	7,892	7,889	3	7,884	8
Non-Census Towns and Villages	Nos	784,769	781,679	3,090	778,725	6,044
Population Coverage	%	95.3%	95.1%		95.0%	
Optic Fibre Network	R Kms	223,607	218,799	4,808	205,901	17,706
Network towers	Nos	160,199	158,934	1,265	151,200	8,999
Of which Mobile Broadband towers	*Nos*	113,367	*110,382*	2,985	*88,376*	24,991
Total Mobile Broadband Base stations	Nos	170,844	148,078	22,766	99,297	71,547
Homes 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	Dec 31, 2016	Sep 30, 2016	Q-on-Q Growth	Dec 31, 2015	Y-on-Y Growth
Total Towers	Nos	38,997	38,832	165	38,206	791
Total Co-locations	Nos	86,112	83,085	3,027	80,366	5,746
Key Indicators						
Sharing Revenue per sharing operator per month	Rs	37,428	37,868	-1.2%	37,272	0.4%
Average Sharing Factor	Times	2.17	2.13		2.10	

Additional Information:

4.7.2 Indus Towers

Parameters	Unit	Dec 31, 2016	Sep 30, 2016	Q-on-Q Growth	Dec 31, 2015	Y-on-Y Growth
Total Towers	Nos	122,044	121,330	714	118,687	3,357
Total Co-locations	Nos	282,909	275,499	7,410	265,606	17,303
Average Sharing Factor	Times	2.29	2.26		2.23	

4.7.3 Bharti Infratel Consolidated

Parameters	Unit	Dec 31, 2016	Sep 30, 2016	Q-on-Q Growth	Dec 31, 2015	Y-on-Y Growth
Total Towers	Nos	90,255	89,791	465	88,055	2,201
Total Co-locations	Nos	204,934	198,795	6,139	191,921	13,013
Average Sharing Factor	Times	2.24	2.21		2.17	

4.8 Human Resource Analysis – India

Parameters	Unit	Dec 31, 2016	Sep 30, 2016	Q-on-Q Growth	Dec 31, 2015	Y-on-Y Growth
Total Employees	Nos	19,048	19,462	(414)	19,204	(156)
Number of Customers per employee	Nos	14,819	14,189	630	13,434	1,385
Personnel cost per employee per month	Rs	100,338	105,915	-5.3%	102,917	-2.5%
Gross Revenue per employee per month	Rs	3,152,145	3,291,680	-4.2%	3,071,181	2.6%

4.9 Africa – 15 Countries

4.9.1 Operational Performance (In Constant Currency)

Parameters	Unit	Dec 31, 2016	Sep 30, 2016	Q-on-Q Growth	Dec 31, 2015	Y-on-Y Growth
Customer Base	000's	80,356	78,145	2.8%	76,346	5.3%
VLR	%	81.1%	81.2%		82.3%	
Net Additions	000's	2,211	2,377	-7.0%	910	143.0%
Pre-Paid (as % of total Customer Base)	%	99.2%	99.2%		99.3%	
Monthly Churn	%	4.9%	5.3%		6.0%	
Average Revenue Per User (ARPU)	US$	3.9	3.9	-0.5%	3.8	1.0%
Revenue per site per month	US$	15,167	15,083	0.6%	15,440	-1.8%
Voice						
Minutes on the network	Mn	35,913	36,570	-1.8%	32,610	10.1%
Voice Average Revenue Per User (ARPU)	US$	2.7	2.7	-1.3%	2.8	-2.5%
Voice Usage per customer	min	152	159	-4.5%	144	5.5%
Voice Realization per minute	US¢	1.78	1.72	3.4%	1.93	-7.6%
Non Voice Revenue						
% of Mobile revenues	%	30.3%	29.7%		27.8%	
Of Which						
Messaging & VAS as % of Mobile revenues	%	10.4%	10.3%		9.7%	
Data as % of Mobile revenues	%	16.7%	16.3%		14.2%	
Others as % of Mobile revenues	%	3.2%	3.1%		3.8%	
Data						
Data Customer Base	000's	17,948	18,071	-0.7%	14,800	21.3%
As % of Customer Base	*%*	*22.3%*	*23.1%*		*19.4%*	
Total MBs on the network	Mn MBs	36,768	34,269	7.3%	19,254	91.0%
Data Average Revenue Per User (ARPU)	US$	2.9	2.9	-0.4%	2.9	-2.2%
Data Usage per customer	MBs	684	670	2.1%	454	50.6%
Data Realization per MB	US¢	0.42	0.43	-2.4%	0.64	-35.1%

Note 14: During the current financial year, Bharti Airtel had divested 2 countries telecom operations (Burkina Faso & Sierra Leone) in Africa. For the above table, financials and operational parameters have been shown for remaining 15 countries and the historical periods have been re-instated to make them comparable.
Refer Note 12 on page 11
Refer page 53 for the last 5 quarter trends in constant currency.

4.9.2 Network & Coverage

Parameters	Unit	Dec 31, 2016	Sep 30, 2016	Q-on-Q Growth	Dec 31, 2015	Y-on-Y Growth
Sites on Network	Nos	20,240	19,866	374	18,777	1,463
Of which no. of 3G sites	*Nos*	*13,622*	*13,280*	342	*11,907*	1,715

4.9.3 Human Resource Analysis

Parameters	Unit	Dec 31, 2016	Sep 30, 2016	Q-on-Q Growth	Dec 31, 2015	Y-on-Y Growth
Total Employees	Nos	4,033	4,058	(25)	4,581	(548)
Number of Customers per employee	Nos	19,925	19,257	668	16,666	3,259
Personnel cost per employee per month	US$	6,363	6,128	3.8%	6,619	-3.9%
Gross Revenue per employee per month	US$	75,921	73,741	3.0%	63,385	19.8%

SECTION 5

MANAGEMENT DISCUSSION AND ANALYSIS

5.1 India & SA

A. Key Industry Developments

A. Recommendations on the licensing framework for Audio Conferencing / Audiotex / Voice Mail Services

The Telecom Regulatory Authority of India (TRAI) has issued recommendations on the licensing framework for Audio Conferencing / Audiotex / Voice Mail Services. The key recommendations of TRAI are as below:

- An additional service authorisation for Audio Conferencing / Audiotex / Voice Mail Services to be added in the Unified License (UL) with duration of 20 years.
- License Fee to be levied at 8% of Adjusted Gross Revenue (AGR) on both existing as well as the new Authorisation under Unified License.
- There should not be any standalone license for Unified Messaging Service (UMS). The UMS service may be provided with access service authorisation or Internet Service authorisation under Unified License.
- There will be a levy of Financial Bank Guarantee (FBG) basis the estimated sum payable equivalent to License fee for two quarters.
- The existing standalone licensees are allowed to acquire customers only in the Short distance charging area (SDCA) for which the license has been granted.
- The authorisation under Unified License to have the service area as Pan India.

B. Right of Way (RoW)

Department of Telecommunications (DoT) has released Indian Telegraph Right of Way Rules, 2016 for regulating Right of way for underground infrastructure (Optical fibre) and over ground infrastructure (mobile towers). The key highlights of the same are as follows:

- For underground infrastructure, the right of way fees shall not exceed one thousand rupees per kilometer & for overhead infrastructure it shall not exceed ten thousand rupees.
- Appropriate Authority to grant or reject the application within 60 days with reasons recorded in writing.
- "Appropriate Authority" means the Central Government & respective State Governments and the local authorities designated by central or state government.

B. Key Company Developments

- Airtel Payments Bank became the first payments bank in the country to go LIVE as it rolled out services nationally. Customers in towns and villages will be able to open bank accounts at Airtel retail outlets, which will also act as Airtel banking points and offer a range of basic & convenient banking services. A wide network of merchants (sellers/shops) will accept digital payments from Airtel Payments Bank customers, offering them the convenience of cashless purchase of goods and services via their mobile phones.
- Airtel successfully concluded the acquisition of the rights to use 20 MHz 2300 Band BWA spectrum allotted to Aircel, in all the eight circles - Tamil Nadu (including Chennai), Bihar, Jammu & Kashmir, West Bengal, Assam, North East, Orissa and Andhra Pradesh.
- Bharti Airtel Ltd announced completion of the merger of its subsidiary Airtel Bangladesh Limited (Airtel) with Robi Axiata Limited (Robi Axiata), a unit of Axiata Group Berhad ("Axiata"). The combined entity will be the second largest mobile operator in Bangladesh and will operate under the Robi Axiata brand. It is well positioned to deliver an unparalleled portfolio of innovative mobile and broadband offerings at affordable rates with deep network coverage. Axiata will hold 68.7% stake in the combined entity, while Airtel will hold 25%. The remaining 6.3% will be held by NTT DOCOMO.
- Airtel released the latest edition of its India Sustainability Report. Airtel's India Sustainability Report 2016 offers a comprehensive overview of the Company's sustainability initiatives and future vision, taking into cognizance both social and environmental aspects. It also offers detailed insights into how the Company successfully leveraged its wide network & distribution, based on accessibility and affordable services that has contributed significantly towards societal empowerment and Company's ecofriendly initiatives.
- Bharti Airtel International (Netherlands) BV ('Airtel'), a subsidiary of Bharti Airtel, entered into a definitive agreement with Orascom Telecom Media and Technology Holding S.A.E ("Orascom") to acquire Orascom' s entire equity stake in Middle East North Africa Company Submarine Cable Systems S.A.E (MENA-SCS). The acquisition is subject to requisite regulatory approvals.
- Airtel offers free data for a year to customers who switch to Airtel 4G network. The 12 months offer is available to any customer with a 4G mobile handset that is currently not on the Airtel network, including existing Airtel customers upgrading to a new 4G handset. Customers will get free 3GB data every month till December 31, 2017 with select Prepaid and Postpaid packs under this offer. The free data benefits are over and above the pack/plan benefits.

- Airtel announced the launch of two new bundled packs – at Rs 145 and Rs 345 - for its prepaid customers with free voice calling and substantial data benefits. The Rs 145 pack offers 300 MB data to customers with 4G ready mobile phones along with free Local and STD Airtel-to-Airtel calls. The Rs 345 pack offers 1 GB data to customers with 4G ready mobile phones along with free Local and STD calls to any network in India. For non 4G mobile phone customers, both packs will offer 50 MB data.

- Airtel continued to expand its 4G footprint with launch of 4G services in the states of Bihar, Uttar Pradesh, Uttrakhand, Jharkhand, Assam and Gujarat. Airtel now offers 4G services in 21 telecom circles across India.

- Airtel receives the 'Best Governed Company Award' at the 4th Asia Business Responsibility Summit organized by the Asian Centre for Corporate Governance & Sustainability (ACCGS).

- Airtel has been conferred with 'Certificate of Recognition for Excellence in Corporate Governance 2016' by the Institute of Company Secretaries of India (ICSI).

- Airtel Global Business wins the 'Best African Wholesale Operator' award at the Telecom Review Excellence Awards 2016.

- Airtel Global Business wins the 'Best SMS Solution Award' at Messaging and SMS World Awards 2016. Airtel's Global Messaging Solution suite enables simplified and secure interconnection across worldwide mobile ecosystem.

5.2 Africa

A. Key Industry Developments

- In Congo B, the Regulator has on October 21, 2016 issued a new Quality of service (QOS) protocol with enhanced Quality of service parameters.

- The Gabon Government has abolished 10% universal health insurance tax with effect from March 17.

- In Nigeria, the International termination rates have been increased from Naira 3.90 / min to Naira 24.40 / min.

B. Key Company Developments

- In June 16, the Government of Tanzania passed a new law that requires all telecommunication operators to list at least 25% of their shareholding on the Stock Exchange and accordingly, Company has filed the Draft prospectus with the Dar es Salaam Stock Exchange on December 30, 2016.

- Bharti Airtel Nigeria B.V. (BAN BV) through its wholly owned subsidiary (Airtel), has completed the acquisition of Econet Wireless Limited's entire 4.2% shareholding in Airtel Nigeria. With this move the telco's holding in Airtel Nigeria has increased from 79.06% to 83.25%.

- During the quarter ended December 31, 2016, the Group has acquired 24.89% stake in Airtel Ghana Limited via acquisition of shares during its rights issue. Subsequent to the transaction, the shareholding of the Group in Airtel Ghana Limited has increased to 99.89%.

- Airtel Ghana Globally Adjudged 'Best Telecom Company for Corporate Social Responsibility' at the 2016 Global Carrier Awards.

- Airtel Zambia won the 'Best Corporate Social Responsibility (CSR) Education Project' and the 'Best CSR Partnership in the Community' award at the Public Service Excellence Annual Awards.

- Airtel Africa won the 'Most Innovative Service' award at AfricaCom 2016. AfricaCom is the largest and most influential Africa-focused tech event and this year's focus was on economic development and social empowerment through digital connectivity.

