Quarterly report on the results for the first quarter ended June 30, 2015

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



August 04, 2015

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 "7.4 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 Burkina Faso Holdings B.V., Bharti Airtel Chad Holdings B.V., Bharti Airtel Congo Holdings B.V., Bharti Airtel Gabon Holdings B.V., Bharti Airtel Ghana Holdings B.V., Bharti Airtel Kenya B.V., Bharti Airtel Kenya Holdings B.V., Bharti Airtel Madagascar Holdings B.V., Bharti Airtel Malawi Holdings B.V., Bharti Airtel Mali Holdings B.V., Bharti Airtel Niger Holdings B.V., Bharti Airtel Nigeria Holdings B.V., Bharti Airtel Nigeria Holdings II B.V., Bharti Airtel RDC Holdings B.V., Bharti Airtel Services B.V., Bharti Airtel 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, Airtel Congo (RDC) S.A. (Formerly Celtel Congo (RDC) S.a.r.l.), Airtel Gabon S.A., Airtel (Ghana) Limited, Airtel Networks Kenya Limited, Airtel Madagascar S.A., Airtel Malawi Limited, Celtel Niger S.A., Airtel Networks Limited, Airtel Tanzania Limited, Airtel Uganda Limited, Airtel Networks Zambia Plc (formerly known as Celtel Zambia plc), Bharti Airtel DTH Holdings B.V., Partnership Investments 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 Ghana Limited, Airtel Mobile Commerce Kenya Limited, Airtel Money Niger S.A., Airtel Mobile Commerce (SL) Limited, Africa Towers N.V., Airtel Towers (Ghana) Limited, Malawi Towers Limited, Airtel Money S.A. (Gabon), Société Malgache de Telephonie Cellulaire SA, Uganda Towers Limited, Airtel (SL) Limited, Airtel DTH Services Congo (RDC) S.p.r.l, Airtel DTH Services Nigeria Limited, Airtel Money (RDC) S.p.r.l, Burkina Faso Towers S.A., Wynk Limited, 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, Airtel Tchad S.A., Zambian Towers Limited, Bharti Airtel Rwanda Holdings Limited (formerly known as Zebrano (Mauritius) Limited), Airtel Mobile Commerce Rwanda Limited, Warid Telecom Uganda Limited, Bharti Infratel Services Limited, Nxtra Data Limited, Airtel Mobile Commerce (Seychelles) Limited., Airtel Broadband Services Private Limited (formerly known as Wireless Business Services Private Limited), Airtel DTH Services (Sierra Leone) Limited., Airtel Mobile Commerce (Tanzania), Airtel Mobile Commerce Limited (Malawi), Bharti Airtel Nigeria B.V., Warid Congo S.A., Airtel Networks Zambia Plc, Bharti Airtel Nigeria Holdings II B.V.

