BHARTI AIRTEL LIMITED

Registered Office: Bharti Crescent, 1, Nelson Mandela Road, Vasant Kunj, Phase II, New Delhi – 110 070, India

Financial results for the fourth quarter and year ended March 31, 2013

1. **Consolidated summarised financial results of Bharti Airtel Limited and its subsidiaries prepared as per International Financial Reporting Standards (IFRS)**

Part I

(In Rs. Million except per share data)

S. No.	Particulars	Quarter Ended March 31,	Quarter Ended December 31,	Quarter Ended March 31,	Year Ended March 31,	
		2013	2012	2012	2013	2012
		Audited	Audited	Audited	Audited	Audited
1	**Total Sales / Income**	**204,604**	**202,537**	**187,388**	**803,590**	**715,058**
	(a) Net Sales/ Income from Operations	204,484	202,395	187,294	803,112	714,508
	(b) Other Operating Income	120	142	94	478	550
2	**Total Expenditure**	**179,562**	**179,703**	**159,742**	**709,850**	**611,616**
	(a) Employee Cost	10,848	10,211	8,717	40,098	35,159
	(b) Depreciation & Amortisation	39,828	39,005	34,683	154,964	133,681
	(c) License Fees & Spectrum Charges	16,933	16,784	16,218	66,486	61,099
	(d) Access & Interconnection Charges	27,498	29,157	25,658	113,226	97,361
	(e) Network Operating Expenses	49,132	48,461	41,583	189,315	157,598
	(f) Sales & Marketing	19,349	20,521	18,424	83,795	71,369
	(g) Administration & others	15,908	15,470	14,421	61,576	54,940
	(h) Other Expenditure	66	94	38	390	409
3	**Profit from Operations before Other Income, Net Finance Charges (including exchange fluctuation), Share of Loss / (Gain) in Associates, Exceptional Items and Tax (1-2)**	**25,042**	**22,834**	**27,646**	**93,740**	**103,442**
4	Other Income	-	-	-	-	-
5	**Profit before Net Finance Charges (including exchange fluctuation), Share of Loss / (Gain) in Associates, Exceptional Items and Tax (3+4)**	**25,042**	**22,834**	**27,646**	**93,740**	**103,442**
6	Net Finance Charges (including exchange fluctuation)	12,095	13,319	10,572	43,844	38,185
7	Share of Loss / (Gain) in Associates	-	-	18	76	74
8	**Profit after Net Finance Charges (including exchange fluctuation), Share of Loss / (Gain) in Associates but before Exceptional Items and Tax**	**12,947**	**9,515**	**17,056**	**49,820**	**65,183**
9	Exceptional Items	-	-	-	-	-
10	**Profit (+) /Loss(-) from Ordinary Activities after Exceptional Items but before Tax**	**12,947**	**9,515**	**17,056**	**49,820**	**65,183**
11	Tax Expense	7,884	6,675	6,976	27,151	22,602
12	**Net profit (+)/ loss(-) from Ordinary Activities after tax**	**5,063**	**2,840**	**10,080**	**22,669**	**42,581**
13	Extraordinary items (net of tax expenses)	-	-	-	-	-
14	**Profit (+)/ Loss (-) for the period / year**	**5,063**	**2,840**	**10,080**	**22,669**	**42,581**
15	Minority Interest	(23)	3	21	(88)	(13)
16	**Net Profit/(Loss) for the period / year**	**5,086**	**2,837**	**10,059**	**22,757**	**42,594**
17	Paid-up equity share capital (Face value Rs.5/- each)	18,988	18,988	18,988	18,988	18,988
18	Reserves excluding revaluation reserves and foreign currency translation reserve (FCTR)	517,474	523,275	493,433	517,474	493,433
19	**Earnings per share (Face value Rs.5/- each) (in Rs.)**					
	a. Basic and diluted EPS before Extraordinary items					
	i) Basic	1.341	0.748	2.650	5.998	11.225
	ii) Diluted	1.340	0.747	2.650	5.995	11.221
	b. Basic and diluted EPS after Extraordinary items					
	i) Basic	1.341	0.748	2.650	5.998	11.225
	ii) Diluted	1.340	0.747	2.650	5.995	11.221