5.3 Results of Operations

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

Key Highlights – For the quarter ended Dec 31, 2016

- **Overall customer base at 364.6 Mn across 17 countries (up 8.4% Y-o-Y underlying basis*)**
- **Net addition of 28.4 Mn customers over the previous year (underlying basis)**
- **Total revenues of Rs 233.4 Bn; flat Y-o-Y (underlying basis)**
- **Mobile data revenues of Rs 40.5 Bn; flat Y-o-Y (underlying basis)**
- **EBITDA at Rs 85.7 Bn; up 1.1% Y-o-Y (underlying up 3.2% Y-o-Y); EBITDA margin up 1.5% Y-o-Y**
- **EBIT at Rs 36.7 Bn**
- **Consolidated net income of Rs 5.0 Bn vis-à-vis Rs 11.1 Bn in the corresponding quarter last year**
- **Return on Capital Employed (ROCE) at 7.1% vis-à-vis 8.6% in the corresponding quarter last year**

Results for the quarter ended Dec 31, 2016

5.3.1 Bharti Airtel Consolidated

As on December 31, 2016, the Company had 364.6 Mn customers, an increase of 3.9% (8.4% underlying) as compared to 350.9 Mn in the corresponding quarter last year. Total minutes of usage on the network during the quarter were 381.0 Bn, representing a growth of 10.8% (12.9% underlying) as compared to 344.0 Bn in the corresponding quarter last year. Mobile Data traffic grew at 33.8% (36.4% underlying) to 215.8 Bn MBs during the quarter as compared to 161.3 Bn MBs in the corresponding quarter last year.

During the quarter, consolidated revenues stood at Rs 233,357 Mn as compared to Rs 240,659 Mn in the corresponding quarter last year, decrease of 3.0% (Y-o-Y flat on underlying basis), due to divestment of operating units, tower assets in Africa and merger of Bangladesh operations. In addition, consolidated revenues have an impact of 3.2% on account of Nigeria currency devaluation. Mobile data revenues decrease by 2.1% (Y-o-Y flat on underlying basis) to Rs 40,489 Mn as compared to Rs 41,352 Mn in the corresponding quarter last year. Mobile data revenues now represent 17.4% of the total revenues as compared to 17.2% in the corresponding quarter last year.

India revenues at Rs 180,126 Mn representing a growth of 1.8% compared to corresponding quarter last year.

Consolidated net revenues, after netting off inter-connect costs and cost of goods sold, decreased by 2.2% (increased 0.6% underlying) to Rs 207,428 Mn as compared to Rs 212,199 Mn in the corresponding quarter last year. Opex (excluding access costs, costs of goods sold and license fees) has declined by 4.4% Y-o-Y (decline of 0.7% underlying) to Rs 99,737 Mn for the quarter ending December 31, 2016.

Consolidated EBITDA of Rs 85,705 Mn during the quarter, increased 1.1% (3.2% underlying) as compared to Rs 84,749 Mn in the corresponding quarter last year. EBITDA margin improved during the quarter to 36.7% as compared to 35.2% in the corresponding quarter last year. India EBITDA margin at 40.3% has declined from 40.6% in the corresponding quarter last year.

Depreciation and amortization expenses amounted to Rs 48,350 Mn as compared to Rs 43,541 Mn in the corresponding quarter last year, which reflects an increase of 11.0%, primarily led by incremental depreciation on capex and higher spectrum amortization expenses in India. EBIT for the quarter decreased by 10.3% (4.3% underlying) to Rs 36,748 Mn as compared to Rs 40,972 Mn in the corresponding quarter last year. Cash profits from operations (before derivative and exchange fluctuations) during the quarter was lower by 4.7% at Rs 67,508 Mn as compared to Rs 70,857 Mn in the corresponding quarter last year.

Net finance costs at Rs 19,357 Mn were higher by Rs 5,191 Mn primarily on account of higher interest on borrowing of Rs 4,719 Mn (Q3'17 – Rs 15,935 Mn, Q3'16 – Rs 11,215 Mn) due to spectrum borrowing cost, and higher forex losses in current quarter compared to corresponding quarter last year.

The resultant profit before tax and exceptional items for the quarter ended December 31, 2016 was Rs 20,595 Mn as compared to Rs 29,466 Mn in the corresponding quarter last year, decrease of 30.1%.

The consolidated income tax expense (before the impact on exceptional items) for the period of nine months ending December 31, 2016 was Rs 37,287 Mn, compared to Rs 41,783 Mn in the corresponding period of last year. The reported effective tax rate in India for this period has increased on account of expiry/reduction of tax holidays benefits in select units and was at 32.7% (31.1% excluding dividend distribution tax) compared to 30.1% (28.7% excluding dividend distribution tax) for the full year ended March 31, 2016. The tax charge in Africa for the period of nine months ending December 31, 2016 came at $ 108 Mn (full year 2015-16: $ 189 Mn) has been lower primarily due to change in profit mix of the countries.

Net income before exceptional items for the quarter ended December 31, 2016 was Rs 6,171 Mn as compared to Rs 13,877 Mn in the corresponding quarter last year. After accounting for Rs 1,135 Mn towards net impact of exceptional items (details provided below in 5.3.2), the resultant consolidated net income for the quarter ended December 31, 2016 came in at Rs 5,036 Mn, compare to Rs 11,082 in the corresponding quarter last year.

The consolidated operating free cash flow during the quarter was at Rs 27,168 Mn as compared to Rs 29,667 Mn in the corresponding quarter last year.

* Underlying growth mentioned in **section 5.3.1** is after adjusting for impact of divestment of operating units, tower assets in Africa and merger of Bangladesh operations.

Consolidated net debt for the Company was $ 14,339 Mn as compared to $ 12,232 Mn in the previous quarter, the increase is primarily on account of incremental debt coming from spectrum acquired during Oct'16 auction. Net debt excluding the DOT obligations was $ 7,650 Mn as at December 31, 2016 compared to $ 6,547 Mn as at September 30, 2016.

Higher spectrum costs and consequent increase in associated amortization costs has resulted in decline of Return on Capital Employed (ROCE) to 7.1% from 8.6% in the corresponding quarter last year.

5.3.2 Exceptional Items

Exceptional items during the quarter ended December 31, 2016 comprises of (i) charge of Rs 783 Mn towards operating costs on network re-farming and up-gradation program, (ii) net charge aggregating to Rs 1,413 Mn due to settlement of past litigations, vendor claims, reconciliation of balances and tax related contingent liability (iii) net gain of Rs 1,526 Mn pertaining to the merger of one operating unit and charge of Rs 1,370 Mn due to share in the post-merger restructuring activities, and (vi) net tax benefit of Rs 1,042 Mn and impact of minority interest of Rs 138 Mn on the above.

5.3.3 B2C Services – India

5.3.3.1 Mobile Services

The quarter saw a lot of turbulence in the marketplace with the entry of a new competitor offering free voice and data. This has significantly impacted current quarter business performance. Demonetization has further aggravated the impact, though the company believes it is a temporary loss.

As on December 31, 2016, the Company had 265.9 Mn customers as compared to 243.3 Mn in the corresponding quarter last year, an increase of 9.3%. The churn has increased to 4.1% for the quarter ending December 31, 2016 compared to 3.4% in the corresponding quarter of last year on account of competitive pressures. Total minutes on network increased by 13.7%, highest in last 21 quarters, to 330.2 Bn as compared to 290.5 Bn in the corresponding quarter last year. Voice realization per minute has dropped by 4.33 paise to 29.42 paise in the current quarter compared to 33.75 paise in the corresponding quarter last year. This is largely due to the skewness towards incoming traffic related to the free offer by a new operator.

The competitive intensity due to the free offer by new operator as explained above has also resulted in flat data customers at the end of the quarter compared to corresponding quarter last year at 54.9 Mn. The total MBs on the network has increased by 28.3% to 171.8 Bn MBs as compared to 133.9 Bn MBs in the corresponding quarter last year. Mobile Data usage per customer witnessed an increase of 15.4% to 972 MBs during the quarter as compared to 843 MBs in the corresponding quarter last year. Data ARPU decreased by 12.8% to Rs 175 from Rs 200 in the corresponding quarter last year.

The Company continued to invest on upgradation and expansion of network towers. By the end of the quarter, the Company had 160,199 network towers as compared to 151,200 network towers in the corresponding quarter last year. Out of the total number of towers, 113,367 are mobile broadband towers i.e. those are either 3G or 4G equipped. The Company has significantly stepped up its data investment in preparation of a future data world and now has 170,844 mobile broadband base stations (3G & 4G Base Stations across all technologies i.e. 900/2100/1800/2300), as compared to 99,297 mobile broadband base stations at the end of the corresponding quarter last year and 148,078 at the end of the previous quarter.

Revenue from mobile services decreased by 1.0% to Rs 138,365 Mn as compared to Rs 139,750 Mn in the corresponding quarter last year due to reasons mentioned above. Revenue from mobile data accounted for 22.8% of the total mobile revenue during the quarter as compared to 23.1% in the corresponding quarter last year. Mobile data revenue for the quarter was Rs 30,872 Mn as compared to Rs 31,839 Mn in the corresponding quarter last year, decrease of 3.0%.

EBITDA during the quarter decreased by 3.3% to Rs 52,553 Mn as compared to Rs 54,362 Mn in the corresponding quarter last year. EBITDA margin was at 38.0% during the quarter as compared to 38.9% in the corresponding quarter last year. EBIT during the quarter was Rs 22,577 Mn as compared to Rs 30,987 Mn in the corresponding quarter last year, decrease of 27.1%. EBIT margin was at 16.3% as compared to 22.2% in corresponding quarter last year. Incremental amortization cost on new spectrum acquired has an impact on EBIT margin of 3.4%.

During the quarter, the mobile business incurred capital expenditure of Rs 44,097 Mn primarily in enhancing Company's data capabilities. Operating free cash flows decreased by 60.8% at Rs 8,456 Mn as compared to Rs 21,562 Mn in the corresponding quarter last year.

5.3.3.2 Homes Services

As on December 31, 2016, the Company had its Homes operations in 87 cities with 2.1 Mn customers, out of which approximately 1.9 Mn were broadband (DSL) customers, representing 91.4% of the total Homes customers. Net customer additions for Homes segment during the quarter were 19 K.

For the quarter ended December 31, 2016, revenues from Homes operations were Rs 7,025 Mn as compared to Rs 6,343 Mn in the corresponding quarter last year, a growth of 10.8%. EBITDA for the quarter was higher by 25.9% to Rs 3,414 Mn compared to Rs 2,711 Mn in the corresponding quarter last year. EBITDA margin for this segment improved to 48.6% during the quarter as against 42.7% in the corresponding quarter last year. EBIT for the quarter ended December 31, 2016 was Rs 1,941 Mn as compared to Rs 1,397 Mn in the corresponding quarter last year, growth of 38.9%.

During the quarter ended December 31, 2016, the Company incurred capital expenditure of Rs 1,858 Mn for the Homes

business. The step up in capex is primarily on account of network upgradation and capacity enhancement. The resulting operating cash flow for the quarter was Rs 1,555 Mn as compared to cash flow of Rs 929 Mn in the corresponding quarter last year.

5.3.3.3 Digital TV Services

As on December 31, 2016, the Company had its Digital TV operations in 639 districts. DTH had 12.6 Mn customers at the end of the quarter, which represents an increase of 13.3%, as compare to the corresponding quarter last year. Net customer additions for Digital TV during the quarter were 183 K. ARPU increased to Rs 232 as compared to Rs 229 in the corresponding quarter last year.

Revenue from Digital TV services had increased by 17.7% to Rs 8,735 Mn as compared to Rs 7,422 Mn in the corresponding quarter last year. EBITDA for this segment continue to improve and is at Rs 3,026 Mn as compared to Rs 2,474 Mn in the corresponding quarter last year. The reported EBITDA margin improved to 34.6% in the current quarter, as compared to 33.3% in the corresponding quarter last year. The EBIT during the quarter was at Rs 684 Mn as compared to Rs 538 Mn in the corresponding quarter last year.

During the current quarter, the Company incurred a capital expenditure of Rs 2,650 Mn. The resultant operating free cash flow during the quarter was at Rs 376 Mn as compared to cash burn of Rs 948 Mn in the corresponding quarter last year.

5.3.4 B2B Services – India: Airtel Business

Revenues in this segment comprises of: a) Enterprise & Corporates Fixed Line, Data and Voice businesses, and b) Global Business which includes wholesale voice and data. Revenue as per point a) above, together with Enterprise Mobile revenues (included in India Mobile) is at Rs 26,626 Mn in this quarter, this is now 14.8% of the total India revenues.

Airtel Business segment has reported revenues of Rs 27,050 Mn during the quarter as compared to Rs 24,043 Mn in the corresponding quarter last year, a healthy growth of 12.5%. EBITDA stood at Rs 8,287 Mn during the quarter as compared to Rs 7,511 Mn in the corresponding quarter last year, higher by 10.3%. EBIT for the current quarter has increased by 15.9% to Rs 5,384 Mn as compared to Rs 4,645 Mn during the corresponding quarter last year. EBIT margin increased to 19.9% during the quarter as compared to 19.3% in the corresponding quarter last year.

The Company incurred a capital expenditure of Rs 1,239 Mn in Airtel Business as compared to Rs 2,029 Mn in the corresponding quarter last year. Operating free cash flow during the quarter was Rs 7,048 Mn as compared to Rs 5,482 Mn in the corresponding quarter last year.

5.3.5 Tower Infrastructure Services

The financials of this segment reflect standalone operations of Bharti Infratel Limited (Infratel), a subsidiary of the Company, with the interest in Indus Tower Ltd (Indus) disclosed under share of profits from Joint Ventures/ Associates.
Revenues of Infratel for the quarter ended December 31, 2016 has increased by 9.4% to Rs 15,292 Mn as compared to Rs 13,979 Mn in the corresponding quarter last year. EBITDA during the quarter was higher by 10.6% at Rs 7,291 Mn compared to Rs 6,590 Mn in the corresponding quarter of last year. EBIT for the quarter was higher by 16.8% to Rs 4,299 Mn as compared to Rs 3,681 Mn in the corresponding quarter last year.