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

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SECTION 1

BHARTI AIRTEL – PERFORMANCE AT A GLANCE

Particulars	Unit	Full Year Ended			Quarter Ended				
		2013	2014	2015	Jun-14	Sep-14	Dec-14	Mar-15	Jun-15
Operating Highlights									
Total Customer Base	000's	271,227	295,948	324,368	299,885	303,709	312,904	324,368	331,860
Total Minutes on Network	Mn Min	1,127,150	1,211,522	1,266,914	316,946	309,052	314,257	326,659	342,987
Sites on Network	Nos	156,905	163,361	172,225	164,560	166,160	168,055	172,225	173,703
Total Employees [4]	Nos	25,710	24,893	24,694	24,937	25,004	25,008	24,694	24,670
No. of countries of operation	Nos	20	20	20	20	20	20	20	20
Population Covered	Bn	1.85	1.99	2.02	1.99	1.99	1.99	2.02	2.02
Consolidated Financials (Rs Mn)									
Total revenues	Rs Mn	769,045	857,461	920,395	229,616	228,452	232,171	230,155	236,709
EBITDA	Rs Mn	233,340	278,430	314,517	77,669	77,494	78,276	80,505	82,617
EBIT	Rs Mn	85,192	121,933	158,571	36,913	38,524	39,842	42,720	42,157
Cash profit from operations before Derivative & Exchange Fluctuations	Rs Mn	195,643	241,813	285,280	70,642	68,976	72,858	72,231	71,086
Profit before tax	Rs Mn	47,853	78,105	115,662	28,848	29,969	31,118	25,155	25,007
Net income	Rs Mn	22,757	27,727	51,835	11,085	13,832	14,365	12,553	15,543
Capex	Rs Mn	126,451	105,843	186,682	39,857	37,271	45,095	64,460	39,921
Operating Free Cash Flow (EBITDA - Capex)	Rs Mn	106,889	172,587	127,834	37,812	40,224	33,181	16,045	42,696
Net Debt	Rs Mn	583,567	605,416	668,417	577,443	622,158	668,388	668,417	681,345
Shareholder's Equity	Rs Mn	503,217	597,560	619,564	606,977	615,141	609,282	619,564	638,065
Consolidated Financials (US$ Mn)									
Total Revenue [1]	US$ Mn	14,129	14,151	15,064	3,834	3,777	3,752	3,704	3,729
EBITDA [1]	US$ Mn	4,287	4,595	5,148	1,297	1,281	1,265	1,296	1,301
EBIT [1]	US$ Mn	1,565	2,012	2,595	616	637	644	687	664
Cash profit from operations before Derivative & Exchange Fluctuations [1]	US$ Mn	3,594	3,991	4,669	1,179	1,140	1,177	1,162	1,120
Profit before Tax [1]	US$ Mn	879	1,289	1,893	482	495	503	405	394
Net income [1]	US$ Mn	418	458	848	185	229	232	202	245
Capex [1]	US$ Mn	2,323	1,747	3,055	665	616	729	1,037	629
Operating Free Cash Flow (EBITDA - Capex)	US$ Mn	1,964	2,848	2,092	631	665	536	258	673
Net Debt [2]	US$ Mn	10,729	10,074	10,679	9,609	10,098	10,554	10,679	10,687
Shareholder's Equity [2]	US$ Mn	9,252	9,943	9,899	10,101	9,984	9,621	9,899	10,008
Key Ratios									
EBITDA Margin	%	30.3%	32.5%	34.2%	33.8%	33.9%	33.7%	35.0%	34.9%
EBIT Margin	%	11.1%	14.2%	17.2%	16.1%	16.9%	17.2%	18.6%	17.8%
Net Profit Margin	%	3.0%	3.2%	5.6%	4.8%	6.1%	6.2%	5.5%	6.6%
Net Debt to Funded Equity Ratio	Times	1.16	1.01	1.08	0.95	1.01	1.10	1.08	1.07
Net Debt to EBITDA (LTM) - US$ [3]	Times	2.51	2.19	2.08	2.03	2.06	2.10	2.08	2.08
Net Debt to EBITDA (Annualised) - US$ [3]	Times	2.40	2.12	2.06	1.85	1.97	2.09	2.06	2.06
Interest Coverage ratio	Times	6.79	7.58	8.43	8.59	9.13	7.86	8.21	8.27
Return on Shareholder's Equity	%	4.5%	5.0%	8.5%	5.4%	6.8%	8.1%	8.5%	9.1%
Return on Capital employed	%	5.7%	6.6%	8.1%	6.6%	6.7%	7.3%	8.1%	9.1%
Valuation Indicators									
Market Capitalization	Rs Bn	1,108	1,275	1,575	1,347	1,616	1,410	1,575	1,679
Market Capitalization	US$ Bn	20.4	21.2	25.2	22.4	26.2	22.3	25.2	26.3
Enterprise Value	Rs Bn	1,692	1,880	2,243	1,924	2,238	2,079	2,243	2,402
EV / EBITDA (LTM)	Times	7.25	6.75	7.13	6.62	7.48	6.78	7.13	7.53
P/E Ratio (LTM)	Times	48.65	45.44	30.36	42.16	39.74	28.83	30.36	29.80

Note 1. Average exchange rates used for Rupee conversion to US$ is (a) Rs 54.43 for the financial year ended March 31, 2013 (b) Rs 60.59 for the financial year ended March 31, 2014 (c) Rs 61.10 for the financial year ended March 31, 2015 (d) Rs 59.89 for the quarter ended June 30, 2014 (e) Rs 60.48 for the quarter ended September 30, 2014 (f) Rs 61.89 for the quarter ended December 31, 2014 (g) Rs 62.14 for the quarter ended March 31, 2015 (h) Rs 63.48 for the quarter ended June 30, 2015 based on the RBI Reference rate.
Note 2. Closing exchange rates used for Rupee conversion to US$ is (a) Rs 54.39 for the financial year ended March 31, 2013 (b) Rs 60.10 for the financial year ended March 31, 2014 (c) Rs 62.59 for the quarter and financial year ended March 31, 2015 (d) Rs. 60.09 for the quarter ended June 30, 2014 (e) Rs 61.61 for the quarter ended September 30, 2014 (f) Rs 63.33 for the quarter ended December 31, 2014 (g) Rs 62.59 for the quarter ended March 31, 2015 (h) Rs 63.75 for the quarter ended June 30, 2015 being the RBI Reference rate.
Note 3. For calculation of this ratio, EBITDA is adjusted downwards to the extent of finance lease charges on towers in Africa.
Note 4. Total employees do not include 42% of Indus Towers employees.
Note 5. Key Ratios computed using translated US$ values may yield different results in comparison with ratios computed using Rupee values.

