Quarterly report on the results for the first quarter ended June 30, 2014

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



July 29, 2014

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

Supplemental Disclosures

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

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

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

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

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

Use of Certain Non-GAAP measures: - This result announcement contains certain information on the Company's results of operations and cash flows that have been derived from amounts calculated in accordance with International Financial Reporting Standards (IFRS), but are not in themselves IFRS measures. They should not be viewed in isolation as alternatives to the equivalent IFRS measures and should be read in conjunction with the equivalent IFRS measures.
Further, disclosures are also provided under "Use of Non - GAAP financial information" on page 35

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

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.

TABLE OF CONTENTS

Section 1	**Bharti Airtel – Performance at a glance**	**4**
Section 2	**Bharti Airtel - An Introduction**	**5**
Section 3	**Financial Highlights as per IFRS**	
3.1	Consolidated - Summary of Consolidated Financial Statements	6
3.2	Region wise - Summary of Statement of Operations	7
3.3	Segment wise - Summary of Statement of Operations	8
3.4	Region wise & Segment wise - Investment & Contribution	12
Section 4	**Operating Highlights**	**13**
Section 5	**Management Discussion & Analysis**	
5.1	Reporting Changes	18
5.2	India SA	19
5.3	Africa	20
5.4	Results of Operations	21
5.5	Three Line Graph	25
Section 6	**Stock Market Highlights**	**26**
Section 7	**Detailed Financial and Related Information**	**28**
Section 8	**Trends and Ratio Analysis**	**36**
Section 9	**Key Accounting Policies as per IFRS**	**49**
Section 10	**Glossary**	**53**

SECTION 1

BHARTI AIRTEL – PERFORMANCE AT A GLANCE

Particulars	Unit	Full Year Ended			Quarter Ended				
		2012	2013	2014	Jun-13	Sep-13	Dec-13	Mar-14	Jun-14
Operating Highlights									
Total Customer Base	000's	251,646	271,227	295,948	274,914	280,087	287,409	295,948	299,885
Total Minutes on Network	Mn Min	1,020,615	1,127,150	1,211,522	301,366	297,873	301,130	311,152	316,946
Sites on Network	Nos	141,059	156,905	163,361	158,613	159,439	161,267	163,361	164,560
Total Employees [4]	Nos	19,956	25,710	24,893	26,042	25,288	24,725	24,893	24,937
No. of countries of operation	Nos	20	20	20	20	20	20	20	20
Population Covered	Bn	1.84	1.85	1.85	1.85	1.85	1.85	1.85	1.85
Consolidated Financials (Rs Mn)									
Total revenues	Rs Mn	683,267	769,045	857,461	202,639	213,244	219,385	222,193	229,616
EBITDA	Rs Mn	222,025	232,579	277,770	65,449	68,321	70,934	73,066	77,200
EBIT	Rs Mn	94,949	84,431	121,274	26,979	28,927	31,746	33,622	36,835
Cash profit from operations before Derivative & Exchange Fluctuations	Rs Mn	193,899	195,643	241,813	59,113	55,629	62,401	64,672	70,642
Profit before tax	Rs Mn	63,792	47,853	78,105	16,125	14,468	22,128	25,384	28,848
Net income	Rs Mn	42,594	22,757	27,727	6,889	5,120	6,102	9,616	11,085
Capex	Rs Mn	128,150	126,451	105,843	22,954	21,391	28,219	33,278	39,857
Operating Free Cash Flow (EBITDA - Capex)	Rs Mn	93,874	106,128	171,927	42,495	46,930	42,715	39,788	37,343
Net Debt	Rs Mn	618,442	583,567	605,416	587,205	613,500	576,430	605,416	577,443
Shareholder's Equity	Rs Mn	506,113	503,217	597,560	575,307	587,756	592,597	597,560	606,977
Consolidated Financials (US$ Mn)									
Total Revenue [1]	US$ Mn	14,284	14,129	14,151	3,628	3,398	3,535	3,600	3,834
EBITDA [1]	US$ Mn	4,641	4,273	4,584	1,172	1,089	1,143	1,184	1,289
EBIT [1]	US$ Mn	1,985	1,551	2,001	483	461	512	545	615
Cash profit from operations before Derivative & Exchange Fluctuations [1]	US$ Mn	4,053	3,594	3,991	1,058	887	1,006	1,048	1,179
Profit before Tax [1]	US$ Mn	1,334	879	1,289	289	231	357	411	482
Net income [1]	US$ Mn	890	418	458	123	82	98	156	185
Capex [1]	US$ Mn	2,679	2,323	1,747	411	341	455	539	665
Operating Free Cash Flow (EBITDA - Capex)	US$ Mn	1,962	1,950	2,837	761	748	688	645	624
Net Debt [2]	US$ Mn	12,089	10,729	10,074	9,836	9,773	9,313	10,074	9,609
Shareholder's Equity [2]	US$ Mn	9,893	9,252	9,943	9,637	9,363	9,574	9,943	10,101
Key Ratios									
EBITDA Margin	%	32.5%	30.2%	32.4%	32.3%	32.0%	32.3%	32.9%	33.6%
EBIT Margin	%	13.9%	11.0%	14.1%	13.3%	13.6%	14.5%	15.1%	16.0%
Net Profit Margin	%	6.2%	3.0%	3.2%	3.4%	2.4%	2.8%	4.3%	4.8%
Net Debt to Funded Equity Ratio	Times	1.22	1.16	1.01	1.02	1.04	0.97	1.01	0.95
Net Debt to EBITDA (LTM) - US$	Times	2.60	2.51	2.20	2.22	2.20	2.06	2.20	2.04
Net Debt to EBITDA (Annualised) - US$	Times	2.60	2.51	2.20	2.10	2.25	2.04	2.13	1.86
Interest Coverage ratio	Times	9.09	6.77	7.56	7.44	7.38	7.61	7.82	8.54
Return on Shareholder's Equity	%	8.6%	4.5%	5.0%	4.3%	3.7%	4.2%	4.8%	5.4%
Return on Capital employed	%	7.1%	5.7%	6.6%	6.0%	6.3%	6.4%	6.5%	6.6%
Valuation Indicators									
Market Capitalization	Rs Bn	1,279	1,108	1,275	1,165	1,272	1,321	1,275	1,347
Market Capitalization	US$ Bn	25.0	20.4	21.2	19.5	20.3	21.3	21.2	22.4
Enterprise Value	Rs Bn	1,897	1,692	1,880	1,752	1,886	1,897	1,880	1,924
EV / EBITDA (LTM)	Times	8.55	7.27	6.77	7.20	7.48	7.15	6.77	6.65
P/E Ratio (LTM)	Times	30.00	48.65	45.44	50.32	61.53	55.52	45.44	42.16

1. Average exchange rates used for Rupee conversion to US$ is (a) Rs 47.84 for the financial year ended March 31, 2012 (b) Rs 54.43 for the financial year ended March 31, 2013 (c) Rs 60.59 for the financial year ended March 31, 2014 (d) Rs 55.86 for the quarter ended June 30, 2013 (e) Rs 62.75 for the quarter ended September 30, 2013 (f) Rs 62.05 for the quarter ended December 31, 2013 (g) Rs 61.71 for the quarter ended March 31, 2013 (h) Rs 59.89 for the quarter ended June 30, 2014 based on the RBI Reference rate.
2. Closing exchange rates used for Rupee conversion to US$ is (a) Rs 51.16 for the financial year ended March 31, 2012 (b) Rs 54.39 for the financial year ended March 31, 2013 (c) Rs 60.10 for the quarter and financial year ended March 31, 2014 (d) Rs 59.70 for the quarter ended June 30, 2013 (e) Rs 62.78 for the quarter ended September 30, 2013 (f) Rs 61.90 for the quarter ended December 31, 2013 (g) Rs 60.10 for the quarter ended March 31, 2013 (e) Rs. 60.09 for the quarter ended June 30, 2014 being the RBI Reference rate.
3. Key Ratios computed using translated US$ values may yield different results in comparison with ratios computed using Rupee values.
4. Total employees do not include 42% of Indus Towers employees.

SECTION 2

BHARTI AIRTEL - AN INTRODUCTION

2.1 Introduction

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

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

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

2.2 Business Divisions

2.2.1 India & South Asia

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

B2C Services:

Mobile Services (India) – We are the largest wireless operator in the country both in terms of customers and revenues. We offer postpaid, pre-paid, roaming, internet, m-Commerce (Airtel Money) and other value added services using GSM mobile technology. Our distribution channel is spread across 1.4 Mn outlets with network presence in 5,121 census and 461,449 non-census towns and villages in India covering approximately 86.8% of the country's population.

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

Our national long distance infrastructure provides a pan-India reach with 186,341 Rkms of optical fiber.

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

Digital TV Services – Our Direct-To-Home (DTH) platform offers both standard and high definition (HD) digital TV services with 3D capabilities and Dolby surround sound. We currently offer a total of 400 channels including 20 HD channels and 3 interactive services.

B2B Services:

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

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

Tower Infrastructure Services – Our subsidiary, Bharti Infratel Ltd (Infratel), is India's leading provider of tower and related infrastructure and it deploys, owns & manages telecom towers and communication structures, for various mobile operators. It holds 42% equity interest in Indus towers, a joint venture with Vodafone India and Aditya Birla Telecom who hold 42% and 16% respectively. The Company's consolidated portfolio of 83,778 telecom towers, which includes 36,112 of its own towers and the balance from its 42% equity interest in Indus Towers, makes it one of the largest tower infrastructure providers in the country with presence in all 22 telecom circles. The Company has been the industry pioneer in adopting green energy initiatives for its operations.

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

South Asia – South Asia represents our operations in Bangladesh and Sri Lanka. In Bangladesh, we are present across 64 districts with a distribution network comprising of 117K retailers across the country. 3G was launched in Nov'13 and we have rolled out more than 1,200 3G sites across Bangladesh. In Sri Lanka, we operate across 25 administrative districts with distribution network of over 42,000 retailers. Our 3.5G services are present across major towns in Sri Lanka.

2.2.2 Africa

We are present in 17 countries across Africa, namely: Nigeria, Burkina Faso, Chad, Congo B, Democratic Republic of Congo, Gabon, Madagascar, Niger, Ghana, Kenya, Malawi, Seychelles, Sierra Leone, Tanzania, Uganda, Zambia and Rwanda. We offer post-paid, pre-paid, roaming, internet services, content, media & entertainment, and corporate solutions. 3G data and m-Commerce (Airtel Money) are the next growth engines for the Company in Africa. We offer 3G services in 14 countries and Airtel Money across all 17 countries in Africa.

2.3 Partners

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

SECTION 3

FINANCIAL HIGHLIGHTS

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

Detailed financial statements, analysis & other related information is attached to this report (page 29 - 31). Also, kindly refer to Section 7.4 - use of Non - GAAP financial information (page 36), Glossary (page 53) for detailed definitions and note 10 (page 7) for reclassification within region wise summary.

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		
	Jun-14	Jun-13	Y-on-Y Growth
Total revenues	**229,616**	**202,639**	**13%**
EBITDA	77,200	65,449	18%
EBITDA / Total revenues	*33.6%*	*32.3%*	
EBIT	36,835	26,979	37%
Finance cost (net)	9,565	11,676	-18%
Share of results of Joint Ventures/Associates	1,578	822	92%
Profit before tax [5]	28,848	16,125	79%
Income tax expense [5]	14,629	8,573	71%
Net income [6]	11,085	6,889	61%
Capex	39,857	22,954	74%
Operating Free Cash Flow (EBITDA - Capex)	37,343	42,495	-12%
Cumulative Investments	2,161,720	2,010,123	8%

Note 5: Profit before Tax and Income Tax expense reported above for the quarter ended Jun-14 and Jun-13, excludes the impact of exceptional items.
Note 6: Net Income for the quarter ended Jun-14 and Jun-13, includes the impact of exceptional items. Refer section 5.3.3 on "Exceptional Items" on page 21 for details.

3.1.2 Consolidated Summarized Statement of Financial Position

Amount in Rs Mn

Particulars	As at Jun 30, 2014	As at Mar 31, 2014
Assets		
Non-current assets	1,577,752	1,607,915
Current assets	242,973	223,857
Total assets	**1,820,725**	**1,831,772**
Liabilities		
Non-current liabilities	636,161	624,060
Current liabilities	534,490	568,050
Total liabilities	**1,170,651**	**1,192,110**
Equity & Non Controlling Interests		
Equity	606,977	597,560
Non controlling interests	43,097	42,102
Total Equity & Non Controlling Interests	**650,074**	**639,662**
Total Equity and liabilities	**1,820,725**	**1,831,772**

3.2 Region wise - Summary of Consolidated Financial Statements

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

Amount in Rs Mn, except ratios

Particulars	Quarter Ended Jun 2014			Quarter Ended Jun 2013		
	India SA	Africa	Total[10]	India SA	Africa	Total[10]
Total revenues	**162,019**	**69,685**	**229,616**	**144,951**	**59,309**	**202,639**
EBITDA	60,231	16,958	77,200	49,547	15,899	65,449
EBITDA / Total revenues	*37.2%*	*24.3%*	*33.6%*	*34.2%*	*26.8%*	*32.3%*
EBIT	34,026	2,797	36,835	23,312	3,664	26,979
Profit before tax [7]	33,460	(4,624)	28,848	15,866	255	16,125
Net income (before exceptional items)[8]	**21,790**	**(8,200)**	**13,602**	**10,075**	**(2,989)**	**7,090**
Exceptional Items (net) [9]			2,516			201
Net income			**11,085**			**6,889**
Capex	30,285	9,571	39,857	13,722	9,232	22,954
Operating Free Cash Flow (EBITDA - Capex)	29,946	7,386	37,343	35,825	6,667	42,495
Cumulative Investments	1,318,040	843,679	2,161,720	1,177,481	832,642	2,010,123

Note 7: Profit before Tax for the quarter ended Jun 2014 and Jun 2013, excludes the impact of exceptional items.
Note 8: The Consolidated net income excludes the impact of exchange fluctuation on certain inter region loans which are considered as "net investment in foreign operations" (Refer section 9.4 Key Accounting Policies as per IFRS)
Note 9: Refer section 5.3.3 on "Exceptional Items" on page 23 for details.
Note 10: The totals have been derived from the audited financial statements; however, borrowings for the acquisition of Africa operations and its associated finance costs have been included under India SA for all the periods.