As at the end of the quarter, Infratel had 38,997 towers with average sharing factor of 2.17 times compared to 2.10 times in the corresponding quarter last year. Including proportionate share of Indus in which Infratel holds 42% of stake, on a consolidated basis, Infratel had 90,255 towers with an average sharing factor of 2.24 times as compared to 2.17 times in the corresponding quarter last year, reflecting an improvement in the tenancy ratio.

Bharti Infratel incurred a capital expenditure of Rs 3,405 Mn during the quarter on a standalone basis. Operating free cash flows during the quarter were Rs 3,886 Mn as compared to Rs 4,202 Mn in the corresponding quarter last year. The share of profits of Indus during the quarter came in at Rs 3,041 Mn as compared to Rs 2,844 Mn in the corresponding quarter last year.

5.3.6 South Asia

During the quarter, company completed the merger of its subsidiary Airtel Bangladesh Limited (Airtel) with Robi Axiata Limited (Robi Axiata) with effect from November 16, 2016. Financial numbers explained below are not comparable as the current quarter includes Bangladesh results for part of the quarter only. Revenues for South Asia segment declined by 40.7% to Rs 2,454 Mn as compared to Rs 4,135 Mn in the corresponding quarter last year. EBITDA for the quarter was at Rs 162 Mn as compared to EBITDA loss of Rs 371 Mn in the corresponding quarter last year. EBIT loss during the quarter was Rs 751 Mn as compared to EBIT loss of Rs 1,868 Mn in the corresponding quarter last year.

During the quarter ended December 31, 2016, the Company incurred capital expenditure of Rs 457 Mn as compared to Rs 547 Mn in the corresponding quarter last year.

5.3.7 Africa

In Africa, the revenue-weighted currency depreciation during the quarter has been 2.5% compared to previous quarter, mainly caused by depreciation in Ugandan shilling by 6.5% and CFA by 6.4%. To enable comparison on an underlying basis, all financials upto PBT and all operating metrics mentioned below are in constant currency rates as of March 1, 2016 and are adjusted for divestment of operating units for all the periods i.e. the comparison till PBT has been given below for 15 countries. PBT as mentioned below excludes any realized/unrealized derivatives and exchange gain or loss for the period.

As on December 31, 2016, the Company had an aggregate customer base of 80.4 Mn as compared to 76.3 Mn in the

corresponding quarter last year, an increase of 5.3%. Our focus on acquiring quality customers has resulted in a lower customer churn for the quarter at 4.9%, as compared to 6.0% in the corresponding quarter last year. Total minutes on network during the quarter registered a growth of 10.1% to 35.9 Bn as compared to 32.6 Bn in the corresponding quarter last year.

Data customers during the quarter increased by 21.3% to 17.9 Mn as compared to 14.8 Mn in the corresponding quarter last year. Data customers now represent 22.3% of the total customer base, as compared to 19.4% in the corresponding quarter last year. The total MBs on the network has increased at a healthy rate of 91.0% to 36.8 Bn MBs compared to 19.3 Bn MBs in the corresponding quarter last year. Data usage per customer during the quarter was at 684 MBs as compared to 454 MBs in the corresponding quarter last year, an increase of 50.6%.

The total customer base using the Airtel Money platform increased by 6.6% to 8.8 Mn as compared to 8.3 Mn in the corresponding quarter last year. The total number of transactions during the quarter increased by 35.4% to 364 Mn as compared to 269 Mn in the corresponding quarter last year. Total value of transactions on the Airtel money platform has witnessed a strong growth of 32.8% to $ 4,035 Mn in the current quarter as compared to $ 3,038 Mn in the corresponding quarter last year.

The Company had added 374 network sites during the quarter and stands at 20,240 at end of the quarter as compared to 18,777 network sites in the corresponding quarter last year. 3G sites at 13,622 represented 67.3% of the total sites as at the end of the quarter, as compared to 11,907 sites (63.4% of total sites) at the end of the corresponding quarter last year.

Africa business performance has improved and underlying revenues growth has stepped up to 6.0% (5.4% without normalizing for divestment of tower assets) and at $ 919 Mn as compared to $ 871 Mn in the corresponding quarter of last year. Mobile data revenues were $ 153 Mn during the quarter, reflecting a growth of 24.0% over the corresponding quarter last year. Mobile data revenue now represents 16.7% of the total mobile revenue during the quarter as compared to 14.2% in the corresponding quarter last year.

Our continuous focus on costs & efficiencies has resulted in almost flat opex at $ 502 Mn as compared to the corresponding quarter last year. EBITDA was at $ 225 Mn as compared to $174 Mn in the corresponding quarter last year. EBITDA margin improved significantly by 4.5% (4.9% normalized for divestment of tower assets) for the quarter at 24.5% compared to 20.0% for the corresponding quarter last year. Depreciation and amortization charge at $ 164 Mn as compared to $ 161 Mn in the corresponding quarter last year. EBIT for the quarter was at $ 61 Mn as compared to $ 12 Mn in the corresponding quarter last year.

Consequent to the operational healthy performance, the profit before tax for the quarter turned out to be positive first time in Africa and is at $ 23 Mn as compared to loss of $ 30 Mn in corresponding quarter of last year. On reported basis, after accounting for the finance costs and taxes, the net loss for the quarter was $ 93 Mn as compared to a loss of $ 74 Mn in the corresponding quarter last year.

Capital expenditure during the quarter was $ 65 Mn for African operations. Investments are mostly directed towards enhancing data capabilities. Operating free cash flow during the quarter was at $ 160 Mn, as compared to $ 8 Mn in the corresponding quarter last year.

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:

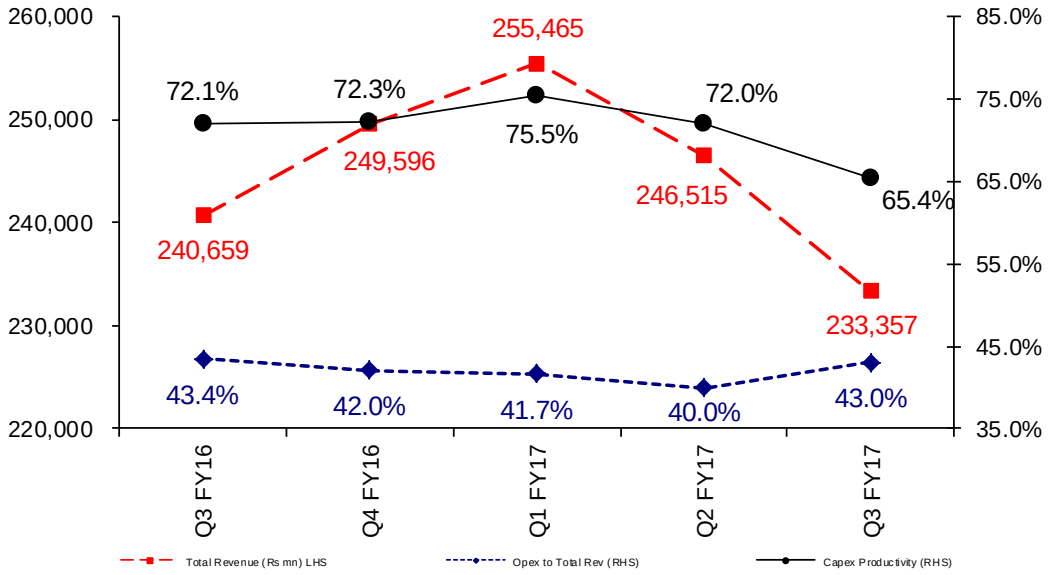
1. Total Revenues i.e. absolute turnover/sales

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.

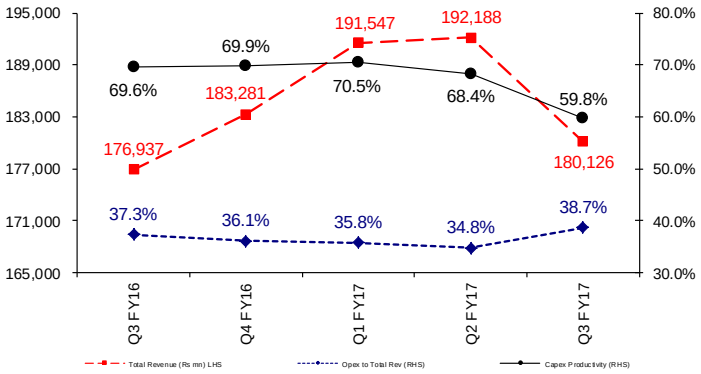
Given below are the graphs for the last five quarters of the Company:

5.4.1 Bharti Airtel – Consolidated

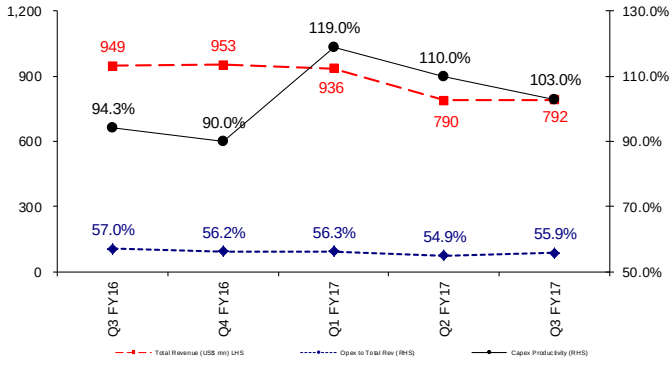


Note 15: The improvement of capex productivity in Q1'FY17 at Africa & Consolidated level is on account of reduction in asset base due to devaluation of Nigerian Naira and divestment of operating unit in the second fortnight of Jun'16.

5.4.2 Bharti Airtel – India



5.4.3 Bharti Airtel – Africa



SECTION 6

STOCK MARKET HIGHLIGHTS

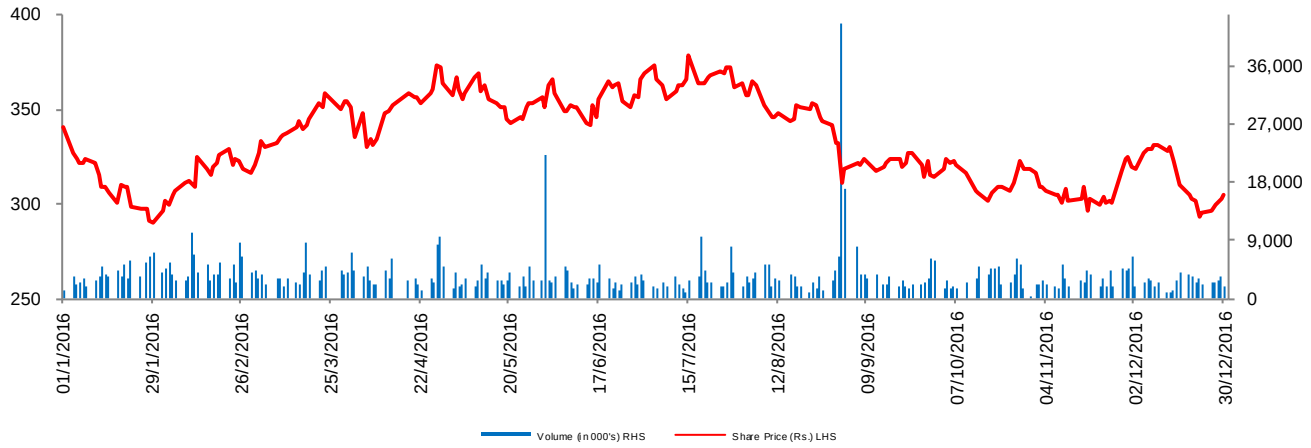
6.1 General Information

Shareholding and Financial Data	Unit	
Code/Exchange		532454/BSE
Bloomberg/Reuters		BHARTI IN/BRTI.BO
No. of Shares Outstanding (31/12/16)	Mn Nos	3,997.40
Closing Market Price - BSE (31/12/16)	Rs /Share	305.35
Combined Volume (NSE & BSE) (01/01/16 - 31/12/16)	Nos in Mn/day	3.65
Combined Value (NSE & BSE) (01/01/16 - 31/12/16)	Rs Mn /day	1,211.13
Market Capitalization	Rs Bn	1,221
Market Capitalization	US$ Bn	17.97
Book Value Per Equity Share	Rs /share	158.30
Market Price/Book Value	Times	1.93
Enterprise Value	Rs Bn	2,254
Enterprise Value	US$ Bn	33.19
Enterprise Value/ EBITDA (LTM)	Times	6.13
P/E Ratio (LTM)	Times	25.02