SECTION 2

BHARTI AIRTEL - AN INTRODUCTION

2.1 Introduction

We are one of the world's leading providers of telecommunication services with significant presence in 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 464,157 non-census towns and villages in India covering approximately 86.7% 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 11 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 199,991 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 470 channels including 30 HD channels, 4 international 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 86,397 telecom towers, which includes 37,486 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 152K retailers across the country. We have a robust 3G network with more than 2,000 3G sites across Bangladesh. In Sri Lanka, we operate across 25 administrative districts with distribution network of over 44,000 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, 4G data and m-Commerce (Airtel Money) are the next growth engines for the Company in Africa. We offer 3G services, Airtel Money across all 17 countries and 4G services in 3 countries of Africa.

2.3 Partners

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

SECTION 3

FINANCIAL HIGHLIGHTS

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

Detailed financial statements, analysis & other related information is attached to this report (page 28 - 30). Also, kindly refer to Section 7.4 - use of Non - GAAP financial information (page 35) and Glossary (page 53) for detailed definitions.

3.1 Consolidated - Summary of Consolidated Financial Statements

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

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		
	Jun-15	Jun-14	Y-on-Y Growth
Total revenues	**236,709**	**229,616**	**3%**
EBITDA	82,617	77,669	6%
EBITDA / Total revenues	*34.9%*	*33.8%*	
EBIT	42,157	36,913	14%
Finance cost (net)	19,191	9,565	101%
Share of results of Joint Ventures/Associates	2,126	1,578	35%
Profit before tax [6]	25,007	28,848	-13%
Income tax expense [6]	13,481	14,629	-8%
Net income [7]	15,543	11,085	40%
Capex	39,921	39,857	0%
Operating Free Cash Flow (EBITDA - Capex)	42,696	37,812	13%
Cumulative Investments	2,439,612	2,161,720	13%

Note 6: Profit before Tax and Income Tax expense reported above for the quarter ended Jun-15 and Jun-14, excludes the impact of exceptional items.
Note 7: Net Income for the quarter ended Jun-15 and Jun-14, includes the impact of exceptional items. Refer section 5.3.2 on "Exceptional Items" on page 22 for details.

3.1.2 Consolidated Summarized Statement of Financial Position

Amount in Rs Mn

Particulars	As at Jun 30, 2015	As at Mar 31, 2015
Assets		
Non-current assets	1,820,063	1,690,163
Current assets	343,910	267,655
Total assets	**2,163,973**	**1,957,818**
Liabilities		
Non-current liabilities	825,951	655,294
Current liabilities	647,839	634,435
Total liabilities	**1,473,790**	**1,289,729**
Equity & Non Controlling Interests		
Equity	638,065	619,564
Non controlling interests	52,118	48,525
Total Equity & Non Controlling Interests	**690,183**	**668,089**
Total Equity and liabilities	**2,163,973**	**1,957,818**

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 2015			Quarter Ended Jun 2014		
	India SA	Africa	Total	India SA	Africa	Total
Total revenues	**177,344**	**61,595**	**236,709**	**162,019**	**69,685**	**229,616**
EBITDA	69,942	12,674	82,617	60,700	16,958	77,669
EBITDA / Total revenues	*39.4%*	*20.6%*	*34.9%*	*37.5%*	*24.3%*	*33.8%*
EBIT	41,396	761	42,157	34,104	2,797	36,913
Profit before tax [8]	33,397	(8,777)	25,007	33,460	(4,624)	28,848
Net income (before exceptional items)[9]	**20,330**	**(9,768)**	**10,961**	**21,790**	**(8,200)**	**13,602**
Exceptional Items (net) [9]			(4,581)			2,516
Net income			**15,543**			**11,085**
Capex	30,410	9,511	39,921	30,285	9,571	39,857
Operating Free Cash Flow (EBITDA - Capex)	39,532	3,163	42,696	30,415	7,386	37,812
Cumulative Investments	1,732,251	707,361	2,439,612	1,318,040	843,679	2,161,720

Note 8: Profit before Tax for the quarter ended Jun 2015 and Jun 2014, excludes the impact of exceptional items.
Note 9: Refer section 5.3.2 on "Exceptional Items" on page 22 for details.

3.2.2 Region wise Summarized Statement of Financial Position

Amount in Rs Mn

Particulars	As at Jun 30, 2015			
	India SA	Africa	Eliminations	Total
Assets				
Non-current assets	1,782,193	638,370	(600,500)	1,820,063
Current assets	188,900	157,338	(2,328)	343,910
Total assets	**1,971,093**	**795,708**	**(602,828)**	**2,163,973**
Liabilities				
Non-current liabilities	749,426	372,628	(296,104)	825,951
Current liabilities	388,568	261,599	(2,328)	647,839
Total liabilities	**1,137,994**	**634,226**	**(298,432)**	**1,473,790**
Equity & Non Controlling Interests				
Equity	764,726	177,737	(304,396)	638,065
Non controlling interests	68,373	(16,255)	0	52,118
Total Equity & Non Controlling Interests	**833,099**	**161,482**	**(304,396)**	**690,183**
Total Equity and liabilities	**1,971,093**	**795,708**	**(602,828)**	**2,163,973**