3.2.2 Region wise Summarized Statement of Financial Position

Amount in Rs Mn

Particulars	As at Jun 30, 2014			
	India SA	Africa	Eliminations	Total
Assets				
Non-current assets	1,423,640	723,662	(569,549)	1,577,752
Current assets	151,982	95,494	(4,503)	242,973
Total assets	**1,575,622**	**819,156**	**(574,052)**	**1,820,725**
Liabilities				
Non-current liabilities	530,229	371,084	(265,153)	636,161
Current liabilities	351,031	187,975	(4,516)	534,490
Total liabilities	**881,261**	**559,060**	**(269,669)**	**1,170,651**
Equity & Non Controlling Interests				
Equity	642,921	268,438	(304,382)	606,977
Non controlling interests	51,440	(8,343)	0	43,097
Total Equity & Non Controlling Interests	**694,361**	**260,096**	**(304,382)**	**650,074**
Total Equity and liabilities	**1,575,622**	**819,156**	**(574,052)**	**1,820,725**

Refer Note 10 above

3.3 Segment wise Summarized Statement of Operations

3.3.1 INDIA & SOUTH ASIA

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		
	Jun-14	Jun-13	Y-on-Y Growth
Total revenues	**162,019**	**144,951**	**12%**
EBITDA	60,231	49,547	22%
EBITDA / Total revenues	*37.2%*	*34.2%*	
EBIT	34,026	23,312	46%
Capex	30,285	13,722	121%
Operating Free Cash Flow (EBITDA - Capex)	29,946	35,825	-16%
Cumulative Investments	1,318,040	1,177,481	12%

3.3.2 INDIA

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		
	Jun-14	Jun-13	Y-on-Y Growth
Total revenues	**157,870**	**141,233**	**12%**
EBITDA	60,056	49,316	22%
EBITDA / Total revenues	*38.0%*	*34.9%*	
EBIT	35,160	24,253	45%
Capex	29,470	12,800	130%
Operating Free Cash Flow (EBITDA - Capex)	30,586	36,517	-16%
Cumulative Investments	1,254,975	1,127,138	11%

B2C Services

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

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		
	Jun-14	Jun-13	Y-on-Y Growth
Total revenues	**127,525**	**116,013**	**10%**
EBITDA	47,061	37,633	25%
EBITDA / Total revenues	*36.9%*	*32.4%*	
EBIT	29,502	20,979	41%
Capex	22,879	7,907	189%
Operating Free Cash Flow (EBITDA - Capex)	24,182	29,726	-19%
Cumulative Investments	906,159	788,507	15%

3.3.4 Telemedia Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		
	Jun-14	Jun-13	Y-on-Y Growth
Total revenues	**10,705**	**9,484**	**13%**
EBITDA	3,947	3,764	5%
EBITDA / Total revenues	*36.9%*	*39.7%*	
EBIT	1,756	1,439	22%
Capex	689	660	4%
Operating Free Cash Flow (EBITDA - Capex)	3,258	3,104	5%
Cumulative Investments	79,225	75,692	5%

3.3.5 Digital TV Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		
	Jun-14	Jun-13	Y-on-Y Growth
Total revenues	**5,915**	**4,900**	**21%**
EBITDA	1,437	760	89%
EBITDA / Total revenues	*24.3%*	*15.5%*	
EBIT	(627)	(1,156)	46%
Capex	2,627	2,239	17%
Operating Free Cash Flow (EBITDA - Capex)	(1,190)	(1,479)	20%
Cumulative Investments	47,977	42,596	13%

B2B Services

3.3.6 Airtel Business

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		
	Jun-14	Jun-13	Y-on-Y Growth
Total revenues	**16,111**	**14,036**	**15%**
EBITDA	3,223	2,765	17%
EBITDA / Total revenues	*20.0%*	*19.7%*	
EBIT	1,755	1,422	23%
Capex	115	281	-59%
Operating Free Cash Flow (EBITDA - Capex)	3,108	2,484	25%
Cumulative Investments	48,574	42,886	13%

3.3.7 Tower Infrastructure Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		
	Jun-14	Jun-13	Y-on-Y Growth
Total revenues	**13,328**	**12,832**	**4%**
EBITDA	6,073	5,745	6%
EBITDA / Total revenues	*45.6%*	*44.8%*	
EBIT	3,368	1,916	76%
Share of results of joint ventures/associates	1,596	922	73%
Capex	2,667	1,727	54%
Operating Free Cash Flow (EBITDA - Capex)	3,405	4,018	-15%
Cumulative Investments	168,454	170,017	-1%

Others

3.3.8 Others (India)

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		
	Jun-14	Jun-13	Y-on-Y Growth
Total revenues	**779**	**791**	**-1%**
EBITDA	(426)	(321)	-33%
EBIT	(553)	(331)	-67%
Capex	530	(0)	0%
Operating Free Cash Flow (EBITDA - Capex)	(956)	(321)	-198%
Cumulative Investments	4,585	7,440	-38%

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

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		
	Jun-14	Jun-13	Y-on-Y Growth
Total revenues	**4,371**	**3,913**	**12%**
EBITDA	233	164	42%
EBITDA / Total revenues	*5.3%*	*4.2%*	
EBIT	(1,076)	(1,008)	-7%
Capex	815	923	-12%
Operating Free Cash Flow (EBITDA - Capex)	(582)	(758)	23%
Cumulative Investments	63,066	50,343	25%

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

In INR:

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		
	Jun-14	Jun-13	Y-on-Y Growth
Total revenues	**69,685**	**59,309**	**17%**
EBITDA	16,958	15,899	7%
EBITDA / Total revenues	*24.3%*	*26.8%*	
EBIT	2,797	3,664	-24%
Capex	9,571	9,232	4%
Operating Free Cash Flow (EBITDA - Capex)	7,386	6,667	11%
Cumulative Investments	843,679	832,642	1%

In USD:

Amount in US$ Mn, except ratios

Particulars	Quarter Ended		
	Jun-14	Jun-13	Y-on-Y Growth
Total revenues	**1,164**	**1,062**	**10%**
EBITDA	283	283	0%
EBITDA / Total revenues	*24.3%*	*26.7%*	
EBIT	47	64	-27%
Capex	160	165	-3%
Operating Free Cash Flow (EBITDA - Capex)	123	118	5%
Cumulative Investments	14,039	13,947	1%

Note 11: Africa financials reported above are in their functional currency i.e., US$.
Note 12: In constant currency terms, the reported revenues of $ 1,164 million for the quarter ended Jun-14, against $ 1,038 million in the same quarter last year, represents a Y-o-Y growth of 12.1% (Refer page 40 for revenues in constant currency).

3.4 Region wise & Segment wise - Investment & Contribution

3.4.1 India SA

Amount in Rs Mn, except ratios

Segment	Quarter Ended Jun 2014						As at Jun 30, 2014	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Cummulative Investments	% of Total
Mobile Services [13]	127,525	79%	47,061	78%	22,879	76%	906,159	69%
Telemedia Services	10,705	7%	3,947	7%	689	2%	79,225	6%
Digital TV Services	5,915	4%	1,437	2%	2,627	9%	47,977	4%
Airtel Business	16,111	10%	3,223	5%	115	0%	48,574	4%
Tower Infrastructure Services	13,328	8%	6,073	10%	2,667	9%	168,454	13%
Others	779	0%	(426)	-1%	530	2%	4,585	0%
South Asia	4,371	3%	233	0%	815	3%	63,066	5%
Sub Total	**178,734**	**110%**	**61,548**	**102%**	**30,323**	**100%**	**1,318,040**	**100%**
Eliminations	(16,714)	-10%	(1,316)	-2%	(38)	0%		
Accumulated Depreciation And Amortization							(547,042)	
Total (India SA)	**162,019**	**100%**	**60,231**	**100%**	**30,285**	**100%**	**770,998**	
Consolidated	**229,616**		**77,200**		**39,857**		**2,161,720**	
% of Consolidated	**71%**		**78%**		**76%**		**61%**	

Note 13: Cumulative Investments include National optic fibre network.

3.4.2 Africa

Amount in US$ Mn, except ratios

Segment	Quarter Ended Jun 2014						As at Jun 30, 2014	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Cummulative Investments	% of Total
Africa	1,164	100%	283	100%	160	100%	14,039	0%
Accumulated Depreciation And Amortization							(2,881)	
Total (Africa)	**1,164**	**100%**	**283**	**100%**	**160**	**100%**	**11,158**	
% of Consolidated	**29%**		**22%**		**24%**		**39%**	

SECTION 4

OPERATING HIGHLIGHTS

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

4.1 Customers and Non Voice % - Consolidated

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Q-on-Q Growth	June 30, 2013	Y-on-Y Growth
Mobile Services	**000's**	**287,147**	**283,580**	**1%**	**263,176**	**9%**
India	000's	209,411	205,519	2%	190,948	10%
South Asia	000's	8,650	8,618	0%	8,025	8%
Africa	000's	69,086	69,443	-1%	64,203	8%
Telemedia Services	000's	3,350	3,356	0%	3,289	2%
Digital TV Services	000's	9,388	9,012	4%	8,452	11%
Total	**000's**	**299,885**	**295,948**	**1%**	**274,917**	**9%**
Non Voice Revenue as a % of Total Revenues	%	27.4%	29.5%		25.0%	

4.2 Traffic Details – Consolidated

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Q-on-Q Growth	June 30, 2013	Y-on-Y Growth
Mobile Services	**Mn Min**	**309,363**	**303,343**	**2%**	**294,823**	**5%**
India	Mn Min	270,827	264,843	2%	258,380	5%
South Asia	Mn Min	10,280	10,345	-1%	10,472	-2%
Africa	Mn Min	28,256	28,155	0%	25,971	9%
Telemedia Services	Mn Min	4,172	4,122	1%	4,137	1%
National Long Distance Services	Mn Min	28,036	28,583	-2%	23,795	18%
International Long Distance Services	Mn Min	3,741	4,103	-9%	2,880	30%
Total Minutes on Network (Gross)	**Mn Min**	**345,313**	**340,151**	**2%**	**325,634**	**6%**
Eliminations	Mn Min	(28,367)	(28,999)	-2%	(24,268)	17%
Total Minutes on Network (Net)	**Mn Min**	**316,946**	**311,152**	**2%**	**301,366**	**5%**

4.3 Mobile Services India

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Q-on-Q Growth	June 30, 2013	Y-on-Y Growth
Customer Base	000's	209,411	205,519	2%	190,948	10%
VLR	%	95.0%	96.0%		95.2%	
Net Additions	000's	3,892	7,006	-44%	2,728	-43%
Pre-Paid (as % of total Customer Base)	%	94.9%	95.1%		95.6%	
Monthly Churn	%	2.7%	2.4%		3.2%	
Average Revenue Per User (ARPU)	Rs	202	196	3%	200	1%
Average Revenue Per User (ARPU)	US$	3.4	3.2	6%	3.6	-6%
Revenue per site per month	Rs	301,594	287,897	5%	282,406	7%
Revenues						
Total Revenues	Rs Mn	127,525	120,835	6%	116,013	10%
Mobile Services	Rs Mn	126,058	119,113	6%	113,670	11%
Others	Rs Mn	1,467	1,721	-15%	2,343	-37%
Voice						
Minutes on the network	Mn	270,827	264,843	2%	258,380	5%
Voice Average Revenue Per User (ARPU)	Rs	166	162	2%	166	0%
Voice Usage per customer	min	435	437	0%	455	-4%
Voice Realization per minute	paisa	38.08	37.16	2%	36.60	4%
Non Voice Revenue						
% of Mobile Services	%	18.2%	17.4%		16.9%	
Of Which						
Messaging & VAS as % of Mobile Services	%	5.5%	5.6%		8.3%	
Data as % of Mobile Services	%	12.4%	11.5%		8.2%	
Others as % of Mobile Services	%	0.3%	0.3%		0.4%	
Data						
Data Customer Base	000's	39,320	35,605	10%	25,875	52%
Of which no. of 3G data customers	*000's*	12,535	*10,255*	22%	*6,238*	101%
As % of Customer Base	*%*	*18.8%*	*17.3%*		*13.6%*	
Total MBs on the network	Mn MBs	55,610	47,655	17%	28,403	96%
Data Average Revenue Per User (ARPU)	Rs	139	133	4%	128	8%
Data Usage per customer	MBs	495	464	7%	392	26%
Data Realization per MB	paisa	28.04	28.62	-2%	32.66	-14%

Note 14: Data customer definition has been revised (Refer Glossary on page 54) also ICR Operator revenues have been reclassified to voice, data and messaging revenue, respective KPIs has been reinstated for previous periods to make them comparable.

4.4 Telemedia Services

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Q-on-Q Growth	June 30, 2013	Y-on-Y Growth
Telemedia Customers	000's	3,350	3,356	0%	3,289	2%
Of which no. of broadband (DSL) customers	*000's*	1,462	1,462	*0%*	*1,406*	*4%*
As % of Customer Base	*%*	*43.6%*	*43.6%*		*42.7%*	
Net additions	000's	(6)	1	-549%	6	-203%
Average Revenue Per User (ARPU)	Rs	1,010	963	5%	924	9%
Average Revenue Per User (ARPU)	US$	16.9	15.6	8%	16.5	2%
Non Voice Revenue as % of Telemedia revenues	%	63.0%	61.7%		57.8%	

4.5 Digital TV Services

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Q-on-Q Growth	June 30, 2013	Y-on-Y Growth
Digital TV Customers	000's	9,388	9,012	4%	8,452	11%
Net additions	000's	376	205	84%	352	7%
Average Revenue Per User (ARPU)	Rs	214	203	5%	197	9%
Average Revenue Per User (ARPU)	US$	3.6	3.3	9%	3.5	1%
Monthly Churn	%	0.6%	0.9%		0.6%	

4.6 Network and Coverage - India

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Q-on-Q Growth	June 30, 2013	Y-on-Y Growth
Mobile Services						
Census Towns	Nos	5,121	5,121	0	5,121	0
Non-Census Towns and Villages	Nos	461,449	460,783	666	460,682	767
Population Coverage	%	86.8%	86.7%		86.7%	
Optic Fibre Network	R Kms	186,341	184,211	2,129	173,217	13,123
Sites on Network	Nos	139,894	138,755	1,139	134,736	5,158
Of which no. of 3G sites	*Nos*	34,564	*31,301*	3,263	*25,604*	8,960
Telemedia Services						
Cities covered	Nos	87	87	0	87	0
Airtel Business						
Submarine cable systems	Nos	7	7	0	7	0
Digital TV Services						
Districts Covered	Nos	639	639	0	639	0
Coverage	%	100%	100%		100%	

4.7 Tower Infrastructure Services

4.7.1 Bharti Infratel Standalone

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Q-on-Q Growth	June 30, 2013	Y-on-Y Growth
Total Towers	Nos	36,112	35,905	207	35,288	824
Total Co-locations	Nos	70,544	69,137	1,407	64,345	6,199
Key Indicators						
Sharing Revenue per sharing operator per month	Rs	37,428	37,591	0%	37,537	0%
Average Sharing Factor	Times	1.94	1.90		1.82	

Additional Information:

4.7.2 Indus Towers

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Q-on-Q Growth	June 30, 2013	Y-on-Y Growth
Total Towers	Nos	113,490	113,008	482	111,983	1,507
Total Co-locations	Nos	237,562	233,488	4,074	223,078	14,484
Average Sharing Factor	Times	2.08	2.05		1.99	

4.7.3 Bharti Infratel Consolidated

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Q-on-Q Growth	June 30, 2013	Y-on-Y Growth
Total Towers	Nos	83,778	83,368	409	82,321	1,457
Total Co-locations	Nos	170,320	167,202	3,118	158,038	12,282
Average Sharing Factor	Times	2.02	1.99		1.91	

4.8 Human Resource Analysis – India

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Q-on-Q Growth	June 30, 2013	Y-on-Y Growth
Total Employees [15]	Nos	18,870	18,975	(105)	20,031	(1,161)
Number of Customers per employee	Nos	11,773	11,483	290	10,119	1,654
Personnel cost per employee per month	Rs	96,846	92,747	4%	92,985	4%
Gross Revenue per employee per month	Rs	2,788,736	2,619,305	6%	2,350,238	19%

Note 15: Total Employees do not include 42% of Indus towers employees.