6.2 Summarized Shareholding pattern as of December 31, 2016

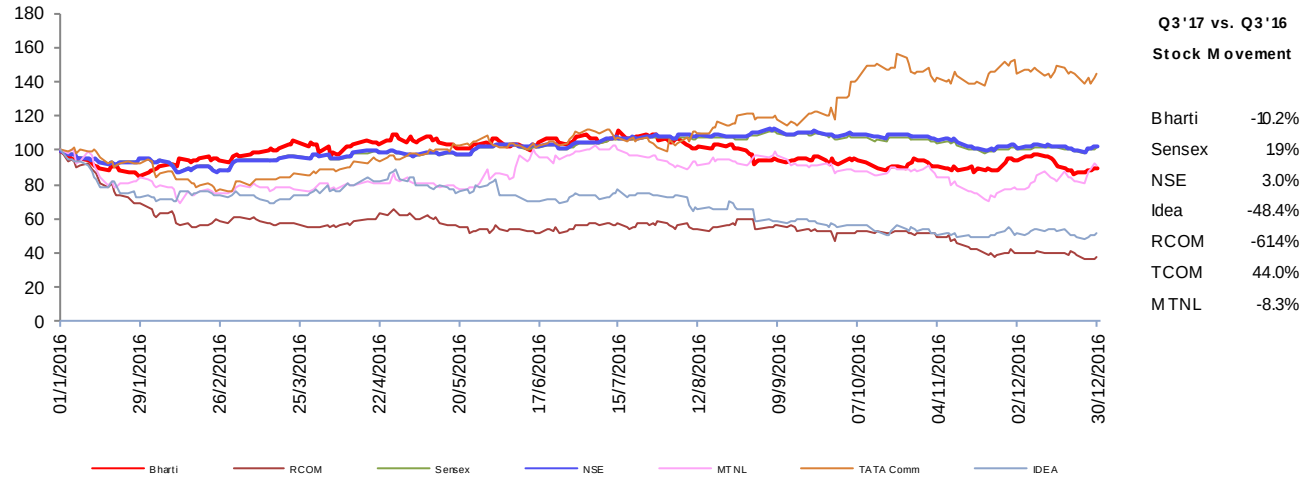
Category	Number of Shares	%
Promoter & Promoter Group		
Indian	1,817,987,269	45.48%
Foreign	865,673,286	21.66%
Sub total	**2,683,660,555**	**67.14%**
Public Shareholding		
Institutions	1,054,782,733	26.39%
Non-institutions	257,585,193	6.44%
Sub total	**1,312,367,926**	**32.83%**
Others	**1,371,621**	**0.03%**
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 Indian Accounting Standards (Ind-AS)

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

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-16	Dec-15	Y-on-Y Growth	Dec-16	Dec-15	Y-on-Y Growth
Income						
Revenue from operations	233,357	240,659	-3%	735,337	715,725	3%
Other income	282	375	-25%	746	636	17%
Total Income	**233,639**	**241,034**	**-3%**	**736,083**	**716,361**	**3%**
Expenses						
Network operating expenses	55,719	53,550	4%	166,440	158,147	5%
Access Charges	24,386	27,144	-10%	80,025	82,475	-3%
License fee / spectrum charges (revenue share)	22,268	23,506	-5%	71,910	69,879	3%
Employee benefits	10,532	12,175	-13%	32,534	36,703	-11%
Sales and marketing expenses	18,715	24,303	-23%	62,010	71,503	-13%
Other expenses	16,922	15,843	7%	47,720	48,296	-1%
Total Expenses	**148,542**	**156,521**	**-5%**	**460,639**	**467,003**	**-1%**
Profit from operating activities before depreciation, amortization and exceptional items	**85,097**	**84,513**	**1%**	**275,444**	**249,358**	**10%**
Share of results of joint ventures and associates	(2,696)	(2,721)	-1%	(7,941)	(7,751)	2%
Depreciation and amortisation	48,350	43,541	11%	148,312	126,335	17%
Finance costs	33,061	19,028	74%	75,616	57,944	30%
Finance Income	(13,705)	(4,861)	182%	(17,804)	(5,819)	206%
Non-operating (income) / expense net	(509)	60	-948%	845	1,003	-16%
Profit before exceptional items and tax	**20,596**	**29,466**	**-30%**	**76,416**	**77,646**	**-2%**
Exceptional items	2,040	3,405		5,642	(24,740)	-123%
Profit before tax	**18,556**	**26,061**	**-29%**	**70,774**	**102,386**	**-31%**
Tax expense						
Current tax	6,541	11,550	**-43%**	30,204	34,717	**-13%**
Deferred tax	5,300	1,973	**169%**	2,862	14,027	**-80%**
Profit for the period	**6,715**	**12,538**	**-46%**	**37,708**	**53,642**	**-30%**

7.1.2 Consolidated Statement of Comprehensive Income

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Nine Months Ended		
	Dec-16	Dec-15	Y-on-Y Growth	Dec-16	Dec-15	Y-on-Y Growth
Profit for the period	6,715	12,538	-46%	37,708	53,642	-30%
Other comprehensive income ('OCI'):						
Items to be reclassified subsequently to profit or loss :						
Net gains / (losses) due to foreign currency translation differences	(3,201)	(2,357)	36%	(40,372)	(10,041)	302%
Gains / (losses) on net investments hedge	434	2,517	-83%	(12,432)	(4,878)	155%
Gains / (Losses) on cash flow hedge	605	227	167%	830	11	7445%
Gains / (losses) on fair value through OCI investments	2	(5)	-140%	90	1	8900%
Income tax credit / (charge)	230	(158)	-245%	(13)	549	-102%
	(1,930)	**224**	**-962%**	**(51,895)**	**(14,358)**	**261%**
Items not to be reclassified to profit or loss :						
Re-measurement gains / (losses) on defined benefit plans	31	47	-33%	(155)	(138)	12%
Income tax (charge) / credit	(20)	(11)	85%	26	26	2%
	11	36	-69%	(129)	(112)	15%
Other comprehensive (loss) / gain for the period	**(1,919)**	**260**	**-838%**	(52,024)	(14,470)	260%
Total comprehensive gain / (loss) for the period	**4,796**	**12,798**	**-63%**	**(14,316)**	**39,172**	**-137%**
Profit for the period Attributable to:	**6,715**	**12,538**	**-46%**	**37,708**	**53,642**	**-30%**
Owners of the Parent	**5,037**	**11,081**	**-55%**	**34,264**	**47,574**	**-28%**
Non-controlling interests	**1,678**	**1,457**	**15%**	**3,444**	**6,068**	**-43%**
Total comprehensive gain / (loss) for the period attributable to :	**4,796**	**12,798**	**-63%**	**(14,316)**	**39,172**	**-137%**
Owners of the Parent	3,275	11,477	-71%	(14,751)	33,457	-144%
Non-controlling interests	1,521	1,321	15%	435	5,715	-92%
Earnings per share (In Rupees)						
Basic	**1.26**	**2.77**	**-55%**	**8.58**	**11.91**	**-28%**
Diluted	**1.26**	**2.77**	**-55%**	**8.57**	**11.90**	**-28%**

7.1.3 Consolidated Summarized Balance Sheet

Amount in Rs Mn

Particulars	As at Dec 31, 2016	As at Dec 31, 2015	As at Mar 31, 2016
Assets			
Non-current assets			
Property, plant and equipment	600,057	576,367	610,508
Capital w ork-in-progress	49,904	61,069	47,304
Goodw ill	352,545	422,732	428,381
Other intangible assets	816,319	611,320	684,039
Intangible assets under development	105,098	37,319	9,716
Investment in joint ventures and associates	80,453	58,540	60,990
Financial Assets			
- Investments	59,572	27,837	28,622
- Derivative instruments	5,397	5,662	13,999
- Loans and security deposits	8,738	9,687	9,948
- Others	16,766	18,346	17,502
Deferred tax assets (net)	37,409	47,971	46,738
Other non-current assets	49,930	91,070	70,933
	2,182,188	**1,967,920**	**2,028,680**
Current assets			
Inventories	1,288	1,814	1,692
Financial Assets			
- Investments	20,109	15,788	16,159
- Derivative instruments	1,352	2,185	4,765
- Trade receivables	63,186	67,495	65,767
- Cash and cash equivalents	13,165	21,339	37,087
- Bank deposits	1,679	22,114	13,900
- Others	18,809	20,957	21,782
Current tax assets	7,342	11,903	11,570
Other current assets	51,732	54,744	48,827
Assets-held-for-sale	2,914	3,737	7,002
	181,576	**222,076**	**228,551**
Total Assets	**2,363,764**	**2,189,996**	**2,257,231**
Equity and liabilities			
Equity			
Share capital	19,987	19,987	19,987
Other Equity	611,444	632,142	647,706
Equity attributable to owners of the Parent	**631,431**	**652,129**	**667,693**
Non-controlling interests ('NCI')	56,689	52,561	54,981
	688,120	**704,690**	**722,674**
Non-current liabilities			
Financial Liabilities			
- Borrow ings	941,166	861,369	892,686
- Derivative instruments	3,106	256	8
- Others	18,379	19,851	20,576
Deferred revenue	22,631	16,948	17,787
Provisions	6,555	7,704	7,350
Deferred tax liabilities (net)	10,717	13,031	12,512
Other non-current liabilities	688	1,528	1,527
	1,003,242	**920,687**	**952,446**
Current liabilities			
Financial Liabilities			
- Borrow ings	150,789	55,301	57,238
- Current maturities of long term borrow ings	48,693	28,654	54,601
- Derivative instruments	785	1,114	1,931
- Trade Payables	273,660	260,415	255,806
- Others	104,108	127,944	126,688
Deferred revenue	47,207	51,600	51,336
Provisions	2,317	2,362	2,332
Current tax liabilities (net)	8,063	8,958	9,296
Other current liabilities	35,887	28,079	21,844
Liabilities-held-for-sale	893	192	1,039
	672,402	**564,619**	**582,111**
Total liabilities	**1,675,644**	**1,485,306**	**1,534,557**
Total equity and liabilities	**2,363,764**	**2,189,996**	**2,257,231**

7.1.4 Consolidated Statement of Cash Flows

Amount in Rs Mn

Particulars	Quarter Ended		Nine Months Ended	
	Dec-16	Dec-15	Dec-16	Dec-15
Cash flows from operating activities				
Profit before tax	**18,556**	**26,061**	**70,774**	**102,386**
Adjustments for -				
Depreciation and amortisation	48,350	43,541	148,312	126,335
Finance costs	33,061	19,028	75,616	57,944
Finance income	(13,705)	(4,861)	(17,804)	(5,819)
Share of results of joint ventures and associates	(2,696)	(2,721)	(7,941)	(7,751)
Exceptional items	(2,586)	1,056	(434)	(32,385)
Employee share-based payment expenses	75	98	250	151
Other non-cash items	81	(84)	166	(277)
Operating cash flow before changes in working capital	**81,136**	**82,118**	**268,939**	**240,584**
Changes in working capital -				
Trade receivables	3,978	2,001	4,327	6,091
Trade payables	3,411	1,413	18,785	13,287
Inventories	191	(206)	174	(1,000)
Provisions	(390)	18	(39)	(775)
Other financial and non financial liabilities	(2,968)	(120)	5,904	15,658
Other financial and non financial assets	(14,777)	(7,116)	(30,483)	(24,922)
Net cash generated from operations before tax and dividend	**70,581**	**78,108**	**267,607**	**248,923**
Dividend received	0	0	9,510	0
Income tax paid	(4,834)	(11,902)	(22,354)	(37,864)
Net cash generated from operating activities (a)	**65,747**	**66,206**	**254,763**	**211,059**
Cash flows from investing activities				
Purchase of property, plant and equipment	(65,732)	(49,316)	(170,235)	(138,094)
Proceeds from sale of property, plant and equipment	2,511	1,588	4,609	2,334
Purchase of intangible assets	(89,226)	(1,643)	(162,845)	(78,119)
Net movement in current investments	2,188	33,417	3,468	55,432
Purchase of non-current investments	(30,190)	(1,002)	(44,926)	(3,015)
Sale of non-current investments	23,138	1,100	24,553	7,642
Investment in subsidiary, net of cash acquired	0	0	(283)	(135)
Sale of subsidiary	(426)	0	59,604	0
Sale of tower assets	1,212	12,723	6,622	56,367
Proceeds from sale of interest in associate and joint venture	0	0	447	0
Loan to joint venture / associate	0	(19)	0	(19)
Loan repayment received from joint venture / associate	0	14	0	14
Dividend received	62	59	185	59
Interest received	51	1,774	1,955	3,160
Net cash (used in) / generated from investing activities (b)	**(156,412)**	**(1,305)**	**(276,846)**	**(94,374)**
Cash flows from financing activities				
Proceeds from borrowings	124,276	12,675	190,411	149,960
Repayment of borrowings	(68,780)	(72,652)	(199,964)	(288,431)
Net proceeds from short term borrowings	41,143	(8,709)	45,792	2,971
Proceeds from sale and finance leaseback of towers	660	12,099	5,777	47,915
Repayment of finance lease liabilities	(866)	(873)	(2,697)	(1,638)
Purchase of treasury shares	0	0	0	(514)
Interest and other finance charges paid	(9,420)	(8,953)	(25,575)	(26,026)
Proceeds from exercise of share options	37	15	55	558
Dividend paid (including tax)	0	0	(9,168)	(15,304)
Proceeds from issuance of equity shares to non-controlling interests	299	0	549	0
Purchase of shares from NCI	(3,052)	0	(10,684)	0
Net cash (used in) / generated from financing activities (c)	**84,297**	**(66,398)**	**(5,504)**	**(130,509)**
Net (decrease) / increase in cash and cash equivalents during the period (a+b+c)	**(6,368)**	**(1,497)**	**(27,587)**	**(13,823)**
Effect of exchange rate on cash and cash equivalents	88	64	(890)	1,489
Cash and cash equivalents as at beginning of the period	(4,562)	(12,315)	17,635	(1,413)
Cash and cash equivalents as at end of the period	**(10,842)**	**(13,748)**	**(10,842)**	**(13,747)**

7.2 Consolidated Schedule of Net Debt & Finance Cost

7.2.1 Schedule of Net Debt in INR

Amount in Rs Mn

Particulars	As at Dec 31, 2016	As at Dec 31, 2015	As at Mar 31, 2016
Long term debt, net of current portion	459,098	506,808	523,564
Short-term borrowings and current portion of long-term debt	167,399	80,008	81,665
Deferred payment liability	454,297	301,588	341,424
Less:			
Cash and Cash Equivalents	13,165	21,339	37,087
Restricted Cash	1,449	2,953	2,577
Investments & Receivables [16]	92,227	79,597	71,883
Net Debt	**973,952**	**784,515**	**835,106**

7.2.2 Schedule of Net Debt in US$

Amount in US$ Mn

Particulars	As at Dec 31, 2016	As at Dec 31, 2015	As at Mar 31, 2016
Long term debt, net of current portion	6,759	7,655	7,902
Short-term borrowings and current portion of long-term debt	2,464	1,209	1,233
Deferred payment liability	6,688	4,556	5,153
Less:			
Cash and Cash Equivalents	194	322	560
Restricted cash	21	45	39
Investments & Receivables [16]	1,358	1,202	1,085
Net Debt	**14,339**	**11,850**	**12,604**

Note 16: Investments & Receivables include interest bearing notes and residual portion of Tower sale proceeds receivables.