3.3 Segment wise Summarized Statement of Operations

3.3.1 India & South Asia

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		
	Jun-15	Jun-14	Y-on-Y Growth
Total revenues	**177,344**	**162,019**	**9%**
EBITDA	69,942	60,700	15%
EBITDA / Total revenues	*39.4%*	*37.5%*	
EBIT	41,396	34,104	21%
Capex	30,410	30,285	0%
Operating Free Cash Flow (EBITDA - Capex)	39,532	30,415	30%
Cumulative Investments	1,732,251	1,318,040	31%

3.3.2 India

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		
	Jun-15	Jun-14	Y-on-Y Growth
Total revenues	**173,696**	**157,870**	**10%**
EBITDA	70,213	60,524	16%
EBITDA / Total revenues	*40.4%*	*38.3%*	
EBIT	43,016	35,238	22%
Capex	29,418	29,470	0%
Operating Free Cash Flow (EBITDA - Capex)	40,795	31,054	31%
Cumulative Investments	1,662,010	1,254,975	32%

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-15	Jun-14	Y-on-Y Growth
Total revenues	**137,987**	**127,525**	**8%**
EBITDA	53,489	47,412	13%
EBITDA / Total revenues	*38.8%*	*37.2%*	
EBIT	33,744	29,514	14%
Capex	22,166	22,879	-3%
Operating Free Cash Flow (EBITDA - Capex)	31,324	24,533	28%
Cumulative Investments	1,290,246	906,159	42%

3.3.4 Telemedia Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		
	Jun-15	Jun-14	Y-on-Y Growth
Total revenues	**11,427**	**10,705**	**7%**
EBITDA	5,270	3,971	33%
EBITDA / Total revenues	*46.1%*	*37.1%*	
EBIT	2,967	1,756	69%
Capex	1,572	689	128%
Operating Free Cash Flow (EBITDA - Capex)	3,698	3,282	13%
Cumulative Investments	84,772	79,225	7%

3.3.5 Digital TV Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		
	Jun-15	Jun-14	Y-on-Y Growth
Total revenues	**6,848**	**5,915**	**16%**
EBITDA	2,408	1,438	67%
EBITDA / Total revenues	*35.2%*	*24.3%*	
EBIT	415	(625)	166%
Capex	2,113	2,627	-20%
Operating Free Cash Flow (EBITDA - Capex)	295	(1,189)	125%
Cumulative Investments	56,216	47,977	17%

B2B Services

3.3.6 Airtel Business

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		
	Jun-15	Jun-14	Y-on-Y Growth
Total revenues	**19,690**	**16,111**	**22%**
EBITDA	4,108	3,250	26%
EBITDA / Total revenues	*20.9%*	*20.2%*	
EBIT	2,425	1,755	38%
Capex	438	115	280%
Operating Free Cash Flow (EBITDA - Capex)	3,670	3,134	17%
Cumulative Investments	51,907	48,574	7%

3.3.7 Tower Infrastructure Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		
	Jun-15	Jun-14	Y-on-Y Growth
Total revenues	**13,946**	**13,328**	**5%**
EBITDA	6,791	6,073	12%
EBITDA / Total revenues	*48.7%*	*45.6%*	
EBIT	3,967	3,368	18%
Share of results of joint ventures/associates	2,120	1,596	33%
Capex	2,902	2,667	9%
Operating Free Cash Flow (EBITDA - Capex)	3,889	3,405	14%
Cumulative Investments	173,944	168,454	3%

Others

3.3.8 Others (India)

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		
	Jun-15	Jun-14	Y-on-Y Growth
Total revenues	**796**	**779**	**2%**
EBITDA	(488)	(360)	-36%
EBIT	(492)	(488)	-1%
Capex	252	530	-52%
Operating Free Cash Flow (EBITDA - Capex)	(741)	(890)	17%
Cumulative Investments	4,925	4,585	7%

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

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		
	Jun-15	Jun-14	Y-on-Y Growth
Total revenues	**3,886**	**4,371**	**-11%**
EBITDA	(476)	233	-304%
EBITDA / Total revenues	*-12.2%*	*5.3%*	
EBIT	(1,829)	(1,076)	-70%
Capex	992	815	22%
Operating Free Cash Flow (EBITDA - Capex)	(1,468)	(582)	-152%
Cumulative Investments	70,241	63,066	11%

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

In USD Constant Currency [Note 10]:

Amount in US$ Mn, except ratios

Particulars	Quarter Ended		
	Jun-15	Jun-14	Y-on-Y Growth
Total revenues	**989**	**980**	**1%**
EBITDA	203	228	-11%
EBITDA / Total revenues	*20.5%*	*23.3%*	
EBIT	7	33	-80%
Capex	150	160	-6%
Operating Free Cash Flow (EBITDA - Capex)	53	68	-22%
Cumulative Investments	11,095	14,039	-21%

Note 10: Closing currency rates as on March 5, 2015 (AOP FY 15-16 finalization date) considered for above financials upto EBIT. Actual currency rates taken for Capex & Cumulative Investments. For the trends for last 5 quarters in constant currency and reported currency, please refer to pages 40 & 41.