4.9 South Asia

4.9.1 Operational Performance

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Q-on-Q Growth	June 30, 2013	Y-on-Y Growth
Customer Base	000's	8,650	8,618	0%	8,025	8%
VLR	%	83.7%	84.5%		82.8%	
Net Additions	000's	32	192	-83%	119	-73%
Pre-Paid (as % of total Customer Base)	%	97.2%	97.2%		97.5%	
Monthly Churn	%	5.2%	5.1%		4.7%	
Average Revenue Per User (ARPU)	Rs	168.5	174.2	-3%	164.2	3%
Revenue per site per month	Rs	211,538	219,352	-4%	200,429	6%
Voice						
Minutes on the network	Mn	10,280	10,345	-1%	10,472	-2%
Voice Average Revenue Per User (ARPU)	Rs	138.2	143.3	-4%	142.1	-3%
Voice Usage per customer	min	396	402	-1%	439	-10%
Voice Realization per minute	paisa	34.87	35.68	-2%	32.34	8%
Non Voice Revenue						
% of Mobile revenues	%	18.0%	17.7%		13.4%	
Of Which						
Messaging & VAS as % of Mobile revenues	%	8.1%	7.5%		6.5%	
Data as % of Mobile revenues	%	7.6%	6.8%		5.1%	
Others as % of Mobile revenues	%	2.3%	3.4%		1.8%	
Data						
Data Customer Base	000's	3,001	3,079	-3%	2,236	34%
As % of Customer Base	*%*	*34.7%*	*35.7%*		*27.9%*	
Total MBs on the network	Mn MBs	2,098	1,832	15%	1,049	100%
Data Average Revenue Per User (ARPU)	Rs	37.6	34.5	9%	30.7	22%
Data Usage per customer	MBs	238	209	14%	158	51%
Data Realization per MB	paisa	15.84	16.52	-4%	19.46	-19%

Refer table 8.9.2 on page 47 for KPI's in constant currency.

4.9.2 Network & Coverage

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Q-on-Q Growth	June 30, 2013	Y-on-Y Growth
Sites on Network	Nos	6,885	6,814	71	6,532	353
Of which no. of 3G sites	*Nos*	*2,105*	*1,986*	119	*684*	1,421

4.9.3 Human Resource Analysis

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Q-on-Q Growth	June 30, 2013	Y-on-Y Growth
Total Employees	Nos	783	791	(8)	737	46
Number of Customers per employee	Nos	11,047	10,895	152	10,888	159
Personnel cost per employee per month	Rs.	146,535	170,859	-14%	133,965	9%
Gross Revenue per employee per month	Rs.	1,860,852	1,891,159	-2%	1,769,584	5%

4.10 Africa

4.10.1 Operational Performance

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Q-on-Q Growth	June 30, 2013	Y-on-Y Growth
Customer Base	000's	69,086	69,443	-1%	64,203	8%
VLR	%	86.6%	86.9%		86.7%	
Net Additions	000's	(357)	1,136	-131%	485	-174%
Pre-Paid (as % of total Customer Base)	%	99.3%	99.3%		99.3%	
Monthly Churn	%	7.0%	6.1%		6.7%	
Average Revenue Per User (ARPU)	US$	5.6	5.5	1%	5.5	2%
Revenue per site per month	US$	21,628	21,406	1%	20,438	6%
Voice						
Minutes on the network	Mn	28,256	28,155	0%	25,971	9%
Voice Average Revenue Per User (ARPU)	US$	4.4	4.4	0%	4.5	-3%
Voice Usage per customer	min	136	136	0%	134	2%
Voice Realization per minute	US¢	3.23	3.23	0%	3.38	-4%
Non Voice Revenue						
% of Mobile revenues	%	21.5%	20.5%		17.4%	
Of Which						
Messaging & VAS as % of Mobile revenues	%	9.2%	9.7%		8.7%	
Data as % of Mobile revenues	%	8.8%	7.7%		5.4%	
Others as % of Mobile revenues	%	3.5%	3.1%		3.3%	
Data						
Data Customer Base	000's	23,650	22,305	6%	15,544	52%
As % of Customer Base	*%*	*34.2%*	*32.1%*		*24.2%*	
Total MBs on the network	Mn MBs	6,541	6,114	7%	3,140	108%
Data Average Revenue Per User (ARPU)	US$	1.5	1.4	8%	1.3	17%
Data Usage per customer	MBs	96.0	96.4	0%	70.2	37%
Data Realization per MB	US¢	1.56	1.44	8%	1.81	-14%

Refer table 8.10.2 on page 48 for KPI's in constant currency.

4.10.2 Network & Coverage

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Q-on-Q Growth	June 30, 2013	Y-on-Y Growth
Sites on Network	Nos	17,781	17,792	(11)	17,345	436
Of which no. of 3G sites	*Nos*	*7,165*	*6,923*	242	*6,201*	964

4.10.3 Human Resource Analysis

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Q-on-Q Growth	June 30, 2013	Y-on-Y Growth
Total Employees	Nos	5,284	5,127	157	5,274	10
Number of Customers per employee	Nos	13,075	13,545	(470)	12,174	901
Personnel cost per employee per month	US$	6,415	6,344	1%	5,982	7%
Gross Revenue per employee per month	US$	73,400	74,414	-1%	67,129	9%

SECTION 5

MANAGEMENT DISCUSSION AND ANALYSIS

5.1 Reporting Changes

A. Region wise reporting changes

During the quarter ended March 31, 2014, the Group announced certain management changes. As a result, operations of South Asia (Sri Lanka and Bangladesh) earlier reported under International have become part of India & South Asia. Africa reported under International is now reported as Africa. The figures for the past periods have been reinstated to make them comparable.

B. Reclassification of borrowings for Africa acquisition and associated finance costs

Beginning current quarter, borrowings for the acquisition of Africa operations and its associated finance costs have been included in India South Asia segment, earlier reported under Africa segment to better reflect the underlying profitability of the Africa operations. Information for the previous year/periods have been reinstated to conform to the current period's presentation. *(Refer Note 10 on page 7)*

5.2 India SA

A. Key Industry Developments

1. TRAI Recommendations on spectrum sharing Guidelines

On 21st July, 2014, the Telecom Regulatory Authority of India (TRAI) announced the much-awaited recommendations relating to spectrum sharing. The highlights are as under:

- It is now upto the Department of Telecommunications (DoT) to act on these recommendations and issue the necessary guidelines. An early release of the same is being eagerly awaited by the telecom sector.
- Spectrum sharing is a progressive policy, which enables telcos to utilize a scarce national resource more efficiently. It will also result into better coverage and quality of service to the customers.
- However, TRAI has recommended only intra-band sharing of spectrum, which ignores the fact that the same technology can be used in two different spectrum bands. For example, WCDMA can be offered on 800MHz, 900MHz and 2100MHz band. It is pertinent to note that sharing of spectrum will necessarily require use of shared radio networks, which is anyway possible only when both operators are offering the same technology. Therefore, sharing of spectrum in multiple bands but for the same technology should be allowed. We are hopeful that the Government will look into this aspect while formulating the policy.
- TRAI has also recommended 'spectrum caps' over the quantum of sharing wherein operator' own spectrum holdings and 50% of the spectrum held by the other licensee in the band being shared will be used to arrive at the spectrum cap, which is 1) 25% of total spectrum assigned in the circle (all bands) and 2) 50% of the spectrum assigned in a particular band. Industry view is that this capping may unwittingly deprive customers from getting the full benefits of spectrum sharing in some circles and/or specific spectrum bands. Since spectrum sharing would not reduce the number of operators in the market, it has no adverse impact on the effective competition.
- TRAI has also recommended an additional Spectrum Usage Charge (SUC) of 0.5% of the AGR in cases of spectrum sharing. The industry view is that spectrum sharing only enables two operators to efficiently utilize a resource for which they have both already paid the existing levies, and that spectrum sharing would, by itself, enhance telecom usage and revenues, yielding higher licence fees and SUC for the Government; hence, the proposed additional SUC levy is unwarranted. The industry also awaits guidelines for spectrum trading, which would help to ensure optimal allocative efficiency of this limited natural resource. We hope that the Government will announce these guidelines at the earliest.

2. A TRAI amendment to the Quality of Service (QoS) of Broadband Service Regulations

On 25th June, 2014, TRAI notified the QoS of Broadband Service Regulations, and effectively increased the minimum speed qualifying an internet connection as a 'broadband connection'. As per the notification:

- "Broadband is a data connection that is able to support interactive services including Internet Access and has the capability of the minimum download speed of 512 kbps to an individual subscriber from the point of presence (POP) of the service provider intending to provide Broadband Service".
- This definition now over-rides the previously defined minimum download speed of 256 kbps.

3. TRAI amendment to the Telecommunications Tariff Order for Broadcasting and Cable Services

On 16th July, 2014, TRAI released amendments to the Telecommunications Tariff Order for Broadcasting and Cable Services. The highlights of the order are as follows:

- The commercial establishments who do not specifically charge its clients/guests on account of providing/showing television programmes, and offer such services as part of amenities, are to be treated like ordinary subscribers, wherein the charges would be on per television basis;
- In cases where commercial establishments specifically charge its clients/guests on account of providing/showing television programmes, the tariff would be as mutually agreed between the broadcaster and the commercial subscribers.
- In all cases, the commercial subscriber to obtain television services only from a distribution platform operator (MSO/DTH Operator/Cable Operator/IPTV Operator/HITS Operator).

4. TRAI amendment to the Telecommunications Tariff Order for Domestic Leased Circuits

On 14th July, 2014, TRAI issued regulations reducing ceiling tariffs for DLCs with effective from 1st August 2014. The highlights of the regulation are as under:

- TRAI has reduced ceiling tariffs for Point-to-Point Domestic Leased Circuits (P2P-DLCs) of E1 (2Mbps), DS3 (45 Mbps) and STM-1 (155 Mbps) capacities and has brought DLCs of STM-4 (622 Mbps) capacity under tariff regulation.
- The tariffs for DLCs of less than E1 capacity have been left under forbearance.
- Bottom-up fully allocated cost (BU-FAC) method for computation of ceiling tariffs for DLCs has been adopted.
- No separate ceiling tariffs for trunk segment and local lead and remote and hilly areas.
- Tariffs for MLLN based DLCs and VPN have been left to forbearance.

B. Key Company Developments

- Bharti Airtel has won top honors at the prestigious 2014 Frost & Sullivan India Information & Communications Technology (ICT) Awards. Airtel won 3 awards: Enterprise Telecom Service Provider of the Year – Large Enterprise Segment, Enterprise Telecom Service Provider of the Year - SMB (Corporate) Segment, and Enterprise 3G Service Provider of the Year under the 'Enterprise Telecom Services' category for its exemplary growth and performance.
- Bharti Airtel has been honored with the Dun & Bradstreet (D&B) Corporate award in the Telecom Services sector at the recently held D&B – Manappuram Finance Corporate Awards 2014 in Mumbai.
- "Airtel Lucknow Campus" housing UPU Circle office has been awarded LEED India Gold Rating for New Construction by Indian Green Building Council (IGBC). This is the first Airtel building in India to get a Green Building Certification by IGBC as well as the first building in Lucknow to get "IGBC GOLD" Rating.
- Expanding its 4G footprint in the country, Airtel rolled out its 4G services in Ludhiana & Jalandhar and introduced customers in Tricity (Chandigarh, Mohali and Panchkula) and Kolkata to 4G on mobile enabling them to experience the fastest ever internet.
- B Srikanth, Global CFO, Bharti Airtel Ltd, has been honored with the "Best Performing CFO in the Telecom Sector" award at the 8th edition of India's most coveted awards for the finest CFOs - the CNBC-TV18 CFO Awards 2013.
- Launched "Pocket TV" app on iOS, enabling Airtel Digital TV subscribers to view TV on their mobiles, tablets etc.
- Bharti Airtel signed a five year agreement with IBM to manage Airtel's infrastructure and application services in India.
- Airtel opened over 100 all new Company-Owned-Company-Operated (COCO) retail outlets across India. These Airtel stores are in line with the company's long term drive towards delivering the best service experience for customers and will offer end-to-end service support for their Airtel mobile, dongle and broadband connections.
- Airtel extended 3G services in Haryana, Maharashtra & Goa, Kerala, MPCG, Gujarat, Kolkata, UP (East) to its entire customer base through ICR. Also, in Punjab, Airtel has launched 3G services through ICR arrangements.
- Whatsapp pack was launched for prepaid subscribers enabling them monthly access to whatsapp @ Rs.40 only.
- Airtel is the first company in India to provide real-time integration of all the three screens viz. television, mobile and computer enabling our customers to record their favorite TV programs through mobile and web.
- In partnership with Disney India, Airtel Digital TV launched its first English Subscription Video on Demand (SVOD) channel – "Disney Family Movies" to showcase popular Disney movies including Hollywood classics, popular animation movies and live action titles.
- In continuation of the company's initiative to introduce innovative products & services, Airtel launched the Facebook ready SIM - an industry first SIM preloaded with GSMA device friendly Facebook application that enables customers to be always active on the popular social networking portal 24X7 without connecting to mobile internet or incurring additional data charges.
- Airtel partnered with Rajinikanth starrer motion capture 3D computer-animated period film 'Kochadaiiyaan' and introduced special products & services for customers enabling them to enjoy exclusive movie content.

- Airtel launches 3G Wi-Fi dongle offering download speeds of up to 21.6 mbps on 3G.
- Airtel Sri Lanka sponsored the St. Peter's college rugby team as well as the Mercantile Cricket tournament. These sponsorships were made with the objective of taking the brand to the masses.
- Airtel Bangladesh removed 3G speed cap which resulted in 76% growth in 3G data revenue.
- Airtel Bangladesh also launched onnet community based product (GangTalk) where customers can build their own group. In VAS,
- Airtel Bangladesh also launched "aircredit" facilities to its customers.

5.3 Africa

A. Key Industry Developments

The East African Governments have initiated a project to ease doing business, enhance regional integration and avoid bill shock of roamers, and decided the following during their meeting in Rwanda:

- Originating and terminating between different member states in the EAC Region is exempt from Surcharges on International Incoming Traffic (SIIT);
- Regional Roaming Retail tariff is capped at USD 0.10 per minute on a per second billing arrangement;
- Regional Roaming retail rate inclusive of the Inter-Operator Tariffs (IOT) for the EAC Region is capped at USD 0.07 per minute;
- There shall be no charges for receiving calls while roaming for traffic originating and terminating between different member states in the EAC region;
- The prevailing local tariff rates in the visited country shall apply to in-bound roamers (non-discrimination between in-bound roamers and subscribers of visited networks).

The above changes are likely to be effective from September'2014.

Gabon

- The Regulator has asked all operators to comply with requirement to put in place an analytical accounting system, before end August 2014. This system must be able to provide the cost of the network and the specific and non-specific cost of interconnect and leased lines.
- The Regulator has also contracted a consultant to develop an interconnect model specific to Gabon using the World Bank template.

Keyna

- The Regulator has affirmed that the interconnect rate will drop from KES 1.15 to KES 0.99 on 1st July 2014.
- The Competition Authority has finalised a settlement with the dominant competitor which includes unlocking exclusivity of Mobile money outlets.

Madagascar

- The Government has stopped subsidizing fuel price under the recommendation of the International Monetary Fund (IMF). This will translate into an increase of 100cents per liter expected in July, which will affect the purchasing power of the entire population.