7.2.3 Schedule of Finance Cost

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		Nine Months Ended	
	Dec-16	Dec-15	Dec-16	Dec-15
Interest on borrowings & Finance charges	18,689	13,499	54,039	38,625
Interest on Finance Lease Obligation	1,409	1,332	4,152	2,441
Derivatives and exchange (gain)/ loss	1,259	570	7,376	16,757
Investment (income)/ loss	(2,000)	(1,235)	(7,753)	(5,698)
Finance cost (net)	**19,357**	**14,166**	**57,813**	**52,125**

7.3 Use of Non-GAAP Financial Information

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

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

Non – GAAP measure	Equivalent GAAP measure for Ind-AS	Location in this results announcement of reconciliation and further information
Earnings before Interest, Taxation, Depreciation and Amortization (EBITDA)	Profit from operating activities before depreciation, amortization and exceptional items	Page 32
Cash Profit from Operations before Derivative & Exchange (Gain)/Loss	Profit from operating activities before depreciation, amortization and exceptional items	Page 32
Capex	NA	NA
Operating Free Cash flow	NA	NA
Cumulative investments	NA	NA

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

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		Nine Months Ended	
	Dec-16	Dec-15	Dec-16	Dec-15
Profit / (loss) from operating activities before depreciation, amortization and exceptional items To EBITDA				
Profit / (Loss) from Operating Activities	85,097	84,513	275,444	249,358
Add: CSR Costs	607	236	835	443
EBITDA	**85,705**	**84,749**	**276,280**	**249,800**
Reconciliation of Finance Cost				
Finance Cost	33,061	19,028	75,616	57,944
Less: Finance Income	(13,705)	(4,861)	(17,804)	(5,819)
Finance Cost (net)	**19,356**	**14,168**	**57,812**	**52,125**
Profit / (loss) from operating activities before depreciation, amortization and exceptional items to Cash Profit from Operations before Derivative & Exchange Fluctuation				
Profit / (Loss) from Operating Activities	85,097	84,513	275,444	249,358
Less: Finance cost (net)	19,357	14,166	57,813	52,125
Less: Non Operating Expense	(509)	60	845	1,003
Add: Derivatives and exchange (gain)/loss	1,259	570	7,376	16,757
Cash Profit from Operations before Derivative & Exchange Fluctuation	**67,508**	**70,857**	**224,162**	**212,987**

SECTION 8

REGION WISE COST SCHEDULES

8.1 India

8.1.1 Schedule of Operating Expenses

Amount in Rs Mn

Particulars	Quarter Ended		Nine Months Ended	
	Dec-16	Dec-15	Dec-16	Dec-15
Access charges	18,698	19,658	60,868	59,903
Licence fees, revenue share & spectrum charges	18,876	19,293	60,939	57,664
Network operations costs	42,902	39,428	125,385	115,096
Cost of goods sold	1,077	734	1,863	2,579
Employee costs	5,734	5,928	17,780	17,964
Selling, general and adminstration expense	21,034	20,685	61,946	61,221
Operating Expenses	**108,322**	**105,725**	**328,782**	**314,427**

8.1.2 Schedule of Depreciation & Amortization

Amount in Rs Mn

Particulars	Quarter Ended		Nine Months Ended	
	Dec-16	Dec-15	Dec-16	Dec-15
Depreciation	25,500	23,053	77,710	67,889
Amortization	12,269	7,682	33,874	19,613
Depreciation & Amortization	**37,770**	**30,735**	**111,584**	**87,502**

8.1.3 Schedule of Income Tax

Amount in Rs Mn

Particulars	Quarter Ended		Nine Months Ended	
	Dec-16	Dec-15	Dec-16	Dec-15
Current tax expense	4,512	7,480	22,373	25,114
Deferred tax expense / (income)	4,964	1,972	6,034	5,393
Dividend distribution tax	516	480	1,466	1,352
Income tax expense	**9,992**	**9,932**	**29,874**	**31,859**

8.2 South Asia

8.2.1 Schedule of Operating Expenses

Amount in Rs Mn

Particulars	Quarter Ended		Nine Months Ended	
	Dec-16	Dec-15	Dec-16	Dec-15
Access charges	372	764	1,673	2,097
Licence fees, revenue share & spectrum charges	273	529	1,112	1,322
Network operations costs	932	1,465	3,863	4,245
Cost of goods sold	9	37	55	129
Employee costs	247	329	921	993
Selling, general and adminstration expense	460	1,382	2,797	4,368
Operating Expenses	**2,292**	**4,506**	**10,421**	**13,154**

8.2.2 Schedule of Depreciation & Amortization

Amount in Rs Mn

Particulars	Quarter Ended		Nine Months Ended	
	Dec-16	Dec-15	Dec-16	Dec-15
Depreciation	758	1,232	3,264	3,436
Amortization	155	266	683	785
Depreciation & Amortization	**913**	**1,497**	**3,948**	**4,221**

8.3 Africa

8.3.1 Schedule of Operating Expenses (In Constant Currency) – 15 Countries

Amount in US$ Mn

Particulars	Quarter Ended		Nine Months Ended	
	Dec-16	Dec-15	Dec-16	Dec-15
Access charges	142	134	426	403
Licence fees, revenue share & spectrum charges	49	51	145	149
Network operations costs	209	181	599	555
Cost of goods sold	7	11	23	28
Employee costs	77	91	227	273
Selling, general and adminstration expense	217	230	644	670
Operating Expenses	**701**	**697**	**2,066**	**2,078**

Refer Note 11 & 12 on page 11

8.3.2 Schedule of Operating Expenses (In Constant Currency)

Amount in US$ Mn

Particulars	Quarter Ended		Nine Months Ended	
	Dec-16	Dec-15	Dec-16	Dec-15
Access charges	142	140	432	424
Licence fees, revenue share & spectrum charges	49	55	151	163
Network operations costs	209	193	612	591
Cost of goods sold	7	11	24	29
Employee costs	77	97	234	291
Selling, general and adminstration expense	217	247	663	722
Operating Expenses	**701**	**743**	**2,116**	**2,219**

Refer Note 12 & 13 on page 11

8.3.3 Schedule of Depreciation & Amortization (In Constant Currency) – 15 Countries

Amount in US$ Mn

Particulars	Quarter Ended		Nine Months Ended	
	Dec-16	Dec-15	Dec-16	Dec-15
Depreciation	129	129	413	385
Amortization	35	32	103	100
Depreciation & Amortization	**164**	**161**	**517**	**485**

Refer Note 11 & 12 on page 11

8.3.4 Schedule of Depreciation & Amortization (In Constant Currency)

Amount in US$ Mn

Particulars	Quarter Ended		Nine Months Ended	
	Dec-16	Dec-15	Dec-16	Dec-15
Depreciation	129	136	421	410
Amortization	35	34	108	107
Depreciation & Amortization	**164**	**170**	**529**	**516**

Refer Note 12 & 13 on page 11

8.3.5 Schedule of Income Tax (In USD Reported Currency) – 15 Countries

Amount in US$ Mn

Particulars	Quarter Ended		Nine Months Ended	
	Dec-16	Dec-15	Dec-16	Dec-15
Current tax expense	20	45	33	87
Withholding taxes (WHT)	9	8	27	21
Deferred tax expense / (income)	9	(6)	59	11
Income tax expense	**39**	**46**	**119**	**119**

Refer Note 11 on page 11

8.3.6 Schedule of Income Tax (In USD Reported Currency)

Amount in US$ Mn

Particulars	Quarter Ended		Nine Months Ended	
	Dec-16	Dec-15	Dec-16	Dec-15
Current tax expense	20	50	31	103
Withholding taxes (WHT)	9	8	27	23
Deferred tax expense / (income)	9	5	50	17
Income tax expense	**39**	**63**	**108**	**143**

Refer Note 13 on page 11

SECTION 9

TRENDS AND RATIO ANALYSIS

9.1 Based on Statement of Operations

Consolidated

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Dec-16	Sep-16	Jun-16	Mar-16	Dec-15
Total revenues	**233,357**	**246,515**	**255,465**	**249,596**	**240,659**
Access charges	24,386	28,597	27,041	26,948	27,144
Cost of goods sold	1,543	868	1,014	1,524	1,315
Net revenues	**207,428**	**217,050**	**227,410**	**221,124**	**212,199**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	99,737	98,445	106,262	104,428	104,321
Licence Fee	22,268	24,143	25,499	25,049	23,506
EBITDA	**85,705**	**94,662**	**95,913**	**91,881**	**84,749**
Cash profit from operations before Derivative and Exchange Fluctuations	67,508	77,240	79,414	76,095	70,857
EBIT	36,748	45,042	45,343	43,193	40,972
Share of results of Joint Ventures/Associates	2,696	2,697	2,548	2,915	2,722
Profit before Tax (before exceptional items)	20,595	27,353	28,467	29,076	29,466
Net income (after exceptional items)	5,036	14,607	14,620	13,192	11,082
Capex	58,537	52,875	49,252	60,574	55,082
Operating Free Cash Flow (EBITDA - Capex)	27,168	41,786	46,661	31,308	29,667
Cumulative Investments	2,891,535	2,712,477	2,693,396	2,735,034	2,654,062

	Dec-16	Sep-16	Jun-16	Mar-16	Dec-15
As a % of Total revenues					
Access charges	10.5%	11.6%	10.6%	10.8%	11.3%
Cost of goods sold	0.7%	0.4%	0.4%	0.6%	0.5%
Net revenues	88.9%	88.0%	89.0%	88.6%	88.2%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	42.7%	39.9%	41.6%	41.8%	43.3%
Licence Fee	9.5%	9.8%	10.0%	10.0%	9.8%
EBITDA	36.7%	38.4%	37.5%	36.8%	35.2%
Cash profit from operations before Derivative and Exchange Fluctuations	28.9%	31.3%	31.1%	30.5%	29.4%
EBIT	15.7%	18.3%	17.7%	17.3%	17.0%
Share of results of JV / Associates	1.2%	1.1%	1.0%	1.2%	1.1%
Profit before Tax (before exceptional items)	8.8%	11.1%	11.1%	11.6%	12.2%
Net income (after exceptional items)	2.2%	5.9%	5.7%	5.3%	4.6%

India & South Asia

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Dec-16	Sep-16	Jun-16	Mar-16	Dec-15
Total revenues	**182,392**	**196,149**	**195,451**	**187,424**	**180,837**
Access charges	18,897	22,841	20,213	19,460	20,240
Cost of goods sold	1,086	413	419	757	770
Net revenues	**162,409**	**172,894**	**174,820**	**167,207**	**159,826**
Operating Expenses (Excl Access Charges, cost of goods sold, License Fee & CSR Costs)	70,771	69,706	71,467	68,572	68,978
Licence Fee	19,149	21,109	21,794	21,346	19,822
EBITDA	**72,693**	**82,415**	**81,932**	**77,637**	**71,488**
EBIT	33,500	43,940	43,385	42,195	39,050
Profit before Tax (before exceptional items)	23,048	31,875	30,192	30,502	31,239
Net income (before exceptional items)	11,071	18,723	18,008	19,429	19,062
Capex	54,171	46,094	41,748	41,906	42,983
Operating Free Cash Flow (EBITDA - Capex)	18,522	36,322	40,184	35,731	28,505
Cumulative Investments	2,307,154	2,139,440	2,075,646	1,976,779	1,917,449

	Dec-16	Sep-16	Jun-16	Mar-16	Dec-15
As a % of Total revenues					
Access charges	10.4%	11.6%	10.3%	10.4%	11.2%
Cost of goods sold	0.6%	0.2%	0.2%	0.4%	0.4%
Net revenues	89.0%	88.1%	89.4%	89.2%	88.4%
Operating Expenses (Excl Access Charges, cost of goods sold, License Fee & CSR Costs)	38.8%	35.5%	36.6%	36.6%	38.1%
Licence Fee	10.5%	10.8%	11.2%	11.4%	11.0%
EBITDA	39.9%	42.0%	41.9%	41.4%	39.5%
EBIT	18.4%	22.4%	22.2%	22.5%	21.6%
Profit before Tax (before exceptional items)	12.6%	16.3%	15.4%	16.3%	17.3%
Net income (before exceptional items)	6.1%	9.5%	9.2%	10.4%	10.5%