3.4 Region wise & Segment wise - Investment & Contribution

Quarter Ended:

Amount in Rs Mn, except ratios

Segment	Quarter Ended Jun 2015						As at Jun 30, 2015	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Cummulative Investments	% of Total
Mobile Services [11]	137,987	78%	53,489	76%	22,166	73%	1,290,246	74%
Telemedia Services	11,427	6%	5,270	8%	1,572	5%	84,772	5%
Digital TV Services	6,848	4%	2,408	3%	2,113	7%	56,216	3%
Airtel Business	19,690	11%	4,108	6%	438	1%	51,907	3%
Tower Infrastructure Services	13,946	8%	6,791	10%	2,902	10%	173,944	10%
Others	796	0%	(488)	-1%	252	1%	4,925	0%
South Asia	3,886	2%	(476)	-1%	992	3%	70,241	4%
Sub Total	**194,580**	**110%**	**71,102**	**102%**	**30,435**	**100%**	**1,732,251**	**100%**
Eliminations	(17,236)	-10%	(1,160)	-2%	(25)	0%		
Accumulated Depreciation and Amortization							(643,241)	
Total (India SA)	**177,344**	**100%**	**69,942**	**100%**	**30,410**	**100%**	**1,089,010**	
India SA % of Consolidated	**75%**		**85%**		**76%**		**71%**	
Africa (In US$)	970		200		150		11,095	
Accumulated Depreciation and Amortization (In US$)							(1,697)	
Total (Africa) (In US$)	**970**		**200**		**150**		**9,398**	
Africa % of Consolidated	**25%**		**15%**		**24%**		**29%**	
Consolidated	**236,709**		**82,617**		**39,921**		**2,439,612**	

Note 11: Cumulative Investments include National optic fibre network.

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, 2015	Mar 31, 2015	Q-on-Q Growth	Jun 30, 2014	Y-on-Y Growth
Mobile Services	**000's**	**318,004**	**310,884**	**2%**	**287,147**	**11%**
India	000's	230,662	226,017	2%	209,411	10%
South Asia	000's	9,019	8,603	5%	8,650	4%
Africa	000's	78,323	76,263	3%	69,086	13%
Telemedia Services	000's	3,444	3,411	1%	3,350	3%
Digital TV Services	000's	10,412	10,073	3%	9,388	11%
Total	**000's**	**331,860**	**324,368**	**2%**	**299,885**	**11%**
Non Voice Revenue as a % of Total Revenues	%	35.0%	32.3%		27.4%	

4.2 Traffic Details – Consolidated

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Q-on-Q Growth	Jun 30, 2014	Y-on-Y Growth
Mobile Services	**Mn Min**	**332,690**	**317,625**	**5%**	**309,363**	**8%**
India	Mn Min	290,802	277,869	5%	270,827	7%
South Asia	Mn Min	9,097	8,711	4%	10,280	-12%
Africa	Mn Min	32,791	31,045	6%	28,256	16%
Telemedia Services	Mn Min	4,735	4,429	7%	4,172	13%
National Long Distance Services	Mn Min	32,038	30,649	5%	28,036	14%
International Long Distance Services	Mn Min	5,772	4,817	20%	3,741	54%
Total Minutes on Network (Gross)	**Mn Min**	**375,235**	**357,520**	**5%**	**345,313**	**9%**
Eliminations	Mn Min	(32,248)	(30,861)	-4%	(28,367)	-14%
Total Minutes on Network (Net)	**Mn Min**	**342,987**	**326,659**	**5%**	**316,946**	**8%**