Niger

- On 12th July 2014, The Niger Government granted 3G license to Airtel Niger for next 15years duration and extended the 2G license to match the duration of the licenses until July 2030.
- The litigation on transit termination rate was concluded and rate finalized at 66 FCFA/min instead of 35 FCFA/min.

Nigeria

- The National Environmental Standards and Regulations Enforcement Agency (NESREA) has mandated all Telcos, to undertake Environmental Audit.

Tanzania

- The Ministry of ICT has issued draft regulation for amendment of the Licensing regulation to incorporate requirement to list at Dar Es Salaam Stock Exchange. The Operators Association (MOAT) will be representing the industry.

TChad

- Licenses: On 4th April 2014 The TChad government granted a 3G/4G license to Airtel Chad for a 10-year duration and extended the 2G license to match the duration of the licenses until April 2024.

B. Key Company Developments

- Subsequent to the Balance Sheet date, June 30, 2014, on July 8, 2014, the Company's subsidiary, Bharti Airtel International (Netherlands) B.V. (BAIN)/its subsidiaries and Helios Towers Africa (HTA)/ its subsidiaries have entered into agreements for the divestment of over 3,100 telecom towers in four countries across Africa operations from BAIN to HTA. The Company's subsidiaries will have access to a dedicated portion of the towers from HTA under long term lease contracts.
- Airtel Money awarded Best Mobile Money Service in Ghana at the Mobile World Ghana Telecoms Awards and also launched a collaborative international money remittance with MTN between Ivory Coast and Burkina Faso during the quarter.
- Airtel Zambia won the Green award for sustained compliance and commitment to continuous environmental improvement; and recognized for outstanding telecommunications service, innovation and corporate citizenship at the PMR Africa Achievers Awards.
- Airtel Ghana awarded best CSR Company and best Mobile Money Service of the year 2013.
- Airtel Sierra Leone demonstrated the true meaning of CSR by embarking on a Private Public Partnership with the Ministry of Health and Sanitation and UNFPA in the fight against the outbreak of the deadly EBOLA epidemic, where staff donated a day's salary for the cause.

5.4 Results of Operations

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

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

- **Overall customer base at 299.9 Mn across 20 countries**
- **Net addition of 3.9 Mn customers**
- **Total revenues of Rs 229.6 Bn; Y-o-Y growth of 13.3%**
- **Mobile data revenues of Rs 22.0 Bn (up 73.9% Y-o-Y)**
- **EBITDA at Rs 77.2 Bn; Y-o-Y growth of 18.0%**
- **EBIT at Rs 36.8 Bn (up 36.5% Y-o-Y)**
- **Consolidated net income of Rs 11.1 Bn (up 60.9%Y-o-Y)**

Results for the quarter ended June 30, 2014

5.4.1 Bharti Airtel Consolidated

As on June 30, 2014, the Company had 299.9 Mn customers, an increase of 9.1% as compared to corresponding quarter last year. Total minutes of usage on the network during the quarter were 316.9 Bn as compared to 301.4 Bn in the corresponding quarter last year, representing a growth of 5.2%. Mobile Data traffic grew significantly by 97.1% to 64.2 Bn MBs during the quarter as compared to 32.6 Bn MBs in the corresponding quarter last year.

During the quarter, consolidated revenues stood at Rs 229,616 Mn as compared to Rs 202,639 Mn in the corresponding quarter last year, an increase of 13.3%. Mobile data revenues increased by 73.9% to Rs 22,036 Mn as compared to Rs 12,670 Mn in the corresponding quarter last year. Mobile data revenues now represent 9.6% of the total revenues as compared to 6.3% in the corresponding quarter last year. Mobile data contributed to 34.7% of the overall incremental revenue of the Company.

Net revenues, after netting off inter-connect costs and cost of goods sold, increased by 15.3% to Rs 200,790 Mn as compared to Rs 174,181 Mn in the corresponding quarter last year. Operating expenses, excluding access costs, costs of goods sold and licence fees during the quarter increased by 12.3% to Rs 102,025 Mn as compared to Rs 90,869 Mn in the corresponding quarter last year.

The Company had an EBITDA of Rs 77,200 Mn during the quarter, an increase of 18.0% as compared to Rs 65,449 Mn in the corresponding quarter last year. EBITDA margin improved during the quarter to 33.6% as compared to 32.3% in the corresponding quarter last year, reflecting an increase of 1.3% reflecting the benefits of operating leverage. Depreciation and amortisation expenses amounted to Rs 40,365 Mn as compared to Rs 38,470 Mn in the corresponding quarter last year, which reflects an increase of 4.9%. EBIT for the quarter increased by 36.5% to Rs 36,835 Mn as compared to Rs 26,979 Mn in the corresponding quarter last year. Cash profits from operations (before derivative and exchange fluctuations) during the quarter grew by 19.5% at Rs 70,642 Mn as compared to Rs 59,113 Mn in the corresponding quarter last year.

Net finance cost during the quarter came down by 18.1% to Rs 9,565Mn as compared to Rs 11,676 Mn in the corresponding quarter last year. This reduction is mainly on account of lower derivative and foreign exchange losses primarily due to a stable Indian Rupee in this quarter.

The resultant profit before tax and exceptional items for the quarter ended June 30, 2014 was Rs 28,848 Mn as compared to Rs 16,125 Mn in the corresponding quarter last year, an increase of 78.9%.

The current and deferred tax expense (before tax charge on exceptional items) for the quarter was Rs 14,629 Mn as compared to Rs 8,573 Mn in corresponding quarter last year. The effective tax rate in India for the quarter came in at 28.1% compared to 31.2% for the full year ended March 31, 2014. Excluding the impact of dividend distribution tax, the effective tax rate in India for the quarter at 27.3% is lower than 29.1% for the full year ended March 31, 2014, the reduction is primarily due to reduced losses in subsidiaries. The tax charge in Africa at $ 80 Mn for the quarter is higher compared to the full year charge of $ 273 Mn for the year ended March 31, 2014, mainly due to change in country mix. After considering the impact of taxes and minority interests but before exceptional items, the consolidated net income for the quarter increased significantly by 91.8% to Rs 13,602 Mn, as compared to Rs7,090 Mn in the corresponding period last year. The net income after exceptional items was Rs 11,085 Mn as compared to Rs 6,889 Mn in the corresponding quarter last year, an increase of 60.9%.

The consolidated operating free cash flow during the quarter was lower by 12.1% at Rs 37,343 Mn as compared to Rs 42,495 Mn in the corresponding quarter last year primarily on account of higher data related capex in India.

5.4.2 Exceptional Items

Exceptional items during the quarter resulted in a net loss of Rs 2,516 Mn, comprising of: (i) charge of Rs 1,820 Mn on account of various disputes, and (ii) related tax provisions of Rs 697 Mn.

5.4.3 B2C Services – India

5.4.3.1 Mobile Services

As on June 30, 2014, the Company has 209.4 Mn GSM customers as compared to 190.9 Mn in the corresponding

quarter last year, an increase of 9.7%. The Company's customer acquisition and retention strategy is consistently yielding positive returns in terms of reduced customer churn, which has now dropped to 2.7% compared to 3.2% in Q1 last year. Total minutes on network increased by 4.8% to 270.8 Bn as compared to 258.4 Bn in the corresponding quarter last year. Voice realization per minute continued its improving trend during the quarter; the realization of 38.08 paise reflects an increase of 1.49 paise over the corresponding quarter last year.

On the basis of the revised definition of 'data customer' as one who uses at least 1 MB per month, the Company continued to expand base with 39.3 Mn (18.8% of total customers) data customers as on June 30, 2014, representing a growth of 52.0% as compared to 25.9 Mn (13.6% of total customers) at the end of the corresponding quarter last year. The total MBs on the network increased by 95.8% to 55.6 Bn MBs during the quarter as compared to 28.4 Bn MBs in the corresponding quarter last year. Mobile Data usage per customer witnessed an increase of 26.2% to 495 MBs during the quarter as compared to 392 MBs in the corresponding quarter last year. Data ARPU increased by 8.4% to Rs 138.7 during the quarter as compared to Rs 128.0 in the corresponding quarter last year.

The Company continued to invest on up-gradation and expansion of network sites. By the end of the quarter, the Company had 139,894 sites as compared to 134,736 sites in the corresponding quarter last year. Out of the total number, 24.7% are 3G sites. With 34,564 3G sites, Airtel has the largest 3G network in India. There were 25,604 sites on 3G at the end of the corresponding quarter last year and 31,301 at the end of the previous quarter.

Revenue from mobile services during the quarter was Rs 127,525 Mn as compared to Rs 116,013 Mn in the corresponding quarter last year, a growth of 9.9%. Revenue from mobile data accounted for 12.4% of the total mobile revenue during the quarter as compared to 8.2% in the corresponding quarter last year. Mobile data revenue in the first quarter grew by 68.2% to Rs 15,594 Mn over the same quarter last year.

EBITDA during the quarter increased by 25.1% to Rs 47,061 Mn as compared to Rs 37,633 Mn in the corresponding quarter last year. EBITDA margin significantly improved to 36.9% during the quarter as compared to 32.4% in the corresponding quarter last year. Improvement in margin is the combined effect of robust revenue growth and enhanced opex productivity. EBIT during the quarter was Rs 29,502 Mn as compared to Rs 20,979 Mn in the corresponding quarter last year, an increase of 40.6%. EBIT margin during the quarter was 23.1% as compared to 18.1% in the corresponding quarter last year, the improvement of 5.1% contributed by EBITDA improvements as well as asset productivity.

During the quarter, the mobile business incurred capital expenditure of Rs 22,879 Mn largely attributed to 2G and 3G data capex. As a result, the operating free cash flows decreased by 18.6% at Rs 24,182 Mn as compared to Rs 29,726 Mn in the corresponding quarter last year.

5.4.3.2 Telemedia Services

As on June 30, 2014, the Company had its Telemedia operations in 87 cities with 3.3 Mn customers, out of which approximately 1.5 Mn are broadband (DSL) customers, representing 43.6% of the total Telemedia customers.

For the quarter ended June 30, 2014, revenues from Telemedia operations reported an all-time high of Rs 10,705 Mn as compared to Rs 9,484 Mn in the corresponding quarter last year, a growth of 12.9%. EBITDA for the quarter was higher by 4.8% to Rs 3,947 Mn compared to Rs 3,764 Mn in the corresponding quarter last year. EBITDA margin for this segment was lower at 36.9% during the quarter as against 39.7% in the corresponding quarter last year. This is largely on account of license fee levy of 8% on DSL revenues introduced in March'14. EBIT for the quarter ended June 30, 2014 was Rs 1,756 Mn as compared to Rs 1,439 Mn in the corresponding quarter last year.

During the quarter ended June 30, 2014, the Company incurred capital expenditure of Rs 689 Mn for the Telemedia business. The resultant operating free cash flow during the quarter was Rs 3,258 Mn as compared to Rs 3,104 Mn in the corresponding quarter last year.

5.4.3.3 Digital TV Services

As on June 30, 2014, the Company had its Digital TV operations in 639 districts with 9.4 Mn customers, an increase of 11.1% as compared to corresponding quarter last year. Net customer additions for Digital TV during the quarter increased to 376K. As a result of higher HD penetration and upselling of packs, ARPU increased by Rs 17 to Rs 214 as compared to Rs 197 in the corresponding quarter last year.

Revenues from Digital TV services increased by 20.7% to Rs 5,915 Mn as compared to Rs 4,900 Mn in the corresponding quarter last year. EBITDA for the quarter increased to Rs 1,437 Mn as compared to Rs 760 Mn in the corresponding quarter last year. EBIDTA margin improved significantly to 24.3% in the current quarter, as compared to a margin of 15.5% in the corresponding quarter last year.

During the current quarter, the Company incurred a capital expenditure of Rs 2,627 Mn for higher procurement of boxes for higher gross adds. Cash burn during the quarter at Rs 1,190 Mn has dropped, compared to Rs 1,479 Mn in the corresponding quarter last year.

5.4.4 B2B Services – India: Airtel Business

Revenues for the quarter ended June 30, 2014, represented a growth of 14.8% to Rs 16,111 Mn as compared to Rs 14,036 Mn in the corresponding quarter last year. EBITDA stood at Rs 3,223 Mn during the quarter as compared to Rs 2,765 Mn in the corresponding quarter last year, a growth of 16.6%. EBIT for the current quarter increased by 23.4% to Rs 1,755 Mn as compared to Rs 1,422 Mn during the corresponding quarter last year. EBIT margin dropped to 10.9% during the quarter as compared to 12.7% for the full year ended March 31, 2014, this margin dip is mainly due to lower collection efficiencies, which is only a timing issue.

The Company incurred a capital expenditure of Rs 115 Mn in Airtel Business as compared to Rs 281 Mn in the corresponding quarter last year. Operating free cash flow during the quarter continued to be healthy at Rs 3,108 Mn as compared to Rs 2,484 Mn in the corresponding quarter last year.

5.4.5 Tower Infrastructure Services

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

Revenues of Bharti Infratel Ltd for the quarter ended June 30, 2014 was Rs 13,328 Mn as compared to Rs 12,832 Mn in the corresponding quarter last year, an increase of 3.9%. EBITDA during the quarter was Rs 6,073 Mn compared to Rs 5,745 Mn in the corresponding quarter last year, an increase of 5.7%. EBIT for the quarter grew 75.7% to Rs 3,368 Mn as compared to Rs 1,916 Mn in the corresponding quarter last year. As at the end of the quarter, Infratel had 36,112 towers with average sharing factor of 1.94 times compared to 1.82 times in the corresponding quarter last year. Including proportionate share of Indus in which Infratel holds 42%, on a consolidated basis, Infratel had 83,778 towers with an average sharing factor of 2.02 times as compared to 1.91 times in the corresponding quarter last year, reflecting significant improvement in the tenancy ratio.

Bharti Infratel incurred a capital expenditure of Rs 2,667 Mn during the quarter on a standalone basis. Operating free cash flows during the quarter were Rs 3,405 Mn as compared to Rs 4,018 Mn in the corresponding quarter last year, a reduction of 15.2%, mainly as a result of stepped up capex. The share of profits of Indus during the quarter came in at Rs 1,596 Mn as compared to Rs 922 Mn in the corresponding quarter last year.

5.4.6 South Asia

As on June 30, 2014, the Company had 8.7 Mn mobile customers on its network compared to 8.0 Mn at the end of last year. Minutes of usage for the quarter were 10.3 Bn as compared to 10.5 Bn in the corresponding quarter last year, a decrease of 1.8%, mainly on account of strict controls on grey traffic in Bangladesh by the entire industry.

Data customers represented 34.7% of the total customer base in the current quarter as compared to 27.9% in the corresponding quarter last year. Total data consumption during the quarter increase by 100.0% to 2.10 Bn MBs as compared to 1.05 Bn MBs in the corresponding quarter last year. Data usage per customer also increased to 237.5 MBs, a growth of 50.5% as compared to 157.8 MBs in the corresponding quarter last year.

By the end of the quarter, the Company had 6,885 sites on network as compared to 6,532 sites in the corresponding quarter last year. Out of the total number, 3G sites represented 30.6%, 2,105 sites as compared to 684 sites in the corresponding quarter last year.