India

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Dec-16	Sep-16	Jun-16	Mar-16	Dec-15
Total revenues	**180,126**	**192,188**	**191,547**	**183,281**	**176,937**
Access charges	18,698	22,401	19,769	18,963	19,658
Cost of goods sold	1,077	385	401	751	734
Net revenues	**160,351**	**169,403**	**171,377**	**163,567**	**156,545**
Operating Expenses (Excl Access Charges, cost of goods sold, License Fee & CSR Costs)	69,160	66,843	68,418	65,655	65,830
Licence Fee	18,876	20,690	21,374	20,910	19,293
EBITDA	**72,518**	**82,206**	**81,958**	**77,349**	**71,884**
EBIT	34,238	45,208	44,960	43,275	40,939
Profit before Tax (before exceptional items)	24,670	34,084	32,610	32,511	34,068
Net income (before exceptional items)	12,709	20,959	20,513	21,451	21,943
Capex	53,714	45,804	41,217	41,441	42,436
Operating Free Cash Flow (EBITDA - Capex)	18,804	36,402	40,740	35,908	29,448
Cumulative Investments	2,270,718	2,064,316	1,999,608	1,902,777	1,843,776

	Dec-16	Sep-16	Jun-16	Mar-16	Dec-15
As a % of Total revenues					
Access charges	10.4%	11.7%	10.3%	10.3%	11.1%
Cost of goods sold	0.6%	0.2%	0.2%	0.4%	0.4%
Net revenues	89.0%	88.1%	89.5%	89.2%	88.5%
Operating Expenses (Excl Access Charges, cost of goods sold, License Fee & CSR Costs)	38.4%	34.8%	35.7%	35.8%	37.2%
Licence Fee	10.5%	10.8%	11.2%	11.4%	10.9%
EBITDA	40.3%	42.8%	42.8%	42.2%	40.6%
EBIT	19.0%	23.5%	23.5%	23.6%	23.1%
Profit before Tax (before exceptional items)	13.7%	17.7%	17.0%	17.7%	19.3%
Net income (before exceptional items)	7.1%	10.9%	10.7%	11.7%	12.4%

South Asia

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Dec-16	Sep-16	Jun-16	Mar-16	Dec-15
Total revenues	**2,454**	**4,169**	**4,143**	**4,388**	**4,135**
Access charges	372	644	657	718	764
Cost of goods sold	9	29	17	7	37
Net revenues	**2,073**	**3,497**	**3,468**	**3,663**	**3,335**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	7,580	2,868	3,074	2,939	3,176
Licence Fee	273	419	420	436	529
EBITDA	**162**	**210**	**(26)**	**287**	**(371)**
EBIT	(751)	(1,271)	(1,580)	(1,085)	(1,868)
Profit before Tax (before exceptional items)	(1,466)	(2,212)	(2,423)	(2,015)	(2,808)
Net income (before exceptional items)	(1,483)	(2,240)	(2,510)	(2,028)	(2,861)
Capex	457	290	531	465	547
Operating Free Cash Flow (EBITDA - Capex)	(295)	(80)	(557)	(177)	(917)
Cumulative Investments	36,436	75,124	76,038	74,003	73,673

Particulars	Quarter Ended				
	Dec-16	Sep-16	Jun-16	Mar-16	Dec-15
Exchange Fluctuation Impact					
Reported revenues (Rs Mn)	2,454	4,169	4,143	4,388	4,135
a. QoQ growth (%)	*-41.15%*	*0.64%*	*-5.58%*	*6.12%*	*2.21%*
b. Impact of exchange fluctuation (%) [17]	*-0.43%*	*0.53%*	*-1.59%*	*2.34%*	*-0.43%*
c. QoQ growth in constant currency (%) (a - b)	*-40.72%*	*0.11%*	*-3.99%*	*3.78%*	*2.64%*
Revenues in constant currency (Rs Mn) [18]	2,495	4,209	4,204	4,379	4,219

Note 17: Based on Q-o-Q variation and weighted on the revenues of each country for the current quarter.
Note 18: Closing currency rates as on March 1, 2016 (AOP FY 16-17 currency) considered for calculation of revenues in constant currency of each country.

	Dec-16	Sep-16	Jun-16	Mar-16	Dec-15
As a % of Total revenues					
Access charges	15.2%	15.4%	15.9%	16.4%	18.5%
Cost of goods sold	0.4%	0.7%	0.4%	0.2%	0.9%
Net revenues	84.5%	83.9%	83.7%	83.5%	80.6%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	308.9%	68.8%	74.2%	67.0%	76.8%
Licence Fee	11.1%	10.1%	10.1%	9.9%	12.8%
EBITDA	6.6%	5.0%	-0.6%	6.6%	-9.0%
EBIT	-30.6%	-30.5%	-38.1%	-24.7%	-45.2%
Profit before Tax (before exceptional items)	-59.8%	-53.1%	-58.5%	-45.9%	-67.9%
Net income (before exceptional items)	-60.4%	-53.7%	-60.6%	-46.2%	-69.2%

Africa: In INR – 15 Countries

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Dec-16	Sep-16	Jun-16	Mar-16	Dec-15
Total revenues	**53,559**	**52,726**	**57,647**	**59,247**	**57,750**
Access charges	7,818	8,162	8,762	9,137	8,864
Cost of goods sold	458	486	581	727	706
Net revenues	**45,283**	**44,078**	**48,304**	**49,383**	**48,181**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	29,440	29,005	32,725	34,381	33,333
Licence Fee	3,119	3,012	3,354	3,406	3,394
EBITDA	**12,945**	**12,126**	**12,316**	**11,620**	**11,527**
EBIT	3,180	1,125	941	(755)	784
Profit before Tax (before exceptional items)	(4,070)	(6,299)	(690)	(2,829)	(2,517)
Net income (before exceptional items)	(6,204)	(6,227)	(4,174)	(4,942)	(4,982)
Capex	4,366	6,875	7,240	18,085	10,903
Operating Free Cash Flow (EBITDA - Capex)	8,579	5,251	5,075	(6,465)	624
Cumulative Investments	584,381	573,154	595,185	694,966	675,905

	Dec-16	Sep-16	Jun-16	Mar-16	Dec-15
As a % of Total revenues					
Access charges	14.6%	15.5%	15.2%	15.4%	15.3%
Cost of goods sold	0.9%	0.9%	1.0%	1.2%	1.2%
Net revenues	84.5%	83.6%	83.8%	83.4%	83.4%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	55.0%	55.0%	56.8%	58.0%	57.7%
Licence Fee	5.8%	5.7%	5.8%	5.7%	5.9%
EBITDA	24.2%	23.0%	21.4%	19.6%	20.0%
EBIT	5.9%	2.1%	1.6%	-1.3%	1.4%
Profit before Tax (before exceptional items)	-7.6%	-11.9%	-1.2%	-4.8%	-4.4%
Net income (before exceptional items)	-11.6%	-11.8%	-7.2%	-8.3%	-8.6%

Refer Note 11 on page 11

Africa: In INR

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Dec-16	Sep-16	Jun-16	Mar-16	Dec-15
Total revenues	**53,559**	**53,048**	**62,493**	**64,511**	**62,506**
Access charges	7,818	8,197	9,123	9,574	9,258
Cost of goods sold	458	487	612	767	715
Net revenues	**45,283**	**44,363**	**52,758**	**54,170**	**52,533**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	29,440	29,107	35,100	36,268	35,645
Licence Fee	3,119	3,035	3,705	3,703	3,684
EBITDA	**12,945**	**12,247**	**13,998**	**14,233**	**13,287**
EBIT	3,180	1,103	1,975	986	1,947
Profit before Tax (before exceptional items)	(4,070)	(6,158)	(2,472)	(1,238)	(1,300)
Net income (before exceptional items)	(6,204)	(6,099)	(5,204)	(3,839)	(4,870)
Capex	4,366	6,781	7,504	18,668	12,099
Operating Free Cash Flow (EBITDA - Capex)	8,579	5,466	6,495	(4,435)	1,188
Cumulative Investments	584,381	573,037	617,751	758,254	736,614

	Dec-16	Sep-16	Jun-16	Mar-16	Dec-15
As a % of Total revenues					
Access charges	14.6%	15.5%	14.6%	14.8%	14.8%
Cost of goods sold	0.9%	0.9%	1.0%	1.2%	1.1%
Net revenues	84.5%	83.6%	84.4%	84.0%	84.0%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	55.0%	54.9%	56.2%	56.2%	57.0%
Licence Fee	5.8%	5.7%	5.9%	5.7%	5.9%
EBITDA	24.2%	23.1%	22.4%	22.1%	21.3%
EBIT	5.9%	2.1%	3.2%	1.5%	3.1%
Profit before Tax (before exceptional items)	-7.6%	-11.6%	-4.0%	-1.9%	-2.1%
Net income (before exceptional items)	-11.6%	-11.5%	-8.3%	-6.0%	-7.8%

Note 19: Above table reflects the INR reported numbers.

Africa: In USD Constant Currency – 15 Countries [Note 20]

Amount in US$ Mn, except ratios

Particulars	Quarter Ended				
	Dec-16	Sep-16	Jun-16	Mar-16	Dec-15
Total revenues	**919**	**898**	**864**	**872**	**871**
Access charges	142	151	133	135	134
Cost of goods sold	7	8	9	11	11
Net revenues	**769**	**739**	**723**	**727**	**727**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	502	480	488	504	501
Licence Fee	49	47	49	50	51
EBITDA	**225**	**211**	**185**	**171**	**174**
EBIT	61	28	15	(11)	12
Profit before tax (before exceptional items) [21]	23	(14)	(22)	(44)	(30)
Capex	65	102	108	267	166
Operating Free Cash Flow (EBITDA - Capex)	160	108	77	(96)	8
Cumulative Investments	8,603	8,604	8,814	10,489	10,210

	Dec-16	Sep-16	Jun-16	Mar-16	Dec-15
As a % of Total revenues					
Access charges	15.5%	16.8%	15.4%	15.4%	15.4%
Cost of goods sold	0.8%	0.9%	1.0%	1.2%	1.2%
Net revenues	83.7%	82.3%	83.6%	83.3%	83.4%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	54.7%	53.5%	56.4%	57.8%	57.5%
Licence Fee	5.4%	5.2%	5.7%	5.7%	5.8%
EBITDA	24.5%	23.5%	21.4%	19.6%	20.0%
EBIT	6.6%	3.1%	1.7%	-1.2%	1.4%
Profit before tax (before exceptional items) [21]	2.5%	-1.6%	-2.6%	-5.0%	-3.4%

Note 20: Closing currency rates as on March 1, 2016 (AOP FY 16-17 currency) considered for above financials upto PBT. Actual currency rates taken for Capex & Cumulative Investments.
Note 21: PBT excludes any realized / unrealized derivatives and exchange (gain) / loss for the period.
Refer Note 11 on page 11

Africa: In USD Constant Currency [Note 21]

Amount in US$ Mn, except ratios

Particulars	Quarter Ended				
	Dec-16	Sep-16	Jun-16	Mar-16	Dec-15
Total revenues	**919**	**904**	**935**	**949**	**945**
Access charges	142	152	138	141	140
Cost of goods sold	7	8	9	11	11
Net revenues	**769**	**745**	**788**	**797**	**794**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	502	483	523	532	537
Licence Fee	49	48	54	54	55
EBITDA	**225**	**213**	**210**	**209**	**201**
EBIT	61	27	30	14	30
Profit before tax (before exceptional items) [21]	23	(15)	(11)	(23)	(16)
Capex	65	102	112	276	184
Operating Free Cash Flow (EBITDA - Capex)	160	111	97	(67)	17
Cumulative Investments	8,603	8,604	9,149	11,444	11,127

	Dec-16	Sep-16	Jun-16	Mar-16	Dec-15
As a % of Total revenues					
Access charges	15.5%	16.8%	14.8%	14.9%	14.8%
Cost of goods sold	0.8%	0.9%	1.0%	1.2%	1.2%
Net revenues	83.7%	82.3%	84.2%	84.0%	84.0%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	54.7%	53.4%	55.9%	56.1%	56.8%
Licence Fee	5.4%	5.3%	5.8%	5.7%	5.9%
EBITDA	24.5%	23.6%	22.4%	22.0%	21.3%
EBIT	6.6%	3.0%	3.2%	1.5%	3.2%
Profit before tax (before exceptional items) [21]	2.5%	-1.6%	-1.2%	-2.4%	-1.7%

Refer Note 13 on page 11

Africa: In USD Reported Currency – 15 Countries

Amount in US$ Mn, except ratios

Particulars	Quarter Ended				
	Dec-16	Sep-16	Jun-16	Mar-16	Dec-15
Total revenues	**792**	**785**	**863**	**876**	**877**
Access charges	116	122	131	135	135
Cost of goods sold	7	7	9	11	11
Net revenues	**670**	**657**	**723**	**730**	**732**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	442	432	490	508	506
Licence Fee	46	45	50	50	52
EBITDA	**190**	**181**	**184**	**172**	**175**
EBIT	47	17	14	(11)	12
Profit before Tax (before exceptional items)	(61)	(93)	(11)	(42)	(38)
Net income (before exceptional items)	(93)	(92)	(63)	(73)	(76)
Capex	65	102	108	267	166
Operating Free Cash Flow (EBITDA - Capex)	125	78	76	(95)	9
Cumulative Investments	8,603	8,604	8,814	10,489	10,210