4.3 Mobile Services India

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Q-on-Q Growth	Jun 30, 2014	Y-on-Y Growth
Customer Base	000's	230,662	226,017	2%	209,411	10%
VLR	%	95.8%	95.8%		95.0%	
Net Additions	000's	4,644	8,802	-47%	3,892	19%
Pre-Paid (as % of total Customer Base)	%	94.4%	94.6%		94.9%	
Monthly Churn	%	3.3%	2.5%		2.7%	
Average Revenue Per User (ARPU)	Rs	198	198	0%	202	-2%
Average Revenue Per User (ARPU)	US$	3.1	3.2	-2%	3.4	-8%
Revenue per site per month	Rs	308,227	303,748	1%	301,594	2%
Revenues						
Total Revenues	Rs Mn	137,987	134,135	3%	127,525	8%
Mobile Services	Rs Mn	136,000	131,874	3%	126,058	8%
Others	Rs Mn	1,987	2,261	-12%	1,467	36%
Voice						
Minutes on the network	Mn	290,802	277,869	5%	270,827	7%
Voice Average Revenue Per User (ARPU)	Rs	148	151	-2%	166	-11%
Voice Usage per customer	min	424	418	1%	435	-3%
Voice Realization per minute	paisa	34.93	36.22	-4%	38.08	-8%
Non Voice Revenue						
% of Mobile Services	%	25.3%	23.7%		18.2%	
Of Which						
Messaging & VAS as % of Mobile Services	%	5.7%	5.7%		5.5%	
Data as % of Mobile Services	%	19.2%	17.6%		12.4%	
Others as % of Mobile Services	%	0.4%	0.4%		0.3%	
Data						
Data Customer Base	000's	49,470	46,386	7%	39,320	26%
Of which no. of 3G data customers	*000's*	21,360	*19,441*	10%	*12,535*	70%
As % of Customer Base	*%*	*21.4%*	*20.5%*		*18.8%*	
Total MBs on the network	Mn MBs	102,015	86,627	18%	55,610	83%
Data Average Revenue Per User (ARPU)	Rs	181	176	3%	139	30%
Data Usage per customer	MBs	706	656	8%	495	43%
Data Realization per MB	paisa	25.57	26.82	-5%	28.04	-9%

4.4 Telemedia Services

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Q-on-Q Growth	Jun 30, 2014	Y-on-Y Growth
Telemedia Customers	000's	3,444	3,411	1%	3,350	3%
Of which no. of broadband (DSL) customers	*000's*	1,542	1,508	2%	1,462	5%
As % of Customer Base	*%*	*44.8%*	*44.2%*		*43.6%*	
Net additions	000's	33	23	45%	(6)	635%
Average Revenue Per User (ARPU)	Rs	1,050	1,034	2%	1,010	4%
Average Revenue Per User (ARPU)	US$	16.5	16.6	-1%	16.9	-2%
Non Voice Revenue as % of Telemedia revenues	%	66.6%	66.5%		63.0%	

4.5 Digital TV Services

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Q-on-Q Growth	Jun 30, 2014	Y-on-Y Growth
Digital TV Customers	000's	10,412	10,073	3%	9,388	11%
Net additions	000's	339	263	29%	376	-10%
Average Revenue Per User (ARPU)	Rs	222	214	4%	214	4%
Average Revenue Per User (ARPU)	US$	3.5	3.4	2%	3.6	-2%
Monthly Churn	%	0.8%	1.0%		0.6%	

4.6 Network and Coverage - India

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Q-on-Q Growth	Jun 30, 2014	Y-on-Y Growth
Mobile Services						
Census Towns	Nos	5,121	5,121	0	5,121	0
Non-Census Towns and Villages	Nos	464,157	464,045	112	461,449	2,708
Population Coverage	%	86.7%	86.8%		86.8%	
Optic Fibre Network	R Kms	199,991	197,351	2,640	186,341	13,651
Sites on Network	Nos	147,616	146,539	1,077	139,894	7,722
Of which no. of 3G sites	*Nos*	52,886	*48,825*	4,061	*34,564*	18,322
Telemedia Services						
Cities covered	Nos	87	90	(3)	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, 2015	Mar 31, 2015	Q-on-Q Growth	Jun 30, 2014	Y-on-Y Growth
Total Towers	Nos	37,486	37,196	290	36,112	1,374
Total Co-locations	Nos	77,292	75,819	1,473	70,544	6,748
Key Indicators						
Sharing Revenue per sharing operator per month	Rs	36,936	36,843	0%	37,428	-1%
Average Sharing Factor	Times	2.05	2.03		1.94	

Additional Information:

4.7.2 Indus Towers

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Q-on-Q Growth	Jun 30, 2014	Y-on-Y Growth
Total Towers	Nos	116,454	115,942	512	113,490	2,964
Total Co-locations	Nos	256,960	253,513	3,447	237,562	19,398
Average Sharing Factor	Times	2.20	2.17		2.08	

4.7.3 Bharti Infratel Consolidated

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Q-on-Q Growth	Jun 30, 2014	Y-on-Y Growth
Total Towers	Nos	86,397	85,892	505	83,778	2,619
Total Co-locations	Nos	185,215	182,294	2,921	170,320	14,895
Average Sharing Factor	Times	2.13	2.11		2.02	

4.8 Human Resource Analysis – India

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Q-on-Q Growth	Jun 30, 2014	Y-on-Y Growth
Total Employees [12]	Nos	18,764	18,814	(50)	18,870	(106)
Number of Customers per employee	Nos	13,031	12,730	301	11,773	1,259
Personnel cost per employee per month	Rs	108,926	103,671	5%	96,846	12%
Gross Revenue per employee per month	Rs	3,085,632	2,953,569	4%	2,788,736	11%