Revenue from operations in South Asia stood at Rs 4,371 Mn for the quarter ended June 30, 2014, an increase of 11.7% as compared to Rs 3,913 Mn in the corresponding quarter last year. Data revenue grew by 67.6% to Rs 332 Mn as compared to Rs 198 Mn in the corresponding quarter last year, with good benefits from new pack launches, night packs and other campaigns. Data revenue now represents 7.6% of mobile revenue during the quarter as compared to 5.1% in the corresponding quarter last year. EBITDA for the quarter was positive at Rs 233 Mn as compared to EBITDA of Rs 164 Mn in the corresponding quarter last year. EBIT losses during the quarter were Rs 1,076 Mn as compared to Rs 1,008 Mn in the corresponding quarter last year.

During the quarter ended June 30, 2014, the Company incurred capital expenditure of Rs 815 Mn for South Asian operations as compared to Rs 923 Mn in the corresponding quarter last year.

5.4.7 Africa

There are three key developments in Africa : i) Real GDP growth in sub-Saharan Africa has been projected by the IMF to improve to 5.4 – 5.5% for the next two years, ii) the telecom sector is back to growth, spearheaded by mobile internet and money, and iii) revenue-weighted currency depreciation has been 1.4% during the quarter and 2.3% during the last 12 months, but specifically, the Ghana Cedi has depreciated by 25.4% against the US Dollar during the quarter and by 64.3% in the last year.

Subsequent to the Balance Sheet date, June 30, 2014, on July 8, 2014, the Company's subsidiary, Bharti Airtel International (Netherlands) B.V. (BAIN)/its subsidiaries and Helios Towers Africa (HTA)/ its subsidiaries have entered into agreements for the divestment of over 3,100 telecom towers in four countries across Africa operations from BAIN to HTA. The Company's subsidiaries will have access to a dedicated portion of the towers from HTA under long term lease contracts. As the criteria stated by IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations' are met during June 30, 2014, assets and relevant liabilities that are part of this sale and will not be leased back and amounting to Rs 14,731 Mn and Rs 1,363 Mn have been reclassified respectively as 'assets held for sale' and 'liabilities directly associated with assets held for sale' in the statement of financial position.

As on June 30, 2014, the Company had an aggregate customer base of 69.1 Mn, which has expanded by 7.6% compared to the corresponding quarter last year; however, there is a small sequential drop during the quarter due to promotional bans in Nigeria and KYC changes in Uganda. Total minutes on network during the quarter were 28.3 Bn as compared to 26.0 Bn in the corresponding quarter last year, a growth of 8.8%.

Data customers during the quarter increased by 52.1% to 23.7 Mn as compared to 15.5 Mn in the corresponding quarter last year. Data customers now represent 34.2% of the total customer base, as compared to 24.2% in the corresponding quarter last year. Data traffic has registered a strong growth of 108.3% Y-o-Y to 6.5 Bn MBs during the quarter as compared to 3.1 Bn MBs in the corresponding

quarter last year. Data usage per customer during the quarter was 96.0 MBs as compared to 70.2 MBs in the corresponding quarter last year, an increase of 36.7%.

The Company's mobile money platform, *Airtel Money* is gaining customer acceptance across Africa. The total customer base using the Airtel Money platform increased 3.2 times to 4.3 Mn as compared to 1.3 Mn in the corresponding quarter last year. The total number of transactions during the quarter was 3.8 times higher at 97.7 Mn in the current quarter as compared to 26.0 Mn in the corresponding quarter last year. Total value of transactions on the Airtel money platform has grown 4.9 times to $ 2,186 Mn in current quarter as compared to $ 448 Mn in corresponding quarter last year.

The Company had 17,781 network sites by the end of the quarter as compared to 17,345 network sites in the corresponding quarter last year. 3G sites at 7,165 represented 40.3% of the total sites as at the end of the quarter, as compared to 35.8% (6,201 sites) at the end of the corresponding quarter last year.

Revenue for the quarter was $ 1,164 Mn as compared to $ 1,062 Mn in the corresponding quarter last year, representing a growth of 9.6%. The revenue growth in constant currency terms was higher at 12.1%, with mobile data growing by 85.5% to $ 102.0 Mn during the quarter as compared to $ 57.3 Mn in the corresponding quarter last year. Mobile data revenue now represents 8.8% of the total mobile revenue during the quarter as compared to 5.4% in the corresponding quarter last year. Net revenue after netting off inter-connect costs and cost of goods sold increased by 10.6% to $ 979 Mn as compared to $ 885 Mn in the corresponding quarter last year, this growth was healthy at 12.9% in constant currency terms.

Opex increased by 14.4% to $ 630 Mn as compared to the corresponding quarter last year, primarily on account of higher SG&A costs. EBITDA during the quarter was flat at $ 283 Mn as compared to the corresponding quarter last year. EBIT for the quarter was lower at $ 47 Mn as compared to $ 64 Mn in the corresponding quarter last year. The net loss before exceptional items for the quarter was $ 137 Mn as compared to a loss of $ 52 Mn in the corresponding quarter last year, mainly due to forex losses. It may be noted that the acquisition-related debt and the associated finance costs are now reflected under India results for all the comparable periods.

Capital expenditure during the quarter was $ 160 Mn for African operations. The operating free cash flows stood at $ 123 Mn, as against $ 118 Mn in the corresponding quarter last year, representing the impact of the stepped-up capex. All new investments are directed towards enhancing data and airtel money capabilities and sustaining the overall double-digit growth trend.

5.4 Bharti's Three Line Graph

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

The parameters considered for the three-line graph are:

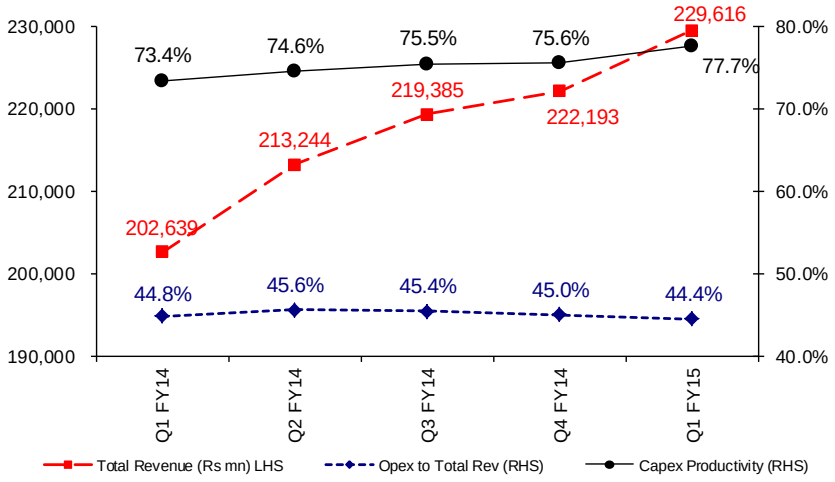
1. Total Revenues i.e. absolute turnover/sales

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

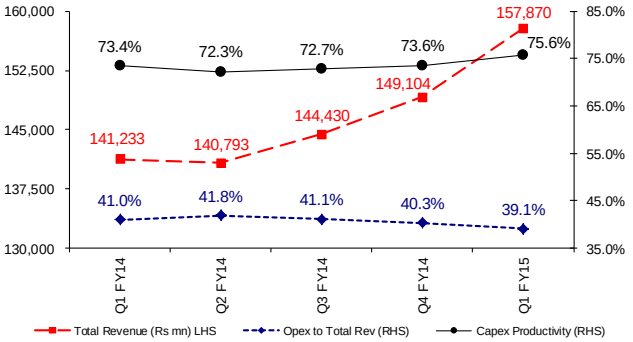
3. Capex Productivity – this is computed by dividing revenue for the quarter (annualized) by gross cumulative capex (gross fixed assets and capital work in progress) till date i.e. the physical investments made in the assets creation of the Company. This ratio depicts the asset productivity of the Company.

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

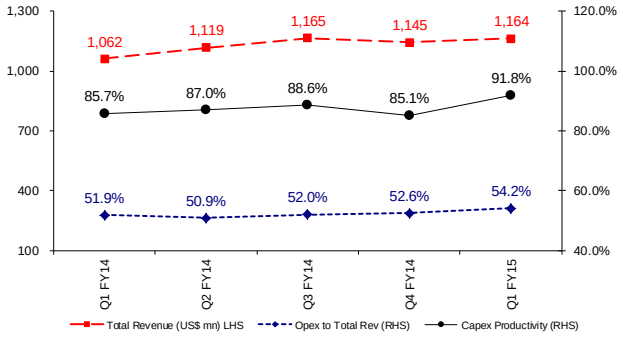
5.4.1 Bharti Airtel Consolidated



5.4.2 Bharti Airtel - India



5.4.3 Bharti Airtel – Africa



SECTION 6

STOCK MARKET HIGHLIGHTS

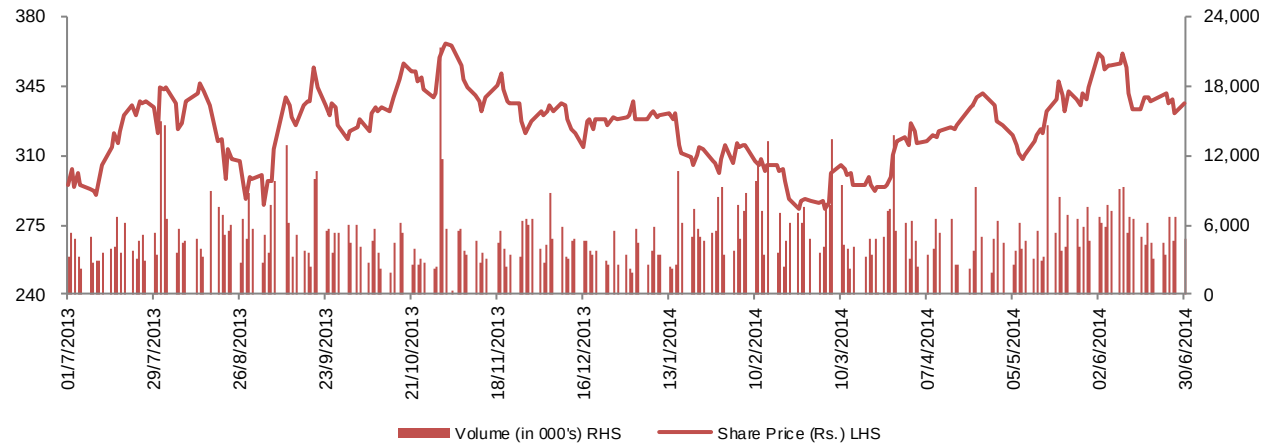
6.1 General Information

Shareholding and Financial Data	Unit	
Code/Exchange		532454/BSE
Bloomberg/Reuters		BHARTI IN/BRTI.BO
No. of Shares Outstanding (30/06/14)	Mn Nos	3,997.40
Closing Market Price - BSE (30/06/14)	Rs /Share	336.90
Combined Volume (NSE & BSE) (01/07/13 - 30/06/14)	Nos in Mn/day	5.23
Combined Value (NSE & BSE) (01/07/13 - 30/06/14)	Rs Mn /day	1,700.94
Market Capitalization	Rs Bn	1,347
Market Capitalization	US$ Bn	22.41
Book Value Per Equity Share	Rs /share	151.84
Market Price/Book Value	Times	2.22
Enterprise Value	Rs Bn	1,924
Enterprise Value	US$ Bn	32.02
Enterprise Value/ EBITDA (LTM)	Times	6.65
P/E Ratio (LTM)	Times	42.16

6.2 Summarized Shareholding pattern as of June 30, 2014

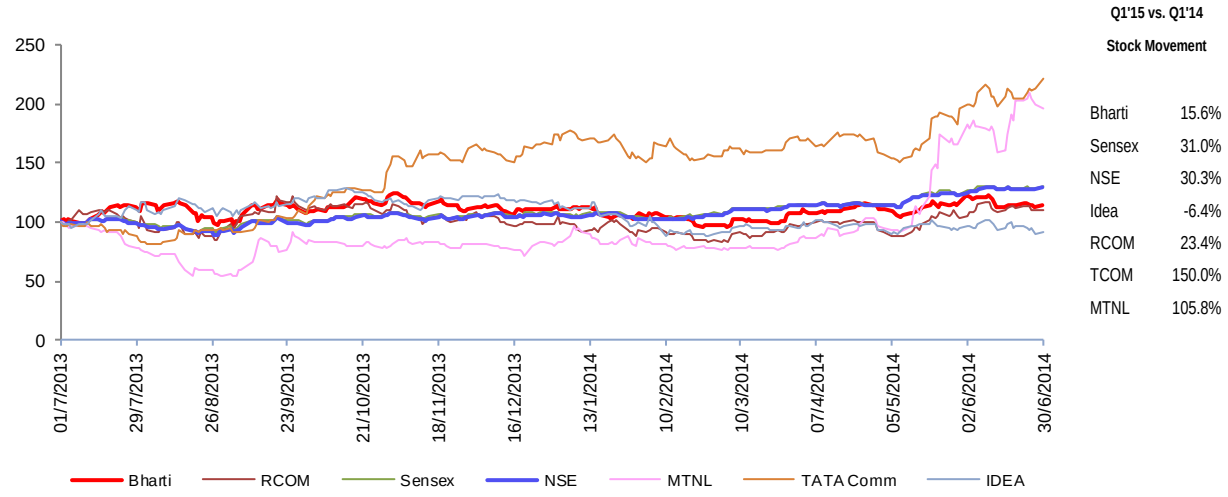
Category	Number of Shares	%
Promoter & Promoter Group		
Indian	1,747,545,460	43.72%
Foreign	865,673,286	21.66%
Sub total	**2,613,218,746**	**65.37%**
Public Shareholding		
Institutions	995,500,913	24.90%
Non-institutions	388,680,443	9.72%
Sub total	**1,384,181,356**	**34.63%**
Total	**3,997,400,102**	**100.00%**

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



Source: Bloomberg

6.4 Comparison of Domestic Telecom Stock movement with Sensex and Nifty



Source: Bloomberg

SECTION 7

DETAILED FINANCIAL AND RELATED INFORMATION

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

7.1.1 Consolidated Statement of Income

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		
	Jun-14	Jun-13	Y-on-Y Growth
Revenue	229,616	202,639	13%
Other operating income	439	356	23%
Operating expenses	(152,855)	(137,546)	-11%
Depreciation & amortisation	(40,365)	(38,470)	-5%
Profit / (Loss) from operations	**36,835**	**26,979**	**37%**
Share of results of Joint Ventures / Associates	1,578	822	
Profit / (Loss) before interest and tax	**38,413**	**27,801**	**38%**
Finance income	6,162	4,213	46%
Finance costs	(15,727)	(15,889)	1%
Exceptional (expenses) / income, net	(1,820)	2,252	
Profit / (Loss) before tax	**27,028**	**18,377**	**47%**
Income tax income / (expense)	(15,326)	(9,684)	-58%
Net income / (loss) for the period	**11,702**	**8,693**	**35%**
Income Attributable to :			
Equity holders of the parent	**11,085**	**6,889**	**61%**
Non controlling interests	617	1,804	-66%
Net Income / (Loss)	11,702	8,693	35%
Earning Per Share			
Basic, profit attributable to equity holders of parent (In Rs)	2.77	1.80	
Diluted, profit attributable to equity holders of parent (In Rs)	2.77	1.80	