	Dec-16	Sep-16	Jun-16	Mar-16	Dec-15
As a % of Total revenues					
Access charges	14.6%	15.5%	15.2%	15.4%	15.3%
Cost of goods sold	0.9%	0.9%	1.0%	1.2%	1.2%
Net revenues	84.5%	83.6%	83.8%	83.4%	83.4%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	55.9%	55.0%	56.8%	58.0%	57.7%
Licence Fee	5.8%	5.7%	5.8%	5.7%	5.9%
EBITDA	24.0%	23.0%	21.3%	19.6%	19.9%
EBIT	5.9%	2.1%	1.6%	-1.3%	1.3%
Profit before Tax (before exceptional items)	-7.7%	-11.9%	-1.2%	-4.8%	-4.4%
Net income (before exceptional items)	-11.7%	-11.8%	-7.3%	-8.4%	-8.7%

Refer Note 11 on page 11

Africa: In USD Reported Currency [Note 22]

Amount in US$ Mn, except ratios

Particulars	Quarter Ended				
	Dec-16	Sep-16	Jun-16	Mar-16	Dec-15
Total revenues	**792**	**790**	**936**	**953**	**949**
Access charges	116	122	137	141	141
Cost of goods sold	7	7	9	11	11
Net revenues	**670**	**661**	**790**	**801**	**798**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	442	434	526	536	541
Licence Fee	46	45	55	55	56
EBITDA	**190**	**182**	**209**	**210**	**202**
EBIT	47	16	29	14	29
Profit before Tax (before exceptional items)	(61)	(91)	(37)	(19)	(20)
Net income (before exceptional items)	(93)	(91)	(78)	(57)	(74)
Capex	65	102	112	276	184
Operating Free Cash Flow (EBITDA - Capex)	125	80	97	(66)	18
Cumulative Investments	8,603	8,604	9,149	11,444	11,127

	Dec-16	Sep-16	Jun-16	Mar-16	Dec-15
As a % of Total revenues					
Access charges	14.6%	15.5%	14.6%	14.8%	14.8%
Cost of goods sold	0.9%	0.9%	1.0%	1.2%	1.1%
Net revenues	84.5%	83.6%	84.4%	84.0%	84.0%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	55.9%	54.9%	56.3%	56.2%	57.0%
Licence Fee	5.8%	5.7%	5.9%	5.7%	5.9%
EBITDA	24.0%	23.1%	22.4%	22.0%	21.2%
EBIT	5.9%	2.1%	3.1%	1.5%	3.1%
Profit before Tax (before exceptional items)	-7.7%	-11.6%	-4.0%	-2.0%	-2.1%
Net income (before exceptional items)	-11.7%	-11.5%	-8.3%	-6.0%	-7.8%

Note 22: Above table reflects the USD reported numbers.

9.2 Financial Trends of Business Operations

Mobile Services India

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Dec-16	Sep-16	Jun-16	Mar-16	Dec-15
Total revenues	**138,365**	**147,353**	**150,526**	**146,525**	**139,750**
EBITDA	52,553	62,492	63,875	58,616	54,362
EBITDA / Total revenues	*38.0%*	*42.4%*	*42.4%*	*40.0%*	*38.9%*
EBIT	22,577	33,103	34,436	32,433	30,987
Capex	44,097	37,055	31,941	33,794	32,800
Operating Free Cash Flow (EBITDA - Capex)	8,456	25,437	31,935	24,822	21,562
Cumulative Investments	1,846,255	1,651,470	1,595,444	1,497,155	1,444,429

Homes Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Dec-16	Sep-16	Jun-16	Mar-16	Dec-15
Total revenues	**7,025**	**7,063**	**6,644**	**6,587**	**6,343**
EBITDA	3,414	3,347	2,914	2,798	2,711
EBITDA / Total revenues	*48.6%*	*47.4%*	*43.9%*	*42.5%*	*42.7%*
EBIT	1,941	1,634	1,614	1,532	1,397
Capex	1,858	2,162	2,571	617	1,782
Operating Free Cash Flow (EBITDA - Capex)	1,555	1,186	343	2,180	929
Cumulative Investments	63,676	62,344	60,257	58,462	58,504

Digital TV Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Dec-16	Sep-16	Jun-16	Mar-16	Dec-15
Total revenues	**8,735**	**8,545**	**8,369**	**7,840**	**7,422**
EBITDA	3,026	3,030	3,011	2,750	2,474
EBITDA / Total revenues	*34.6%*	*35.5%*	*36.0%*	*35.1%*	*33.3%*
EBIT	684	699	1,219	720	538
Capex	2,650	2,541	2,030	2,943	3,422
Operating Free Cash Flow (EBITDA - Capex)	376	488	981	(193)	(948)
Cumulative Investments	72,127	69,453	66,936	64,906	61,770

Airtel Business

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Dec-16	Sep-16	Jun-16	Mar-16	Dec-15
Total revenues	**27,050**	**29,816**	**26,793**	**23,666**	**24,043**
EBITDA	8,287	8,440	7,733	8,043	7,511
EBITDA / Total revenues	*30.6%*	*28.3%*	*28.9%*	*34.0%*	*31.2%*
EBIT	5,384	6,114	4,695	5,104	4,645
Capex	1,239	1,507	1,937	1,608	2,029
Operating Free Cash Flow (EBITDA - Capex)	7,048	6,934	5,796	6,435	5,482
Cumulative Investments	89,831	87,874	87,680	85,914	83,607

Tower Infrastructure Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Dec-16	Sep-16	Jun-16	Mar-16	Dec-15
Total revenues	**15,292**	**14,962**	**14,557**	**14,148**	**13,979**
EBITDA	7,291	7,106	6,838	7,088	6,590
EBITDA / Total revenues	*47.7%*	*47.5%*	*47.0%*	*50.1%*	*47.1%*
EBIT	4,299	4,200	3,826	3,927	3,681
Share of results of Joint ventures / Associates	3,041	2,866	2,771	3,059	2,844
Capex	3,405	2,128	2,054	2,093	2,389
Operating Free Cash Flow (EBITDA - Capex)	3,886	4,978	4,784	4,995	4,202
Cumulative Investments	192,103	186,877	183,331	191,110	190,496

Others (India)

Amount in Rs Mn

Particulars	Quarter Ended				
	Dec-16	Sep-16	Jun-16	Mar-16	Dec-15
Total revenues	**658**	**728**	**771**	**785**	**792**
EBITDA	13	(73)	(471)	(478)	(400)
EBIT	(394)	(76)	(474)	(481)	(404)
Capex	463	412	685	447	14
Operating Free Cash Flow (EBITDA - Capex)	(451)	(485)	(1,157)	(925)	(414)
Cumulative Investments	6,726	6,297	5,960	5,229	4,971

Refer Note 10 on page 11

9.3 Based on Statement of Financial Position

Consolidated

Amount in Rs Mn, except ratios

Particulars	As at				
	Dec 31, 2016	Sep 30, 2016	Jun 30, 2016	Mar 31, 2016	Dec 31, 2015
Equity attributable to equity holders of parent	631,431	641,388	642,886	667,693	652,129
Net Debt	973,952	814,803	834,915	835,106	784,515
Net Debt (US$ Mn)	14,339	12,232	12,365	12,604	11,850
Capital Employed = Equity attributable to equity holders of parent + Net Debt	1,605,383	1,456,191	1,477,801	1,502,799	1,436,644

	Dec 31, 2016	Sep 30, 2016	Jun 30, 2016	Mar 31, 2016	Dec 31, 2015
Return on Equity attributable to equity holders of parent (LTM)	7.3%	8.2%	8.3%	9.4%	8.7%
Return on Capital Employed (LTM)	7.1%	7.4%	7.6%	8.4%	8.6%
Net Debt to EBITDA (LTM) - US$	2.69	2.28	2.37	2.46	2.34
Net Debt to EBITDA (Annualised) - US$	2.91	2.22	2.21	2.38	2.36
Assets Turnover ratio (LTM)	59.7%	60.9%	61.4%	62.7%	65.8%
Interest Coverage ratio (times)	4.94	5.63	5.87	6.51	6.75
Net debt to Equity attributable to equity holders of parent (Times)	1.54	1.27	1.30	1.25	1.20
Per share data (for the period)					
Net profit/(loss) per common share (in Rs)	1.26	3.65	3.66	3.30	2.77
Net profit/(loss) per diluted share (in Rs)	1.26	3.65	3.66	3.30	2.77
Book Value Per Equity Share (in Rs)	158.0	160.5	160.8	167.0	163.1
Market Capitalization (Rs Bn)	1,221	1,255	1,464	1,403	1,359
Enterprise Value (Rs Bn)	2,254	2,129	2,353	2,296	2,200

Refer Note 3 & 4 on page 4

9.4 Operational Performance – India

Parameters	Unit	Dec 31, 2016	Sep 30, 2016	Jun 30, 2016	Mar 31, 2016	Dec 31, 2015
Total Customers Base	**000's**	**282,270**	**276,143**	**271,615**	**266,626**	**257,993**
Mobile Services						
Customer Base	000's	265,853	259,941	255,735	251,237	243,289
VLR	%	97.2%	97.4%	97.5%	97.0%	96.0%
Net Additions	000's	5,912	4,206	4,497	7,948	8,078
Pre-Paid (as a % of total Customer Base)	%	93.7%	93.7%	93.9%	94.0%	94.1%
Monthly Churn	%	4.1%	3.7%	3.6%	3.3%	3.4%
Average Revenue Per User (ARPU)	Rs	172	188	196	194	192
Average Revenue Per User (ARPU)	US$	2.5	2.8	2.9	2.9	2.9
Revenue per towers per month	Rs	283,359	306,055	318,741	314,570	305,630
Revenues						
Total Revenues	Rs Mn	138,366	147,352	150,526	146,525	139,750
Mobile Services	Rs Mn	135,644	145,065	148,765	144,043	137,850
Others	Rs Mn	2,723	2,287	1,760	2,482	1,900
Voice						
Minutes on the network	Mn	330,217	313,403	314,831	307,988	290,459
Voice Average Revenue Per User (ARPU)	Rs	123	132	139	138	137
Voice Usage per customer	min	419	406	414	415	405
Voice Realization per minute	paisa	29.42	32.42	33.49	33.25	33.75
Non Voice Revenue						
% of Mobile Services	%	28.4%	30.0%	29.1%	28.9%	28.9%
Of Which						
Messaging & VAS as % of Mobile Services	%	5.2%	4.9%	5.0%	5.2%	5.3%
Data as % of Mobile Services	%	22.8%	24.7%	23.7%	23.3%	23.1%
Others as % of Mobile Services	%	0.4%	0.4%	0.4%	0.4%	0.5%
Data						
Data Customer Base	000's	54,915	62,659	58,903	58,216	54,860
Of which Mobile Broadband costumers	*000's*	*37,690*	*41,335*	*36,572*	*35,460*	*30,881*
As % of Customer Base	*%*	*20.7%*	*24.1%*	*23.0%*	*23.2%*	*22.5%*
Total MBs on the network	Mn MBs	171,817	178,125	158,035	146,768	133,946
Data Average Revenue Per User (ARPU)	Rs	175	201	202	196	200
Data Usage per customer	MBs	972	1000	904	859	843
Data Realization per MB	paisa	17.97	20.08	22.31	22.87	23.77
Homes Services						
Homes Customers	000's	2,102	2,083	2,020	1,949	1,874
Of which no. of Broadband (DSL) customers	*000's*	1,922	1,897	1,811	1,731	1,646
As % of Customer Base	*%*	*91.4%*	*91.1%*	*89.7%*	*88.8%*	*87.8%*
Net Additions	000's	19	64	70	76	83
Average Revenue Per User (ARPU)	Rs	1,112	1,143	1,118	1,148	1,153
Average Revenue Per User (ARPU)	US$	16.4	17.0	16.7	17.0	17.5
Non Voice Revenue as % of Homes Revenues	%	87.9%	86.7%	88.4%	86.5%	86.2%
Digital TV Services						
Digital TV Customers	000's	12,588	12,405	12,149	11,725	11,106
Net additions	000's	183	256	424	619	530
Average Revenue Per User (ARPU)	Rs	232	232	233	229	229
Average Revenue Per User (ARPU)	US$	3.4	3.5	3.5	3.4	3.5
Monthly Churn	%	1.3%	1.2%	0.8%	0.8%	0.7%
Airtel Business						
Airtel Business customer	000's	1,728	1,714	1,712	1,714	1,724

9.5

Traffic Trends – India

Parameters	Unit	Dec 31, 2016	Sep 30, 2016	Jun 30, 2016	Mar 31, 2016	Dec 31, 2015
Mobile Services	Mn Min	330,217	313,403	314,831	307,988	290,459
Homes Services	Mn Min	2,426	3,128	2,823	2,542	2,195
Airtel Business	Mn Min	2,842	3,002	3,190	3,139	3,070
National Long Distance Services	Mn Min	34,755	34,226	33,552	33,345	31,780
International Long Distance Services	Mn Min	4,910	5,193	5,695	4,622	4,657
Total Minutes on Network (Gross)	**Mn Min**	**375,149**	**358,952**	**360,092**	**351,637**	**332,160**
Eliminations	Mn Min	(34,803)	(34,258)	(33,573)	(33,354)	(31,896)
Total Minutes on Network (Net)	**Mn Min**	**340,346**	**324,694**	**326,518**	**318,283**	**300,264**