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

4.9 South Asia

4.9.1 Operational Performance

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Q-on-Q Growth	Jun 30, 2014	Y-on-Y Growth
Customer Base	000's	9,019	8,603	5%	8,650	4%
VLR	%	88.1%	88.8%		83.7%	
Net Additions	000's	416	712	-42%	32	1193%
Pre-Paid (as % of total Customer Base)	%	97.7%	97.6%		97.2%	
Monthly Churn	%	3.8%	3.1%		5.2%	
Average Revenue Per User (ARPU)	Rs	147	149	-1%	168	-13%
Revenue per site per month	Rs	187,606	180,658	4%	211,538	-11%
Voice						
Minutes on the network	Mn	9,097	8,711	4%	10,280	-12%
Voice Average Revenue Per User (ARPU)	Rs	115	117	-2%	138	-17%
Voice Usage per customer	min	345	351	-2%	396	-13%
Voice Realization per minute	paisa	33.22	33.30	0%	34.87	-5%
Non Voice Revenue						
% of Mobile revenues	%	22.2%	21.7%		18.0%	
Of Which						
Messaging & VAS as % of Mobile revenues	%	5.6%	5.7%		8.1%	
Data as % of Mobile revenues	%	14.2%	12.9%		7.6%	
Others as % of Mobile revenues	%	2.4%	3.1%		2.3%	
Data						
Data Customer Base	000's	2,435	2,197	11%	1,702	43%
As % of Customer Base	*%*	27.0%	25.5%		19.7%	
Total MBs on the network	Mn MBs	3,991	3,492	14%	2,098	90%
Data Average Revenue Per User (ARPU)	Rs	78	79	-2%	71	9%
Data Usage per customer	MBs	560	578	-3%	448	25%
Data Realization per MB	paisa	13.84	13.68	1%	15.84	-13%

Note13: Data customers definition has been revised (Refer Glossary on page 54) for all periods.
Refer table 8.9.2 on page 47 for KPI's in constant currency.

4.9.2 Network & Coverage

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Q-on-Q Growth	Jun 30, 2014	Y-on-Y Growth
Sites on Network	Nos	6,941	6,867	74	6,885	56
Of which no. of 3G sites	*Nos*	*3,291*	*3,050*	241	*2,105*	1,186

4.9.3 Human Resource Analysis

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Q-on-Q Growth	Jun 30, 2014	Y-on-Y Growth
Total Employees	Nos	715	750	(35)	783	(68)
Number of Customers per employee	Nos	12,614	11,471	1,143	11,047	1,567
Personnel cost per employee per month	Rs.	149,042	148,266	1%	146,535	2%
Gross Revenue per employee per month	Rs.	1,811,513	1,647,237	10%	1,860,852	-3%

4.10 Africa

4.10.1 Operational Performance (In Constant Currency)

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Q-on-Q Growth	Jun 30, 2014	Y-on-Y Growth
Customer Base	000's	78,323	76,263	3%	69,086	13.4%
VLR	%	83.5%	83.9%		86.6%	
Net Additions	000's	2,061	1,664	24%	(357)	677%
Pre-Paid (as % of total Customer Base)	%	99.4%	99.4%		99.3%	
Monthly Churn	%	5.4%	5.8%		7.0%	
Average Revenue Per User (ARPU)	US$	4.3	4.3	-2%	4.7	-10%
Revenue per site per month	US$	17,196	17,618	-2%	18,363	-6%
Voice						
Minutes on the network	Mn	32,791	31,045	6%	28,256	16%
Voice Average Revenue Per User (ARPU)	US$	3.1	3.3	-5%	3.7	-16%
Voice Usage per customer	min	141	137	3%	136	4%
Voice Realization per minute	US¢	2.20	2.37	-7%	2.72	-19%
Non Voice Revenue						
% of Mobile revenues	%	27.2%	25.2%		21.5%	
Of Which						
Messaging & VAS as % of Mobile revenues	%	9.7%	9.3%		9.2%	
Data as % of Mobile revenues	%	12.9%	11.5%		8.8%	
Others as % of Mobile revenues	%	4.6%	4.4%		3.5%	
Data						
Data Customer Base	000's	13,039	12,289	6%	9,882	32%
As % of Customer Base	*%*	*16.6%*	*16.1%*		*14.3%*	
Total MBs on the network	Mn MBs	13,843	11,256	23%	6,541	112%
Data Average Revenue Per User (ARPU)	US$	3.3	3.2	3%	3.0	9%
Data Usage per customer	MBs	359	321	12%	231	56%
Data Realization per MB	US¢	0.92	1.00	-8%	1.31	-30%

Note 14: All KPI's reported above based on closing currency rates on March 5, 2015.
Note15: Data customers definition has been revised (Refer Glossary on page 54) for all periods.