7.1.2 Consolidated Statement of Comprehensive Income

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		
	Jun-14	Jun-13	Y-on-Y Growth
Net income / (loss) for the period	11,702	8,693	35%
Other comprehensive income:			
Items that may be reclassfied subsequently to profit or loss:			
Exchange differences on translation of foreign operations	(1,409)	11,414	-112%
Income tax effect	0	(150)	100%
	(1,409)	11,263	-113%
Items that will not be reclassfied to profit or loss:			
Actuarial gains/(losses) on defined benefit plans	9	(150)	106%
Income tax effect	(3)	25	-112%
	6	(125)	105%
Other comprehensive income / (loss) for the period, net of tax	**(1,403)**	**11,139**	**-113%**
Total comprehensive income / (loss) for the period, net of tax	**10,299**	**19,832**	**-48%**
Total comprehensive income / (loss) attributable to :			
Equity holders of the parent	**9,378**	**18,415**	**-49%**
Non controlling interests	921	1,417	-35%
Total Comprehensive Income / (Loss)	**10,299**	**19,832**	**-48%**

7.1.3 Consolidated Statement of Financial Position

Amount in Rs Mn

Particulars	As at Jun 30, 2014	As at Jun 30, 2013	As at Mar 31, 2014
Assets			
Non-current assets			
Property, plant and equipment	584,228	613,848	596,429
Intangible assets	808,356	752,462	809,716
Investment in joint ventures / associates	48,910	54,796	56,702
Investment (non-current)	29,917	0	36,341
Derivative financial assets	2,406	3,021	2,761
Other financial assets	17,194	13,207	17,330
Other non - financial assets	26,896	22,866	26,009
Deferred tax asset	59,845	64,696	62,627
	1,577,752	**1,524,897**	**1,607,915**
Current assets			
Inventories	1,770	1,534	1,422
Trade and other receivable	64,608	57,452	62,441
Derivative financial assets	2,314	1,875	819
Prepayments and other assets	38,160	32,606	29,656
Income tax recoverable	5,584	6,441	9,319
Short term investments	87,414	114,090	62,265
Other financial assets	8,024	4,537	8,127
Cash and cash equivalents	20,368	37,835	49,808
	228,242	**256,370**	**223,857**
Assets of disposal group classified as held for sale	14,731	0	0
	242,973	**256,370**	**223,857**
Total assets	**1,820,725**	**1,781,266**	**1,831,772**
Equity and liabilities			
Equity			
Issued capital	19,987	19,987	19,987
Treasury shares	(303)	(626)	(342)
Advances against equity	0	0	0
Share premium	123,456	123,455	123,456
Deferred stock compensation	0	0	0
Loan to trust	0	0	0
Retained earnings / (deficit)	448,256	420,791	437,167
Foreign currency translation reserve	(18,490)	(20,920)	(16,777)
Other components of equity	34,071	32,620	34,069
Equity attributable to equity holders of parent	**606,977**	**575,307**	**597,560**
Non-controlling interest	43,097	43,726	42,102
Total equity	**650,074**	**619,033**	**639,662**
Non-current liabilities			
Borrowing	572,829	542,793	549,919
Deferred revenue	12,986	11,194	14,010
Provisions	8,700	8,756	10,044
Derivative financial liabilities	1,460	4,638	4,313
Deferred tax liability	15,099	14,770	16,850
Other financial liabilities	23,642	21,325	27,464
Other non - financial liabilities	1,445	3,439	1,460
	636,161	**606,915**	**624,060**
Current liabilities			
Borrowing	139,677	201,846	209,039
Deferred revenue	45,944	42,181	44,899
Provisions	1,980	1,849	1,725
Other non - financial liabilities	26,082	19,069	15,277
Derivative financial liabilities	928	537	1,097
Income tax liabilities	10,373	8,500	12,032
Trade & other payables	308,143	281,336	283,981
	533,127	**555,319**	**568,050**
Liabilities of disposal group classified as held for sale	1,363	0	0
	534,490	**555,319**	**568,050**
Total liabilities	**1,170,651**	**1,162,233**	**1,192,110**
Total equity and liabilities	**1,820,725**	**1,781,266**	**1,831,772**

7.1.4 Consolidated Statement of Cash Flows

Amount in Rs Mn

Particulars	Quarter Ended	
	Jun-14	Jun-13
Cash flows from operating activities		
Profit before tax	**27,028**	**18,377**
Adjustments for -		
Depreciation and amortization	40,365	38,470
Finance income	(6,162)	(4,213)
Finance cost	15,727	15,889
Share of results of Joint ventures / associates	(1,578)	(822)
Exceptional items	0	(2,252)
Amortization of stock based compensation	32	(31)
Other non-cash items	(70)	(279)
Operating cash flow before changes in assets and liabilities	**75,342**	**65,139**
Trade & other receivables and prepayments	(12,158)	6,225
Inventories	(378)	(269)
Trade and other payables	24,367	33,574
Change in provision	36	2,280
Other financial and non financial liabilities	(2,077)	1,552
Other financial and non financial assets	(1,673)	(34,062)
Cash generated from operations	**83,459**	**74,439**
Interest received	454	1,154
Dividend from mutual funds	267	324
Dividend received	9,510	2,200
Income tax paid	(6,641)	(5,474)
Net cash inflow from operating activities	**87,049**	**72,643**
Cash flows from investing activities		
Purchase of property, plant and equipment	(29,424)	(45,988)
Proceeds from sale of property, plant and equipment 16	1,156	5,777
Purchase of intangible assets	(6,961)	(1,638)
Short term investments (Net)	(15,771)	(47,647)
Purchase of non-current investments	(357)	0
Sale of non-current investments	589	0
Investment in subsidiary, net of cash acquired	0	(2,928)
Demerger of subsidiary	0	(8,009)
Investment in associate / joint venture	(10)	0
Loan to associates	(65)	286
Net cash outflow from investing activities	**(50,843)**	**(100,147)**
Cash flows from financing activities		
Proceeds from issuance of borrowings	179,013	77,593
Repayment of borrowings	(229,467)	(84,698)
Short term borrowings (net)	200	0
Loan repaid to joint venture	(9,173)	0
Interest paid	(9,357)	(9,957)
Proceeds from exercise of stock options	83	13
Dividend paid (including tax) to non - controlling interests	0	(132)
Proceeds from issuance of equity shares to institutional investor	0	67,956
Payment of long term liability / acquisition of non-controlling interest	0	(3,828)
Net cash inflow / (outflow) from financing activities	**(68,701)**	**46,947**
Net (decrease) / increase in cash and cash equivalents 15 during the period	**(32,495)**	**19,443**
Effect of exchange rate changes on cash and cash equivalents	(475)	(84)
Add : Balance as at the beginning of the period	39,575	1,312
Balance as at the end of the period	**6,605**	**20,671**

Note 16: Cash and Cash Equivalents is including bank overdraft.

7.2 Schedules to Financial Statements

7.2.1 India

7.2.1.1 Schedule of Operating Expenses

Amount in Rs Mn

Particulars	Quarter Ended	
	Jun-14	Jun-13
Access charges	18,766	19,141
Licence fees, revenue share & spectrum charges	17,689	14,816
Network operations costs	36,390	34,199
Cost of goods sold	267	314
Employee costs	5,482	5,588
Selling, general and adminstration expense	19,798	18,053
Operating Expenses	**98,393**	**92,111**

7.2.1.2 Schedule of Depreciation & Amortization

Amount in Rs Mn

Particulars	Quarter Ended	
	Jun-14	Jun-13
Depreciation	21,610	21,879
Amortization	3,286	3,184
Depreciation & Amortization [17]	**24,896**	**25,063**

Note 17: Depreciation and Amortization reported above for the quarter ended Jun-13, excludes the impact of exceptional items.

7.2.1.3 Schedule of Income Tax

Amount in Rs Mn

Particulars	Quarter Ended	
	Jun-14	Jun-13
Current tax expense	8,757	5,294
Deferred tax expense / (income)	830	(622)
Dividend distribution tax	294	0
Income tax expense [18]	**9,880**	**4,672**

Note 18: Income tax expense reported above for the quarter ended Jun-13, excludes the impact of exceptional items.

7.2.2 South Asia

7.2.2.1 Schedule of Operating Expenses

Amount in Rs Mn

Particulars	Quarter Ended	
	Jun-14	Jun-13
Access charges	729	640
Licence fees, revenue share & spectrum charges	386	382
Network operations costs	1,338	1,178
Cost of goods sold	74	40
Employee costs	314	276
Selling, general and adminstration expense	1,296	1,232
Operating Expenses	**4,137**	**3,749**

7.2.2.2 Schedule of Depreciation & Amortization

Amount in Rs Mn

Particulars	Quarter Ended	
	Jun-14	Jun-13
Depreciation	1,073	1,081
Amortization	236	91
Depreciation & Amortization	**1,309**	**1,172**

7.2.3 Africa

7.2.3.1 Schedule of Operating Expenses

Amount in US$ Mn

Particulars	Quarter Ended	
	Jun-14	Jun-13
Access charges	175	157
Licence fees, revenue share & spectrum charges	66	54
Network operations costs	227	204
Cost of goods sold	10	20
Employee costs	102	95
Selling, general and adminstration expense	302	252
Operating Expenses	**880**	**782**

7.2.3.2 Schedule of Depreciation & Amortization

Amount in US$ Mn

Particulars	Quarter Ended	
	Jun-14	Jun-13
Depreciation	193	171
Amortization	44	48
Depreciation & Amortization [19]	**236**	**219**

Note 19: Depreciation and Amortization reported above for the full year ended Jun-13, excludes the impact of exceptional items.

7.2.3.3 Schedule of Income Tax

Amount in US$ Mn

Particulars	Quarter Ended	
	Jun-14	Jun-13
Current tax expense	56	50
Withholding taxes (WHT)	11	25
Deferred tax expense / (income)	13	(6)
Income tax expense [20]	**80**	**68**

Note 20: Income tax expense reported above for the quarter ended Jun-14 and Jun-13, excludes the impact of exceptional items. Refer section 5.4.2 on "Exceptional Items" on page 21 for details.

7.3 Consolidated Schedule of Net Debt & Finance Cost

7.3.1 Schedule of Net Debt in INR

Amount in Rs Mn

Particulars	As at Jun 30, 2014	As at Jun 30, 2013	As at Mar 31, 2014
Long term debt, net of current portion	572,829	542,793	549,919
Short-term borrowings and current portion of long-term debt	139,677	201,846	209,039
Deferred payment liability	4,245	0	1,026
Less:			
Cash and Cash Equivalents	20,368	37,835	49,808
Restricted Cash	1,449	1,138	1,982
Restricted Cash, non-current	160	4,371	4,172
Investments	117,331	114,090	98,606
Net Debt	**577,443**	**587,205**	**605,416**

7.3.2 Schedule of Net Debt in US$

Amount in US$ Mn

Particulars	As at Jun 30, 2014	As at Jun 30, 2013	As at Mar 31, 2014
Long term debt, net of current portion	9,532	9,092	9,150
Short-term borrowings and current portion of long-term debt	2,324	3,381	3,478
Deferred payment liability	71	0	17
Less:			
Cash and Cash Equivalents	339	634	829
Restricted Cash	24	19	33
Restricted Cash, non-current	3	73	69
Investments	1,952	1,911	1,641
Net Debt	**9,609**	**9,836**	**10,074**

7.3.3 Schedule of Finance Cost

Amount in Rs Mn, except ratios

Particulars	Quarter Ended	
	Jun-14	Jun-13
Interest on borrowings & Finance charges	10,516	10,413
Derivatives and exchange (gain)/ loss	3,006	5,340
Investment (income)/ loss	(3,957)	(4,077)
Finance cost (net)	**9,565**	**11,676**

7.4 Use of Non-GAAP Financial Information

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

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

Non – GAAP measure	Equivalent GAAP measure for IFRS	Location in this results announcement of reconciliation and further information
Earnings before Interest, Taxation, Depreciation and Amortization (EBITDA)	Profit / (Loss) from Operating Activities	Page 35
Cash Profit from Operations before Derivative & Exchange (Gain)/Loss	Profit / (Loss) from Operating Activities	Page 35
Capex	NA	NA
Operating Free Cash flow	NA	NA
Cumulative investments	NA	NA

7.4.1 Reconciliation of Non-GAAP financial information based on IFRS

Amount in Rs Mn, except ratios

Particulars	Quarter Ended	
	Jun-14	Jun-13
Profit / (Loss) from Operating Activities To EBITDA		
Profit / (Loss) from Operating Activities	36,835	26,979
Add: Depreciation and Amortization	40,365	38,470
EBITDA	**77,200**	**65,449**
Reconciliation of Finance Cost		
Finance Cost	15,727	15,889
Finance Income	(6,162)	(4,213)
Finance Cost (net)	**9,565**	**11,676**
Profit / (Loss) from Operating Activities to Cash Profit from Operations before Derivative & Exchange Fluctuation		
Profit / (Loss) from Operating Activities	36,835	26,979
Add: Depreciation and Amortization	40,365	38,470
Less: Finance Cost (net)	9,565	11,676
Add: Derivatives and exchange (gain)/loss	3,006	5,340
Cash Profit from Operations before Derivative & Exchange Fluctuation	**70,642**	**59,113**

Section 8

TRENDS AND RATIO ANALYSIS

8.1 Based on Statement of Operations

Consolidated

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Jun-14	Mar-14	Dec-13	Sep-13	Jun-13
Total revenues	**229,616**	**222,193**	**219,385**	**213,244**	**202,639**
Access charges	27,890	28,731	28,756	27,475	26,961
Cost of goods sold	937	968	1,367	897	1,497
Net revenues	**200,790**	**192,495**	**189,262**	**184,872**	**174,181**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	102,025	99,890	99,654	97,170	90,869
Licence Fee	22,003	19,951	18,896	19,565	18,219
EBITDA	**77,200**	**73,066**	**70,934**	**68,321**	**65,449**
Cash profit from operations before Derivative and Exchange Fluctuations	70,642	64,672	62,401	55,629	59,113
EBIT	36,835	33,622	31,746	28,927	26,979
Share of results of Joint Ventures/Associates	1,578	1,673	1,064	1,652	822
Profit before Tax	28,848	25,384	22,128	14,468	16,125
Net income	11,085	9,616	6,102	5,120	6,889
Capex	39,857	33,278	28,219	21,391	22,954
Operating Free Cash Flow (EBITDA - Capex)	37,343	39,788	42,715	46,930	42,495
Cumulative Investments	2,161,720	2,158,800	2,103,006	2,094,302	2,010,123

	Jun-14	Mar-14	Dec-13	Sep-13	Jun-13
As a % of Total revenues					
Access charges	12.1%	12.9%	13.1%	12.9%	13.3%
Cost of goods sold	0.4%	0.4%	0.6%	0.4%	0.7%
Net revenues	87.4%	86.6%	86.3%	86.7%	86.0%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	44.4%	45.0%	45.4%	45.6%	44.8%
Licence Fee	9.6%	9.0%	8.6%	9.2%	9.0%
EBITDA	33.6%	32.9%	32.3%	32.0%	32.3%
Cash profit from operations before Derivative and Exchange Fluctuations	30.8%	29.1%	28.4%	26.1%	29.2%
EBIT	16.0%	15.1%	14.5%	13.6%	13.3%
Share of results of JV / Associates	0.7%	0.8%	0.5%	0.8%	0.4%
Profit before tax	12.6%	11.4%	10.1%	6.8%	8.0%
Net income	4.8%	4.3%	2.8%	2.4%	3.4%