9.6 Network and Coverage Trends - India

Parameters	Unit	Dec 31, 2016	Sep 30, 2016	Jun 30, 2016	Mar 31, 2016	Dec 31, 2015
Mobile Services						
Census Towns	Nos	7,892	7,889	7,885	7,885	7,884
Non-Census Towns & Villages	Nos	784,769	781,679	781,484	779,919	778,725
Population Coverage	%	95.3%	95.1%	95.1%	95.6%	95.0%
Optic Fibre Network	R Kms	223,607	218,799	214,031	210,155	205,901
Network towers	Nos	160,199	158,934	157,055	154,097	151,200
Of which Mobile Broadband towers	*Nos*	*113,367*	*110,382*	*108,015*	*105,465*	*88,376*
Total Mobile Broadband Base stations	Nos	170,844	148,078	137,567	118,197	99,297
Homes 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%

9.7 Tower Infrastructure Services

9.7.1 Bharti Infratel Standalone

Parameters	Unit	Dec 31, 2016	Sep 30, 2016	Jun 30, 2016	Mar 31, 2016	Dec 31, 2015
Total Towers	Nos	38,997	38,832	38,642	38,458	38,206
Total Co-locations	Nos	86,112	83,085	81,908	81,632	80,366
Key Indicators						
Sharing Revenue per sharing operator per month	Rs	37,428	37,868	37,698	37,622	37,272
Average Sharing Factor	Times	2.17	2.13	2.12	2.11	2.10

Additional Information

9.7.2 Indus Towers

Parameters	Unit	Dec 31, 2016	Sep 30, 2016	Jun 30, 2016	Mar 31, 2016	Dec 31, 2015
Total Towers	Nos	122,044	121,330	120,739	119,881	118,687
Total Co-locations	Nos	282,909	275,499	272,603	270,006	265,606
Average Sharing Factor	Times	2.29	2.26	2.26	2.25	2.23

9.7.3 Bharti Infratel Consolidated

Parameters	Unit	Dec 31, 2016	Sep 30, 2016	Jun 30, 2016	Mar 31, 2016	Dec 31, 2015
Total Towers	Nos	90,255	89,791	89,352	88,808	88,055
Total Co-locations	Nos	204,934	198,795	196,401	195,035	191,921
Average Sharing Factor	Times	2.24	2.21	2.20	2.19	2.17

9.8 Human Resource Analysis - India

Parameters	Unit	Dec 31, 2016	Sep 30, 2016	Jun 30, 2016	Mar 31, 2016	Dec 31, 2015
Total Employees	Nos	19,048	19,462	19,861	19,523	19,204
Number of Customers per employee	Nos	14,819	14,189	13,590	13,657	13,434
Personnel Cost per employee per month	Rs	100,338	105,915	98,396	112,982	102,917
Gross Revenue per employee per month	Rs	3,152,145	3,291,680	3,214,791	3,129,319	3,071,181

9.9 Africa – 15 Countries

9.9.1 Operational Performance (In Constant Currency)

Parameters	Unit	Dec 31, 2016	Sep 30, 2016	Jun 30, 2016	Mar 31, 2016	Dec 31, 2015
Customer Base	000's	80,356	78,145	75,769	74,675	76,346
VLR	%	81.1%	81.2%	81.8%	84.7%	82.3%
Net Additions	000's	2,211	2,377	1,093	(1,670)	910
Pre-Paid (as % of total Customer Base)	%	99.2%	99.2%	99.2%	99.2%	99.3%
Monthly Churn	%	4.9%	5.3%	4.9%	6.8%	6.0%
Average Revenue Per User (ARPU)	US$	3.9	3.9	3.8	3.9	3.8
Revenue per site per month	US$	15,167	15,083	14,706	15,114	15,440
Voice						
Minutes on the network	Mn	35,913	36,570	34,191	33,771	32,610
Voice Average Revenue Per User (ARPU)	US$	2.7	2.7	2.6	2.7	2.8
Voice Usage per customer	min	152	159	152	149	144
Voice Realization per minute	US¢	1.78	1.72	1.74	1.81	1.93
Non Voice Revenue						
% of Mobile revenues	%	30.3%	29.7%	31.3%	29.8%	27.8%
Of Which						
Messaging & VAS as % of Mobile revenues	%	10.4%	10.3%	10.4%	10.0%	9.7%
Data as % of Mobile revenues	%	16.7%	16.3%	16.8%	15.7%	14.2%
Others as % of Mobile revenues	%	3.2%	3.1%	4.1%	4.0%	3.8%
Data						
Data Customer Base	000's	17,948	18,071	16,225	15,138	14,800
As % of Customer Base	*%*	*22.3%*	*23.1%*	*21.4%*	*20.3%*	*19.4%*
Total MBs on the network	Mn MBs	36,768	34,269	27,655	22,787	19,254
Data Average Revenue Per User (ARPU)	US$	2.9	2.9	3.1	3.1	2.9
Data Usage per customer	MBs	684	670	591	509	454
Data Realization per MB	US¢	0.42	0.43	0.53	0.60	0.64

Refer Note 11 & 12 on page 11

9.9.2 Network and Coverage Trends

Parameters	Unit	Dec 31, 2016	Sep 30, 2016	Q-on-Q Growth	Dec 31, 2015	Y-on-Y Growth
Sites on Network	Nos	20,240	19,866	374	18,777	1,463
Of which no. of 3G sites	*Nos*	*13,622*	*13,280*	342	*11,907*	1,715

Refer Note 11 on page 11

9.9.3 Human Resource Analysis

Parameters	Unit	Dec 31, 2016	Sep 30, 2016	Jun 30, 2016	Mar 31, 2016	Dec 31, 2015
Total Employees	Nos	4,033	4,058	4,226	4,350	4,581
Number of Customers per employee	Nos	19,925	19,257	17,929	17,167	16,666
Personnel Cost per employee per month	US$	6,363	6,128	5,972	6,429	6,619
Gross Revenue per employee per month	US$	75,921	73,741	68,152	66,850	63,385

Refer Note 11 & 12 on page 11

SECTION 10

KEY ACCOUNTING POLICIES AS PER Ind-AS

1. Property, plant and equipment

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

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

Assets	Years
Building	20
Network equipment	3-20
Customer premises equipment	5 – 6
Assets taken on finance lease	Period of lease or 10 years, as applicable, whichever is less
Computer equipment	3
Office, furniture and equipment	2 – 5
Vehicles	3 – 5
Leasehold improvements	Period of the lease or 10/20 years, as applicable, whichever is less

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

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

2. Goodwill

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

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

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

3. Other Intangible assets

Identifiable intangible assets are recognised when the Group controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be measured reliably.

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

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

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

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

b. Software: Software are amortised over the period of license, generally not exceeding three years.

c. Bandwidth: Bandwidth is amortised on straight-line basis over the period of the agreement.

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

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

Distribution network: One year to two years

Customer base: Over the estimated life of such relationships which ranges from one year to five years.

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

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

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

4. Investment in Joint Ventures and Associates

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

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the

financial and operating policy decisions of the investee but is not control or joint control over those policies.

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

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

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

5. Finance leases - Lessee accounting

Leases where the lessor transfers substantially all the risks and rewards of ownership of the leased asset are classified as finance lease. Assets acquired under finance leases are capitalised at the lease inception at lower of the fair value of the leased asset and the present value of the minimum lease payments. Lease payments are apportioned between finance charges (recognised in the statement of profit and loss) and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability for each period.

Sale and leaseback transaction involves the sale and the leasing back of the same asset. In case it results in a finance lease, any profit or loss is not recognised, instead the asset leased back is retained at its carrying value. However, in case it results in an operating lease, any profit or loss is recognised immediately provided the transaction occurs at fair value.

6. Indefeasible right to use (IRU)

The Group enters into 'Indefeasible right to use' arrangement wherein the assets are given on lease over the substantial part of the asset life. However, the title to the assets and significant risk associated with the operation and maintenance of these assets remains with the Group. Hence, such arrangements are recognised as operating lease.

The contracted price is recognised as revenue during the tenure of the agreement. Unearned IRU revenue received in advance is presented as deferred revenue within liabilities in the balance sheet.

Exchange of network capacity is recognised at fair value unless the transaction lacks commercial substance or the fair value of neither the capacity received nor the capacity given is reliably measurable.

7. Derivative financial instruments

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

8. Hedging activities

i. Fair value hedge

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

ii. Cash flow hedge

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

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

iii. Net investment hedge

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

9. Revenue recognition

Revenue is recognised when it is probable that the entity will receive the economic benefits associated with the transaction and the related revenue can be measured reliably. Revenue is recognised at the fair value of the consideration received or receivable, which is generally the transaction price, net of any discounts and process waivers.

In order to determine if it is acting as a principal or as an agent, the Group assesses whether it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services.

(i) Service revenues

Service revenues mainly pertain to usage, subscription and activation charges for voice, data, messaging, value added services and broadcasting. It also includes revenue towards interconnection charges for usage of the Group's network by other operators for voice, data, messaging and signalling services.

Usage charges are recognised based on actual usage. Subscription charges are recognised over the estimated customer relationship period or subscription pack validity period, whichever is lower. Activation revenue and related activation costs are amortised over the estimated customer relationship period. However, any excess of activation costs over activation revenue are expensed as incurred.

Certain business' service revenues include income from registration and installation, which are amortised over the period of agreement since the date of activation of services.

Revenues from long distance operations comprise of voice services and bandwidth services (including installation), which are recognised on provision of services and over the period of arrangement respectively.

(ii) Multiple element arrangements

The Group has entered into certain multiple-element revenue arrangements which involve the delivery or performance of multiple products, services or rights to use assets. At the inception of the arrangement, all the deliverables therein are evaluated to determine whether they represent separately identifiable component basis it is perceived from the customer perspective to have value on standalone basis.

Total consideration related to the multiple element arrangements is allocated among the different components based on their relative fair values (i.e., ratio of the fair value of each element to the aggregated fair value of the bundled deliverables). In case the relative fair value of different components cannot be determined on a reasonable basis, the total consideration is allocated to the different components on a residual value method.

(ii) Equipment sales

Equipment sales mainly pertain to sale of telecommunication equipment and related accessories. Such transactions are recognised when the significant risks and rewards of ownership are transferred to the customer. However, in case of equipment sale forming part of multiple-element revenue arrangements which is not separately identifiable component, revenue is recognised over the customer relationship period.

10. Exceptional items

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

11. Foreign currency transactions

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

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

12. Income-taxes

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

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

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

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

13. Transactions with non-controlling interests

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

SECTION 11

GLOSSARY

Technical and Industry Terms

Company Related	
3G	Third Generation of Mobile Telephony.
4G	Fourth Generation of Mobile Telephony.
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 Ind-AS measure and is defined as profit from operating activities before depreciation, amortization and exceptional items adjusted for interest expense, interest income and non-operating expenses 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	A customer who used at least 1 MB on GPRS / 3G / 4G network in the last 30 days.
Data Usage per Customer	It is calculated by dividing the total MBs consumed on the network during the relevant period by the average data customer base; and dividing the result by the number of months in the relevant period.
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 an Ind-AS measure and is defined as profit from operating activities before depreciation, amortization and exceptional items adjusted for CSR 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, Net Debt and finance lease obligations 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).
Finance Lease Obligation (FLO)	Finance Lease Obligation represents present value of future obligation for assets taken on finance lease.
Gross Revenue per Employee per month	It is computed by dividing the Gross Revenue (net of inter-segment eliminations) by the closing number of employees in a given business unit and number of months in the relevant period.
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.
MBB	Mobile Broadband
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
Mobile Broadband Base stations	It includes all the 3G and 4G Base stations deployed across all technologies i.e. 900/1800/2100/2300 Mhz bands.
Mobile Broadband Customer	A customer who used at least 1 MB on 3G / 4G network in the last 30 days.
Mobile Broadband Towers	It means the total number of network towers (defined below) in which unique number of either 3G or 4G Base stations are deployed, irrespective of their technologies. Total numbers of Mobile Broadband Towers are subset of Total Network Towers.
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 Towers	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 an Ind-AS measure and is defined as the long-term debt, net of current portion plus short-term borrowings and current portion of long-term debt plus deferred payment liability minus cash and cash equivalents, short-term investments which includes interest bearing notes, receivables towards residual portion of Tower sale proceeds, restricted cash and restricted cash non-current as at the end of the relevant period. This excludes finance lease obligations. 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 (EBITDA adjusted downwards to the extent of finance lease charges on towers in Africa) 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 (EBITDA adjusted downwards to the extent of finance lease charges on towers in Africa) 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 Ind-AS 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 Homes 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 Homes Revenue	It is computed by dividing the total non-voice revenue of Homes services by the total revenues of Homes services for the relevant period. Non voice revenue for Homes services includes revenues from services such as DSL, Lease line, 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 Ind-AS measure and is defined as Profit / (Loss) before taxation adjusted for current tax expense.
Return On Capital Employed (ROCE)	For the full year ended March 31, 2014, 2015 and 2016. ROCE is computed by dividing the sum of net profit and finance cost (net) excluding finance charges and interest on FLO 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) excluding finance charges and interest on FLO 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, 2014, 2015 and 2016, 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 Employees	Total on-roll employees as at the end of respective period and excludes 42% of Indus Towers employees in India.
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 Cells
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
Ind-AS	Indian Accounting Standards
NSE	The National Stock Exchange of India Limited.
Sensex	Sensex is a stock index introduced by The Stock Exchange, Mumbai in 1986.
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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