Part II

S. No.	Particulars	Quarter Ended March 31,	Quarter Ended December 31,	Quarter Ended March 31,	Year Ended March 31,	
		2013	2012	2012	2013	2012
		Audited	Audited	Audited	Audited	Audited
A	**Particulars of Shareholding**					
1	**Public Shareholding**					
	a. Number of shares	1,194,297,918	1,196,402,920	1,196,402,920	1,194,297,918	1,196,402,920
	b. Percentage of shareholding	31.45%	31.50%	31.50%	31.45%	31.50%
2	**Promoters and Promoter Group Shareholding**					
	a) Pledged/ Encumbered					
	- Number of Shares	Nil	Nil	Nil	Nil	Nil
	- Percentage of Shares (as a % of the total shareholding of the promoter and promoter group)	Nil	Nil	Nil	Nil	Nil
	- Percentage of Shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil	Nil
	b) Non-encumbered					
	- Number of Shares	2,603,232,178	2,601,127,176	2,601,127,176	2,603,232,178	2,601,127,176
	- Percentage of Shares (as a % of the total shareholding of the promoter and promoter group)	100%	100%	100%	100%	100%
	- Percentage of Shares (as a % of the total share capital of the Company)	68.55%	68.50%	68.50%	68.55%	68.50%

S. No.	Particulars	Quarter Ended March 31,
		2013
B	**Status of investor complaints as on March 31, 2013 is as follows:**	
	Complaints pending as on January 1, 2013	1
	Complaints received during the quarter	6
	Complaints resolved during the quarter	7
	Complaints pending as on March 31, 2013	NIL

2. **Segment Reporting – Prepared as per International Financial Reporting Standards (IFRS) (as Consolidated Entity)**

(In Rs Million)

Particulars	Quarter Ended March 31, 2013 Audited	Quarter Ended December 31, 2012 Audited	Quarter Ended March 31, 2012 Audited	Year Ended March 31, 2013 Audited	Year Ended March 31, 2012 Audited
1. Segment Revenue					
Net sales/income from each segment					
a) Mobile Services India and South Asia	112,853	109,364	105,096	440,235	403,091
b) Mobile Services Africa	60,647	61,694	53,872	240,439	198,265
c) Telemedia Services	9,621	9,566	9,159	38,158	37,271
d) Airtel Business	13,143	14,219	11,209	53,202	44,541
e) Digital TV Services $	4,419	4,280	3,565	16,294	12,960
f) Tower Infrastructure Services ^	27,189	26,350	24,183	103,154	95,109
g) Others	900	821	753	3,533	3,117
h) Unallocated	-	-	-	-	-
Total	**228,772**	**226,294**	**207,837**	**895,015**	**794,354**
Less: Inter Segment Eliminations	24,288	23,899	20,543	91,903	79,846
Net sales/Income	**204,484**	**202,395**	**187,294**	**803,112**	**714,508**
2. Segment Results					
Profit/(Loss) before tax and interest from each segment					
a) Mobile Services India and South Asia	18,514	16,713	21,415	70,677	82,221
b) Mobile Services Africa	3,361	4,406	5,109	15,569	14,147
c) Telemedia Services	1,669	1,642	1,540	6,447	7,172
d) Airtel Business	1,444	888	181	3,693	2,629
e) Digital TV Services $	(1,784)	(1,828)	(1,944)	(8,105)	(7,198)
f) Tower Infrastructure Services ^	4,654	4,200	3,930	16,364	14,641
g) Others	(220)	(172)	(401)	(684)	(416)
h) Unallocated	(2,599)	(3,021)	(2,252)	(10,364)	(9,866)
Total	**25,039**	**22,828**	**27,578**	**93,597**	**103,330**
Less: Inter Segment Eliminations	(3)	(6)	(50)	(67)	(38)
Total profit/(loss) before tax and Net Finance Charges (including exchange fluctuation)	**25,042**	**22,834**	**27,628**	**93,664**	**103,368**
Less : Net Finance Charges (including exchange fluctuation)	12,095	13,319	10,572	43,844	38,185
Total profit before tax	**12,947**	**9,515**	**17,056**	**49,820**	**65,183**
3. Capital Employed					
(Segment assets - Segment liabilities)					
a) Mobile Services India and South Asia	633,760	608,546	518,296	633,760	518,296
b) Mobile Services Africa	548,889	565,413	449,753	548,889	449,753
c) Telemedia Services	40,884	39,431	34,699	40,884	34,699
d) Airtel Business	62,979	62,467	58,466	62,979	58,466
e) Digital TV Services $	(28,138)	(26,167)	(19,511)	(28,138)	(19,511)
f) Tower Infrastructure Services ^	200,251	198,892	162,913	200,251	162,913
g) Others	(122)	106	(375)	(122)	(375)
h) Unallocated (net of eliminations) *	(914,400)	(890,433)	(670,433)	(914,400)	(670,433)
Total	**544,103**	**558,255**	**533,808**	**544,103**	**533,808**