Refer Note 5, 6, on page 6

India & South Asia

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Jun-14	Mar-14	Dec-13	Sep-13	Jun-13
Total revenues	**162,019**	**153,298**	**148,706**	**145,079**	**144,951**
Access charges	19,315	18,895	18,274	18,361	19,636
Cost of goods sold	341	438	536	247	354
Net revenues	**142,363**	**133,965**	**129,896**	**126,470**	**124,960**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	64,635	63,000	62,389	61,832	60,477
Licence Fee	18,074	16,261	15,557	15,586	15,198
EBITDA	**60,231**	**55,223**	**52,283**	**49,315**	**49,547**
EBIT	34,026	29,726	26,967	24,132	23,312
Profit before Tax	33,460	29,010	24,580	13,729	15,866
Net income (before exceptional items)	21,790	18,413	14,115	8,347	10,075
Capex	30,285	22,410	19,538	11,751	13,722
Operating Free Cash Flow (EBITDA - Capex)	29,946	32,813	32,745	37,563	35,825
Cumulative Investments	1,318,040	1,294,057	1,218,560	1,202,255	1,177,481

	Jun-14	Mar-14	Dec-13	Sep-13	Jun-13
As a % of Total revenues					
Access charges	11.9%	12.3%	12.3%	12.7%	13.5%
Cost of goods sold	0.2%	0.3%	0.4%	0.2%	0.2%
Net revenues	87.9%	87.4%	87.4%	87.2%	86.2%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	39.9%	41.1%	42.0%	42.6%	41.7%
Licence Fee	11.2%	10.6%	10.5%	10.7%	10.5%
EBITDA	37.2%	36.0%	35.2%	34.0%	34.2%
EBIT	21.0%	19.4%	18.1%	16.6%	16.1%
Profit before tax	20.7%	18.9%	16.5%	9.5%	10.9%
Net income	13.4%	12.0%	9.5%	5.8%	7.0%

Refer Note 7 & 10 on page 7

India

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Jun-14	Mar-14	Dec-13	Sep-13	Jun-13
Total revenues	**157,870**	**149,104**	**144,430**	**140,793**	**141,233**
Access charges	18,766	18,366	17,613	17,780	19,141
Cost of goods sold	267	337	457	166	314
Net revenues	**138,837**	**130,401**	**126,360**	**122,847**	**121,778**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	61,671	60,095	59,380	58,905	57,840
Licence Fee	17,689	15,896	15,342	15,152	14,816
EBITDA	**60,056**	**54,929**	**51,970**	**49,053**	**49,316**
EBIT	35,160	30,810	28,097	25,184	24,253
Profit before Tax	35,168	30,699	26,274	15,041	17,080
Net income (before exceptional items)	23,481	20,119	15,826	9,677	11,083
Capex	29,470	20,312	17,421	10,429	12,800
Operating Free Cash Flow (EBITDA - Capex)	30,586	34,617	34,549	38,624	36,517
Cumulative Investments	1,254,975	1,231,352	1,155,724	1,140,587	1,127,138

	Jun-14	Mar-14	Dec-13	Sep-13	Jun-13
As a % of Total revenues					
Access charges	11.9%	12.3%	12.2%	12.6%	13.6%
Cost of goods sold	0.2%	0.2%	0.3%	0.1%	0.2%
Net revenues	87.9%	87.5%	87.5%	87.3%	86.2%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	39.1%	40.3%	41.1%	41.8%	41.0%
Licence Fee	11.2%	10.7%	10.6%	10.8%	10.5%
EBITDA	38.0%	36.8%	36.0%	34.8%	34.9%
EBIT	22.3%	20.7%	19.5%	17.9%	17.2%
Profit before tax	22.3%	20.6%	18.2%	10.7%	12.1%
Net income	14.9%	13.5%	11.0%	6.9%	7.8%

Refer Note 7 & 10 on page 7

South Asia

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Jun-14	Mar-14	Dec-13	Sep-13	Jun-13
Total revenues	**4,371**	**4,488**	**4,466**	**4,537**	**3,913**
Access charges	729	764	791	787	640
Cost of goods sold	74	101	79	81	40
Net revenues	**3,568**	**3,623**	**3,596**	**3,668**	**3,232**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	2,949	2,963	3,068	2,970	2,686
Licence Fee	386	365	215	434	382
EBITDA	**233**	**296**	**313**	**264**	**164**
EBIT	(1,076)	(1,083)	(1,129)	(1,051)	(1,008)
Profit before Tax	(1,650)	(1,689)	(1,694)	(1,312)	(1,281)
Net income (before exceptional items)	(1,633)	(1,706)	(1,711)	(1,330)	(1,075)
Capex	815	2,098	2,117	1,323	923
Operating Free Cash Flow (EBITDA - Capex)	(582)	(1,802)	(1,804)	(1,059)	(758)
Cumulative Investments	63,066	62,705	62,836	61,669	50,343

Particulars	Quarter Ended				
	Jun-14	Mar-14	Dec-13	Sep-13	Jun-13
Exchange Fluctuation Impact					
Reported revenues (Rs Mn)	4,371	4,488	4,466	4,537	3,913
a. QoQ growth (%)	*-2.61%*	*0.50%*	*-1.57%*	*15.96%*	*13.32%*
b. Impact of exchange fluctuation (%)) [21]	*-2.77%*	*-0.79%*	*-0.97%*	*13.47%*	*3.70%*
c. QoQ growth in constant currency (%) (a - b)	*0.17%*	*1.29%*	*-0.60%*	*2.49%*	*9.62%*
Revenues in constant currency (Rs Mn)[22]	4,371	4,364	4,308	4,334	4,229

Note 21: Based on Q-o-Q variation and weighted on the revenues of each country for the current quarter
Note 22: Revenues for all prior periods restated at the average exchange rates of each country for the quarter ended Jun-14.

	Jun-14	Mar-14	Dec-13	Sep-13	Jun-13
As a % of Total revenues					
Access charges	16.7%	17.0%	17.7%	17.4%	16.4%
Cost of goods sold	1.7%	2.2%	1.8%	1.8%	1.0%
Net revenues	81.6%	80.7%	80.5%	80.9%	82.6%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	67.5%	66.0%	68.7%	65.5%	68.7%
Licence Fee	8.8%	8.1%	4.8%	9.6%	9.8%
EBITDA	5.3%	6.6%	7.0%	5.8%	4.2%
EBIT	-24.6%	-24.1%	-25.3%	-23.2%	-25.8%
Profit before tax	-37.8%	-37.6%	-37.9%	-28.9%	-32.7%
Net income	-37.4%	-38.0%	-38.3%	-29.3%	-27.5%

Africa

In INR:

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Jun-14	Mar-14	Dec-13	Sep-13	Jun-13
Total revenues	**69,685**	**70,623**	**72,298**	**70,258**	**59,309**
Access charges	10,456	11,408	11,903	10,949	8,745
Cost of goods sold	595	540	831	656	1,143
Net revenues	**58,634**	**58,675**	**59,564**	**58,653**	**49,421**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	37,752	37,179	37,597	35,706	30,706
Licence Fee	3,929	3,690	3,339	3,979	3,021
EBITDA	**16,958**	**17,850**	**18,652**	**19,004**	**15,899**
EBIT	2,797	3,904	4,779	4,793	3,664
Profit before Tax	(4,624)	(3,616)	(2,450)	739	255
Net income (before exceptional items)	(8,200)	(6,453)	(5,798)	(2,884)	(2,989)
Capex	9,571	10,868	8,681	9,640	9,232
Operating Free Cash Flow (EBITDA - Capex)	7,386	6,981	9,971	9,365	6,667
Cumulative Investments	843,679	864,744	884,446	892,046	832,642

	Jun-14	Mar-14	Dec-13	Sep-13	Jun-13
As a % of Total revenues					
Access charges	15.0%	16.2%	16.5%	15.6%	14.7%
Cost of goods sold	0.9%	0.8%	1.1%	0.9%	1.9%
Net revenues	84.1%	83.1%	82.4%	83.5%	83.3%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	54.2%	52.6%	52.0%	50.8%	51.8%
Licence Fee	5.6%	5.2%	4.6%	5.7%	5.1%
EBITDA	24.3%	25.3%	25.8%	27.0%	26.8%
EBIT	4.0%	5.5%	6.6%	6.8%	6.2%
Profit before tax	-6.6%	-5.1%	-3.4%	1.1%	0.4%
Net income	-11.8%	-9.1%	-8.0%	-4.1%	-5.0%

Refer Note 7 & 10 on page 7

Africa

In USD:

Amount in US$ Mn, except ratios

Particulars	Quarter Ended				
	Jun-14	Mar-14	Dec-13	Sep-13	Jun-13
Total revenues	**1,164**	**1,145**	**1,165**	**1,119**	**1,062**
Access charges	175	185	192	174	157
Cost of goods sold	10	9	13	11	20
Net revenues	**979**	**951**	**960**	**934**	**885**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	630	602	606	570	551
Licence Fee	66	60	54	63	54
EBITDA	**283**	**290**	**300**	**301**	**283**
EBIT	47	64	77	75	64
Profit before Tax	(77)	(58)	(40)	11	5
Net income (before exceptional items)	(137)	(105)	(94)	(46)	(52)
Capex	160	176	140	154	165
Operating Free Cash Flow (EBITDA - Capex)	123	114	160	148	118
Cumulative Investments	14,039	14,388	14,289	14,210	13,947

Particulars	Quarter Ended				
	Jun-14	Mar-14	Dec-13	Sep-13	Jun-13
Exchange Fluctuation Impact					
Reported revenues (US$ Mn)	1,164	1,145	1,165	1,119	1,062
a. QoQ growth (%)	*1.66%*	*-1.76%*	*4.11%*	*5.36%*	*-5.22%*
b. Impact of exchange fluctuation (%)) [23]	*-1.41%*	*-0.97%*	*-0.09%*	*0.17%*	*-0.31%*
c. QoQ growth in constant currency (%) (a - b)	*3.07%*	*-0.79%*	*4.21%*	*5.19%*	*-4.91%*
Revenues in constant currency (US$ Mn)[24]	1,164	1,129	1,138	1,092	1,038

Note 23: Based on Q-o-Q variation and weighted on the revenues of each country for the current quarter.
Note 24: Revenues for all prior periods restated at the average exchange rates of each country for the quarter ended Jun-14.

	Jun-14	Mar-14	Dec-13	Sep-13	Jun-13
As a % of Total revenues					
Access charges	15.0%	16.2%	16.5%	15.6%	14.8%
Cost of goods sold	0.9%	0.8%	1.1%	0.9%	1.9%
Net revenues	84.1%	83.1%	82.4%	83.5%	83.3%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	54.2%	52.6%	52.0%	50.9%	51.9%
Licence Fee	5.6%	5.2%	4.6%	5.7%	5.1%
EBITDA	24.3%	25.3%	25.8%	26.9%	26.7%
EBIT	4.0%	5.6%	6.6%	6.7%	6.1%
Profit before tax	-6.6%	-5.1%	-3.5%	0.9%	0.5%
Net income from operations	-11.8%	-9.1%	-8.0%	-4.1%	-4.9%

Refer Note 7 & 10 on page 7

8.2 Financial Trends of Business Operations

Mobile Services India

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Jun-14	Mar-14	Dec-13	Sep-13	Jun-13
Total revenues	**127,525**	**120,836**	**116,446**	**113,541**	**116,013**
EBITDA	47,061	42,147	39,748	38,036	37,633
EBITDA / Total revenues	*36.9%*	*34.9%*	*34.1%*	*33.5%*	*32.4%*
EBIT	29,502	25,393	23,102	21,417	20,979
Capex	22,879	12,901	13,529	7,228	7,907
Operating Free Cash Flow (EBITDA - Capex)	24,182	29,246	26,219	30,807	29,726
Cumulative Investments	906,159	878,872	809,910	796,425	788,507

Telemedia Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Jun-14	Mar-14	Dec-13	Sep-13	Jun-13
Total revenues	**10,705**	**10,242**	**9,869**	**9,757**	**9,484**
EBITDA	3,947	3,816	3,574	3,617	3,764
EBITDA / Total revenues	*36.9%*	*37.3%*	*36.2%*	*37.1%*	*39.7%*
EBIT	1,756	1,420	1,278	1,404	1,439
Capex	689	1,932	823	810	660
Operating Free Cash Flow (EBITDA - Capex)	3,258	1,884	2,751	2,807	3,104
Cumulative Investments	79,225	79,315	77,293	76,500	75,692

Digital TV Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Jun-14	Mar-14	Dec-13	Sep-13	Jun-13
Total revenues	**5,915**	**5,415**	**5,384**	**5,072**	**4,900**
EBITDA	1,437	963	970	645	760
EBITDA / Total revenues	*24.3%*	*17.8%*	*18.0%*	*12.7%*	*15.5%*
EBIT	(627)	(1,111)	(1,081)	(1,473)	(1,156)
Capex	2,627	1,779	1,109	1,042	2,239
Operating Free Cash Flow (EBITDA - Capex)	(1,190)	(816)	(139)	(397)	(1,479)
Cumulative Investments	47,977	46,468	44,712	43,613	42,596

Airtel Business

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Jun-14	Mar-14	Dec-13	Sep-13	Jun-13
Total revenues	**16,111**	**16,305**	**16,195**	**16,825**	**14,036**
EBITDA	3,223	3,661	4,139	3,243	2,765
EBITDA / Total revenues	*20.0%*	*22.5%*	*25.6%*	*19.3%*	*19.7%*
EBIT	1,755	2,136	2,676	1,844	1,422
Capex	115	700	242	142	281
Operating Free Cash Flow (EBITDA - Capex)	3,108	2,962	3,897	3,101	2,484
Cumulative Investments	48,574	48,279	44,612	44,719	42,886

Tower Infrastructure Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Jun-14	Mar-14	Dec-13	Sep-13	Jun-13
Total revenues	**13,328**	**13,060**	**12,592**	**12,602**	**12,832**
EBITDA	6,073	6,340	5,344	5,421	5,745
EBITDA / Total revenues	*45.6%*	*48.5%*	*42.4%*	*43.0%*	*44.8%*
EBIT	3,368	3,774	2,739	2,722	1,916
Share of results of Joint ventures / Associates	1,596	1,691	1,179	1,322	922
Capex	2,667	2,939	1,679	1,193	1,727
Operating Free Cash Flow (EBITDA - Capex)	3,405	3,401	3,665	4,228	4,018
Cumulative Investments	168,454	174,336	171,720	171,864	170,017

Others

Amount in Rs Mn

Particulars	Quarter Ended				
	Jun-14	Mar-14	Dec-13	Sep-13	Jun-13
Total revenues	**779**	**835**	**707**	**767**	**791**
EBITDA	(426)	(532)	(610)	(698)	(321)
EBIT	(553)	(522)	(609)	(697)	(331)
Capex	530	140	44	50	(0)
Operating Free Cash Flow (EBITDA - Capex)	(956)	(672)	(654)	(748)	(321)
Cumulative Investments	4,585	4,081	7,476	7,466	7,440