*Comprises borrowings (including borrowings for acquisition of Africa operations and other borrowings of Africa operations of Rs 537,760 mn (USD 9.89 bn), Rs 532,385 mn (USD 9.72 bn) and Rs 508,113 mn (USD 9.93 bn), for 3G and BWA licences of Rs 52,225 Mn, Rs 52,225 mn and Rs 61,117 mn, as at March 31,2013, December 31,2012 and March 31,2012, respectively, provision for taxes, deferred tax asset/ liabilities and fair value of derivative financial instruments.

$ Previously known as DTH.

^ Previously known as Passive Infrastructure Services

Notes to accounts

1. The above financial results for the fourth quarter and financial year ended March 31, 2013 have been reviewed by the Audit Committee in its meeting held on May 1, 2013 and approved by the Board of Directors in its meeting held on May 2, 2013.

2. In terms of clause 41 of the listing agreement, the Company has voluntarily adopted International Financial Reporting Standards (IFRS) notified by the International Accounting Standards Board, in the preparation of consolidated financial statements w.e.f. April 1, 2010 and has decided to publish only the consolidated financial results in the newspapers. However, the standalone financial results of the Company for the fourth quarter and financial year ended March 31, 2013 are being submitted to the stock exchanges and will also be available on the Company's website (www.airtel.in).

3. Segment wise revenue, results and capital employed have been provided separately under segment reporting. The consolidated financial statements have been furnished to provide information about overall business of the Company, its subsidiaries, joint ventures and associates.

4. During the quarter ended March 31, 2013, the Group has recognized additional tax charge of Rs 374 Mn on account of Dividend Distribution Tax relating to the dividend proposed by Indus Towers Ltd for which no tax credit is available to the Group. Further, an additional deferred tax charge of Rs 959 Mn has been recognized on account of increase in surcharge on income tax from 5% to 10% as proposed in the Finance Bill, 2013 . As a result, tax expense for the quarter is higher by Rs 1,333 Mn and net profit is lower by Rs 1,178 Mn.

5. During the quarter ended March 31, 2013, the Company's wholly-owned subsidiary, Bharti Airtel International (Netherlands) B.V. successfully raised USD 1,500 Mn through issuance of USD 1,000 Mn and USD 500 Mn 5.125% Guaranteed Senior Notes due 2023. USD 500 Mn was received subsequent to the balance sheet date, March 31, 2013.

6. During the quarter ended March 31, 2013, the Company's wholly owned subsidiary, Bharti Airtel Nigeria B.V., has acquired an additional 13.357% equity stake in Airtel Networks Limited, Nigeria from certain existing shareholders. With this acquisition, Bharti Airtel Nigeria B.V. now owns 79.059% equity stake in Airtel Networks Limited, Nigeria.

7. During the quarter ended March 31, 2013, the Company has acquired additional equity stake of 74% in its existing associate Telesonic Networks Limited (erstwhile Alcatel - Lucent Network Management Services India Limited). Post acquisition, Telesonic Networks Limited has become a wholly owned subsidiary of the Company.

8. During the quarter ended March 31, 2013, the Company made following additional equity investments in its subsidiaries:
   i) USD 59 Mn in Bharti Airtel International (Mauritius) Limited.
   ii) USD 337.52 Mn in Bharti International (Singapore) Pte. Limited, by way of conversion of advance against equity into equity.
   iii) Rs. 546.15 Mn in Telesonic Networks Limited by way of conversion of loan into equity.

9. Subsequent to the Balance Sheet date, March 31, 2013, the Company's wholly owned subsidiary, Airtel Uganda Limited, has entered into a definitive agreement with the Warid Group ("Warid") to fully acquire Warid Telecom Uganda. With this acquisition, the Company will further consolidate its position as the second largest mobile operator in Uganda with a combined customer base of over 7.4 million and market share of over 39%. The agreement is subject to regulatory and statutory approvals.