8.3 Based on Statement of Financial Position

Consolidated

Amount in Rs Mn, except ratios

Particulars	As at				
	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	Jun 30, 2013
Equity attributable to equity holders of parent	606,977	597,560	592,597	587,756	575,307
Net Debt	577,443	605,416	576,430	613,500	587,205
Net Debt (US$ Mn)	9,609	10,074	9,313	9,773	9,836
Capital Employed = Equity attributable to equity holders of parent + Net Debt	1,184,420	1,202,976	1,169,027	1,201,256	1,162,513

	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	Jun 30, 2013
Return on Equity attributable to equity holders of parent (LTM)	5.4%	4.8%	4.2%	3.7%	4.3%
Return on Capital Employed (LTM)	6.6%	6.5%	6.4%	6.3%	6.0%
Net Debt to EBITDA (LTM) - US$	2.04	2.20	2.06	2.20	2.22
Net Debt to EBITDA (Annualised) - US$	1.86	2.13	2.04	2.25	2.10
Assets Turnover ratio (LTM)	70.2%	69.0%	68.2%	67.8%	67.9%
Interest Coverage ratio (times)	8.54	7.82	7.61	7.38	7.44
Net debt to Equity attributable to equity holders of parent (Times)	0.95	1.01	0.97	1.04	1.02
Per share data (for the period)					
Net profit/(loss) per common share (in Rs)	2.77	2.41	1.53	1.28	1.80
Net profit/(loss) per diluted share (in Rs)	2.77	2.41	1.53	1.28	1.80
Book Value Per Equity Share (in Rs)	151.8	149.5	148.2	147.0	143.9
Market Capitalization (Rs Bn)	1,347	1,275	1,321	1,272	1,165
Enterprise Value (Rs Bn)	1,924	1,880	1,897	1,886	1,752

8.4 Operational Performance – India

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013
Total Customers Base	**000's**	**222,149**	**217,887**	**210,675**	**205,367**	**202,690**
Mobile Services						
Customer Base	000's	209,411	205,519	198,513	193,457	190,948
VLR	%	95.0%	96.0%	95.3%	95.1%	95.2%
Net Additions	000's	3,892	7,006	5,057	2,508	2,728
Pre-Paid (as a % of total Customer Base)	%	94.9%	95.1%	95.3%	95.4%	95.6%
Monthly Churn	%	2.7%	2.4%	2.7%	3.2%	3.2%
Average Revenue Per User (ARPU)	Rs	202	196	195	192	200
Average Revenue Per User (ARPU)	US$	3.4	3.2	3.1	3.1	3.6
Revenue per site per month	Rs	301,594	287,897	279,871	272,979	282,406
Revenues						
Total Revenues	Rs Mn	127,525	120,835	116,446	113,541	116,013
Mobile Services	Rs Mn	126,058	119,113	114,389	110,617	113,670
Others	Rs Mn	1,467	1,721	2,056	2,924	2,343
Voice						
Minutes on the network	Mn	270,827	264,843	255,030	251,322	258,380
Voice Average Revenue Per User (ARPU)	Rs	166	162	162	161	166
Voice Usage per customer	min	435	437	434	437	455
Voice Realization per minute	paisa	38.08	37.16	37.23	36.79	36.60
Non Voice Revenue						
% of Mobile Services	%	18.2%	17.4%	17.0%	16.4%	16.9%
Of Which						
Messaging & VAS as % of Mobile Services	%	5.5%	5.6%	6.1%	6.7%	8.3%
Data as % of Mobile Services	%	12.4%	11.5%	10.6%	9.4%	8.2%
Others as % of Mobile Services	%	0.3%	0.3%	0.3%	0.3%	0.4%
Data						
Data Customer Base	000's	39,320	35,605	31,898	28,039	25,875
Of which no. of 3G data customers	*000's*	*12,535*	*10,255*	*8,806*	*7,438*	*6,238*
As % of Customer Base	*%*	*18.8%*	*17.3%*	*16.1%*	*14.5%*	*13.6%*
Total MBs on the network	Mn MBs	55,610	47,655	39,932	34,624	28,403
Data Average Revenue Per User (ARPU)	Rs	139	133	137	129	128
Data Usage per customer	MBs	495	464	450	429	392
Data Realization per MB	paisa	28.04	28.62	30.38	29.99	32.66
Telemedia Services						
Telemedia Customers	000's	3,350	3,356	3,355	3,338	3,289
Of which no. of Broadband (DSL) customers	*000's*	*1,462*	*1,462*	*1,455*	*1,439*	*1,406*
As % of Customer Base	*%*	43.6%	43.6%	43.4%	43.1%	42.7%
Net Additions	000's	(6)	1	17	49	6
Average Revenue Per User (ARPU)	Rs	1,010	963	954	944	924
Average Revenue Per User (ARPU)	US$	16.9	15.6	15.4	15.1	16.5
Non Voice Revenue as % of Telemedia Revenues	%	63.0%	61.7%	60.4%	59.1%	57.8%
Digital TV						
Digital TV Customers	000's	9,388	9,012	8,807	8,572	8,452
Net additions	000's	376	205	235	120	352
Average Revenue Per User (ARPU)	Rs	214	203	207	198	197
Average Revenue Per User (ARPU)	US$	3.6	3.3	3.3	3.2	3.5
Monthly Churn	%	0.6%	0.9%	0.8%	1.0%	0.6%

Note 25: Data customer definition has been revised (Refer Glossary on page 54) also ICR Operator revenues have been reclassified to voice, data and messaging revenue, respective KPIs has been reinstated for previous periods to make them comparable.

8.5 Traffic Trends – India

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013
Mobile Services	Mn Min	270,827	264,843	255,030	251,322	258,380
Telemedia Services	Mn Min	4,172	4,122	4,075	4,209	4,137
National Long Distance Services	Mn Min	28,036	28,583	27,310	25,045	23,795
International Long Distance Services	Mn Min	3,741	4,103	3,606	3,406	2,880
Total Minutes on Network (Gross)	**Mn Min**	**306,776**	**301,651**	**290,020**	**283,983**	**289,192**
Eliminations	Mn Min	(28,321)	(28,866)	(27,516)	(24,631)	(24,129)
Total Minutes on Network (Net)	**Mn Min**	**278,456**	**272,786**	**262,505**	**259,352**	**265,063**

8.6 Network and Coverage Trends - India

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013
Mobile Services						
Census Towns	Nos	5,121	5,121	5,121	5,121	5,121
Non-Census Towns & Villages	Nos	461,449	460,783	460,655	460,550	460,682
Population Coverage	%	86.8%	86.7%	86.7%	86.7%	86.7%
Optic Fibre Network	R Kms	186,341	184,211	178,884	175,405	173,217
Sites on Network	Nos	139,894	138,755	137,069	135,412	134,736
Of which no. of 3G sites	*Nos*	*34,564*	*31,301*	*28,179*	*26,616*	*25,604*
Telemedia Services						
Cities covered	Nos	87	87	87	87	87
Airtel Business						
Submarine cable systems	Nos	7	7	7	7	7
Digital TV Services						
Districts Covered	Nos	639	639	639	639	639
Coverage	%	100%	100%	100%	100%	100%

8.7 Tower Infrastructure Services

8.7.1 Bharti Infratel Standalone

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013
Total Towers	Nos	36,112	35,905	35,515	35,376	35,288
Total Co-locations	Nos	70,544	69,137	66,871	65,391	64,345
Key Indicators						
Sharing Revenue per sharing operator per month	Rs	37,428	37,591	36,955	38,819	37,537
Average Sharing Factor	Times	1.94	1.90	1.87	1.84	1.82

Additional Information

8.7.2 Indus Towers

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013
Total Towers	Nos	113,490	113,008	112,615	112,144	111,983
Total Co-locations	Nos	237,562	233,488	229,760	225,252	223,078
Average Sharing Factor	Times	2.08	2.05	2.02	2.00	1.99

8.7.3 Bharti Infratel Consolidated

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013
Total Towers	Nos	83,778	83,368	82,813	82,476	82,321
Total Co-locations	Nos	170,320	167,202	163,370	159,997	158,038
Average Sharing Factor	Times	2.02	1.99	1.96	1.93	1.91

8.8 Human Resource Analysis - India

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013
Total Employees [14]	Nos	18,870	18,975	19,014	19,502	20,031
Number of Customers per employee	Nos	11,773	11,483	11,080	10,531	10,119
Personnel Cost per employee per month	Rs	96,846	92,747	96,925	93,888	92,985
Gross Revenue per employee per month	Rs	2,788,736	2,619,305	2,531,999	2,406,470	2,350,238

Refer Note 15 on page 15.

8.9 South Asia

8.9.1 Operational Performance

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013
Customer Base	000's	8,650	8,618	8,426	8,342	8,025
VLR	%	83.7%	84.5%	84.5%	82.9%	82.8%
Net Additions	000's	32	192	84	317	119
Pre-Paid (as % of total Customer Base)	%	97.2%	97.2%	97.2%	97.3%	97.5%
Monthly Churn	%	5.2%	5.1%	5.5%	6.0%	4.7%
Average Revenue Per User (ARPU)	Rs	168.5	174.2	177.1	185.5	164.2
Revenue per site per month	Rs	211,538	219,352	223,610	230,301	200,429
Voice						
Minutes on the network	Mn	10,280	10,345	10,518	10,673	10,472
Voice Average Revenue Per User (ARPU)	Rs	138	143	148	158	142
Voice Usage per customer	min	396	402	417	436	439
Voice Realization per minute	paisa	34.87	35.68	35.54	36.19	32.34
Non Voice Revenue						
% of Mobile revenues	%	18.0%	17.7%	16.3%	14.8%	13.4%
Of Which						
Messaging & VAS as % of Mobile revenues	%	8.1%	7.5%	7.3%	7.2%	6.5%
Data as % of Mobile revenues	%	7.6%	6.8%	6.6%	5.4%	5.1%
Others as % of Mobile revenues	%	2.3%	3.4%	2.4%	2.2%	1.8%
Data						
Data Customer Base	000's	3,001	3,079	2,773	2,376	2,236
As % of Customer Base	*%*	*34.7%*	*35.7%*	*32.9%*	*28.5%*	*27.9%*
Total MBs on the network	Mn MBs	2,098	1,832	1,497	1,278	1,049
Data Average Revenue Per User (ARPU)	Rs	38	35	39	36	31
Data Usage per customer	MBs	238	209	198	184	158
Data Realization per MB	paisa	15.84	16.52	19.56	19.32	19.46

8.9.2 Operational Performance (in constant currency)

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013
Average Revenue Per User (ARPU)	Rs	168	169	171	177	177
Voice Average Revenue Per User (ARPU)	Rs	138	139	143	151	154
Voice Realization per minute	paisa	35	35	34	35	35

8.9.3 Network and Coverage Trends

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013
Sites on Network	Nos	6,885	6,814	6,633	6,583	6,532
Of which no. of 3G sites	*Nos*	*2,105*	*1,986*	*1,684*	*684*	*684*

8.9.4 Human Resource Analysis

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013
Total Employees	**Nos**	**783**	**791**	**794**	**764**	**737**
Number of Customers per employee	Nos	11,047	10,895	10,612	10,919	10,888
Personnel Cost per employee per month	Rs	146,535	170,859	161,656	174,028	133,965
Gross Revenue per employee per month	Rs	1,860,852	1,891,159	1,874,727	1,979,440	1,769,584

8.10 Africa

8.10.1 Operational Performance

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013
Customer Base	000's	69,086	69,443	68,307	66,378	64,203
VLR	%	86.6%	86.9%	86.5%	86.8%	86.7%
Net Additions	000's	(357)	1,136	1,929	2,175	485
Pre-Paid (as % of total Customer Base)	%	99.3%	99.3%	99.3%	99.3%	99.3%
Monthly Churn	%	7.0%	6.1%	6.7%	6.6%	6.7%
Average Revenue Per User (ARPU)	US$	5.6	5.5	5.8	5.7	5.5
Revenue per site per month	US$	21,628	21,406	21,993	21,247	20,438
Voice						
Minutes on the network	Mn	28,256	28,155	28,270	27,848	25,971
Voice Average Revenue Per User (ARPU)	US$	4.4	4.4	4.7	4.7	4.5
Voice Usage per customer	min	136	136	141	143	134
Voice Realization per minute	US¢	3.23	3.23	3.31	3.30	3.38
Non Voice Revenue						
% of Mobile revenues	%	21.5%	20.5%	19.6%	17.9%	17.4%
Of Which						
Messaging & VAS as % of Mobile revenues	%	9.2%	9.7%	9.3%	8.8%	8.7%
Data as % of Mobile revenues	%	8.8%	7.7%	7.4%	6.6%	5.4%
Others as % of Mobile revenues	%	3.5%	3.1%	3.0%	2.5%	3.3%
Data						
Data Customer Base	000's	23,650	22,305	19,634	17,535	15,544
As % of Customer Base	*%*	*34.2%*	*32.1%*	*28.7%*	*26.4%*	*24.2%*
Total MBs on the network	Mn MBs	6,541	6,114	5,383	4,215	3,140
Data Average Revenue Per User (ARPU)	US$	1.5	1.4	1.6	1.5	1.3
Data Usage per customer	MBs	96.0	96.4	98.6	84.7	70.2
Data Realization per MB	US¢	1.56	1.44	1.59	1.74	1.81

8.10.2 Operational Performance (in constant currency)

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013
Average Revenue Per User (ARPU)	US$	5.6	5.4	5.7	5.6	5.4
Voice Average Revenue Per User (ARPU)	US$	4.4	4.3	4.6	4.6	4.4
Voice Realization per minute	US¢	3.23	3.19	3.24	3.22	3.31

8.10.3 Network and Coverage Trends

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013
Sites on Network	Nos	17,781	17,792	17,565	17,444	17,345
Of which no. of 3G sites	*Nos*	*7,165*	*6,923*	*6,675*	*6,237*	*6,201*

8.10.4 Human Resource Analysis

Parameters	Unit	Jun 30, 2014	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013
Total Employees	**Nos**	**5,284**	**5,127**	**4,917**	**5,022**	**5,274**
Number of Customers per employee	Nos	13,075	13,545	13,892	13,218	12,174
Personnel Cost per employee per month	US$	6,415	6,344	6,499	6,984	5,982
Gross Revenue per employee per month	US$	73,400	74,414	78,979	74,271	67,129

Section 9

KEY ACCOUNTING POLICIES AS PER IFRS

1. Investment in Joint Ventures and Associated

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

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

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

2. Property and equipment

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

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

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

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

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

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

3. Goodwill

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

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

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

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

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

4. Foreign currency transactions

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

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

5. Capital leases

Lessee accounting

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

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

Lessor accounting

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

6. Indefeasible right to use (IRU)

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

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

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

7. Impairment of long – lived assets and intangible assets

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

8. Revenue recognition

(i) Service revenues

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

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

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

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

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

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

(ii) Equipment sales

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

(iii) Multiple element arrangements

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

9. License fees

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

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

10. Other intangible assets

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

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

- Customer base: The estimated life of such relationships.

11. Income-taxes

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

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

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

12. Borrowing costs

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

13. Derivative financial instruments

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

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

14. Asset Retirement Obligations

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

15. Allowance for uncollectible accounts receivable

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

16. Issuance of Stock by Subsidiaries

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

Section 10

GLOSSARY

Technical and Industry Terms

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

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

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

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

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

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

This page has been left blank intentionally.

Written correspondence to be sent to:

Bharti Airtel Limited
Investor Relations
ir@bharti.in
http://www.airtel.in