10. On January 8, 2013, the Department of Telecommunications ('DoT') issued a demand on the Company and one of its subsidiaries for Rs. 52,013 Mn towards levy of one time spectrum charge. The demand includes a retrospective charge of Rs. 9,090 Mn for holding GSM Spectrum beyond 6.2 Mhz for the period from July 1, 2008 to December 31, 2012 and also a prospective charge of Rs. 42,923 Mn for GSM spectrum held beyond 4.4 Mhz for the period from January 1, 2013, till the expiry of the initial terms of the respective licenses. In the opinion of the Company, inter-alia, the above demand amounts to alteration of financial terms of the licenses issued in the past. Based on a petition filed by the Company, the Hon'ble High Court of Bombay, through its order dated January 28, 2013, has directed the DoT to respond and not to take any coercive action until the next date of hearing, scheduled for May 6, 2013. The Company, based

on independent legal opinions, has not given effect for the one time spectrum charges in these financial results.

11. On May 31, 2011, Company's subsidiary "Bharti Infratel Ventures Limited" filed a Scheme of Arrangement (Scheme) under Section 391 to 394 of the Companies Act, 1956 before Hon'ble High Court of Delhi whereby the subsidiary company was to amalgamate with Indus Towers Limited, with appointed date as April 1, 2009. On April 18, 2013, the Hon'ble High Court has sanctioned the said Scheme which provides for transfer of all assets and liabilities of subsidiary company to Indus Towers Limited and winding-up of the subsidiary company subject to the final order in another appeal pending before the Division Bench of Delhi High Court and any other orders in any further proceedings thereafter. The said Scheme shall be effective on filing of certified copy of Order of Hon'ble High Court of Delhi with the Registrar of Companies (ROC). As on date, the said order has not been filed with ROC. Accordingly, the scheme has not been given effect to in these financial results.

12. Subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company, the Board of Directors has recommended a final dividend of Re 1 per equity share of Rs. 5/- each for the financial year 2012-13. As per IFRS these will be recorded in the financial statements upon shareholder's approval.

13. During the quarter ended March 31, 2013, Bharti Airtel Employee Welfare Trust (a trust set up for administration of ESOP Schemes of the Company) has transferred 178,558 shares to the employees upon exercise of stock options, under ESOP Scheme 2005. As of March 31, 2013, the trust holds 2,438,598 equity shares.

14. The financial results for the quarter ended March 31, 2013 and March 31, 2012 are the balancing figures between audited results in respect of the full financial year and the published year to date figures up to the third quarter of the respective financial years.

15. Audited financial results of the Company as per IGAAP (standalone information in terms of clause 41 (IV) (b) of the Listing agreement) are as follows:

(In Rs Million)

Sl. No.	Particulars	Quarter Ended March 31,	Quarter Ended December 31,	Quarter Ended March 31,	Year Ended March 31,	
		2013	2012	2012	2013	2012
1	Net Sales / Income from operations	115,483	112,990	107,572	453,509	416,038
2	Profit before tax and exceptional items	15,430	9,928	18,504	64,548	69,562
3	Profit after tax and before exceptional items	10,844	7,503	15,743	50,963	57,300
4	Profit after tax and exceptional items	10,844	7,503	15,743	50,963	57,300

16. Consolidated statement of Assets and Liabilities as per IFRS in terms of clause 41 of the listing agreement is as follows:

(In Rs Million)

Particulars	As of	
	March 31 2013 Audited	March 31 2012 Audited
Assets		
Property, plant and equipment	688,430	674,932
Goodwill on consolidation	413,598	407,560
Other Intangible assets	267,210	253,329
Other non current and current assets	218,139	195,055
Inventories	1,109	1,308
Short term investments	67,451	18,132
Cash and cash equivalents	17,295	20,300
Total assets	**1,673,232**	**1,570,616**
Equity and liabilities		
Equity		
Issued capital	18,988	18,988
Treasury shares	(674)	(282)
Reserves and surplus	484,903	487,407
Equity attributable to equity holders of parent	**503,217**	**506,113**
Non-controlling interest	40,886	27,695
Total equity	**544,103**	**533,808**
Liabilities		
Borrowings	729,608	690,232
Provisions	12,383	8,530
Other non current and current liabilities	387,138	338,046
Total equity and liabilities	**1,673,232**	**1,570,616**

17. Previous year's / periods' figures have been regrouped/ rearranged, wherever required.

For Bharti Airtel Limited

Sd/-

Manoj Kohli
Managing Director & CEO (International)

For Bharti Airtel Limited

Sd/-

Gopal Vittal
Joint Managing Director & CEO (India)

New Delhi
May 2, 2013

"Bharti Airtel", or "the Company", wherever stated stands for Bharti Airtel Limited.
Group, wherever stated stands for Bharti Airtel together with its subsidiaries. For more details on the financial results, please visit our website www.airtel.in