4.10.2 Network & Coverage

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Q-on-Q Growth	Jun 30, 2014	Y-on-Y Growth
Sites on Network	Nos	19,146	18,819	327	17,781	1,365
Of which no. of 3G sites	*Nos*	*10,722*	*10,011*	711	*7,165*	3,557

4.10.3 Human Resource Analysis

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Q-on-Q Growth	Jun 30, 2014	Y-on-Y Growth
Total Employees	Nos	5,191	5,130	61	5,284	(93)
Number of Customers per employee	Nos	15,088	14,866	222	13,075	2,014
Personnel cost per employee per month	US$	5,953	6,127	-3%	6,415	-7%
Gross Revenue per employee per month	US$	63,529	64,976	-2%	73,400	-13%

SECTION 5

MANAGEMENT DISCUSSION AND ANALYSIS

5.1 India SA

A. Key Industry Developments

1. TRAI's recommendations on "Introducing Virtual Network Operators in Telecom Sector"

On 1st May 2015, TRAI made its recommendations on "Introducing Virtual Network Operators in telecom sector" to DoT. Highlights of the same are as under:

- **Licensing regime for Virtual Network Operators (VNO):**

  a. VNOs to be introduced through a proper "licensing framework".

- **Mutual Agreements between VNO and Network Services Operator (NSO):**

  a. There should not be any mandate to an NSO for providing time bound access to its VNO; rather, it should be left to the mutual agreement between NSO and VNO. However TRAI/DoT shall have right to intervene in the matter as and when required to protect the interest of consumers and telecom sector.
  b. The terms and conditions of sharing of infrastructure between the NSO and VNO should be left to the market i.e. on the basis of mutually accepted terms and conditions between the NSO and the VNO.

- **Parenting between VNOs and NSOs:**

  a. No restriction on the number of VNO licensees per service area.
  b. No restriction on the number of VNOs parented by an NSO.
  c. VNOs will be allowed to have agreements with more than one NSO for all services other than access services and such services which need numbering and unique identity of the customers.
  d. An NSO shall allocate a numbering range to their VNO(s) from the numbering range allocated to it by the licensor. VNOs shall also utilize the LRN and network codes of the parent NSO for the purpose of routing of calls.

B. Key Company Developments

- Airtel is now the third largest mobile operator in the world. The company moved up one position in global rankings with over 318 million wireless customers across 20 countries, achieving the landmark in less than two decades of operations, underlining the strength of its business model and global scale.
- Airtel received Bilateral Financing Commitments of up to USD 2.5 Billion from China Development Bank and Industrial and Commercial Bank of China.
- Airtel launched two first-of-its-kind voice calling packs offering unlimited local calls at just Rs. 49/- per month & unlimited local + STD calls at just Rs.99/- per month for all its Telemedia broadband customers.
- Airtel rolled out National mobile number portability enabling mobile customers across India to retain their mobile number while moving between telecom circles. The company also introduced many firsts including faster processing of porting requests, free incoming on roaming, balance transfers and carry forward options for its customers.
- Airtel reduced its National roaming tariffs across incoming & outgoing call rates and SMS.
- Airtel launched a season of savings on its 'My Airtel' mobile application for all its prepaid customers across India enabling customers to avail a host of value-for-money deals by simply shaking the 'My Airtel' application window on their mobile phone.
- Airtel won the "Best Employee Engagement Initiative" award at the Businessworld HR Excellence Awards 2015.
- Airtel was awarded the Asia Pacific Telecom Service Provider of the year at this year's Frost & Sullivan Asia Pacific ICT Awards.
- Airtel announced the successful pricing of an issuance of USD 1 Billion Senior Notes due 2025. The USD Notes were priced at 210 basis points over 10 year USD Treasury with a fixed coupon of 4.375% per annum to yield 4.462%. With 66% bonds allocated to the US investors, this is the highest ever allocation to US investors in any Indian deal, demonstrating the strong investor base the Company has created for itself in developed markets allowing it to efficiently raise capital from world's leading fixed income investors.
- Expanding its 4G footprint across the country, Airtel rolled-out its 4G services in Mysore, Ambala, Karnal, Panipat, Yamunanagar and Hisar. Further, 4G trials were launched for existing Airtel customers in Delhi, Mumbai, Hyderabad, Vishakapatnam, Vizag, Madurai, Chennai and Coimbatore. With this, Airtel now has 4G presence in 45 towns of the country.
- Airtel won the mandate for the launch of Wi-Fi services in Gurgaon from the Municipal Corporation of Gurgaon (MCG). With this, Airtel has become the preferred partner to provide residents of the Millennium City an opportunity to connect to world-class internet experiences on the move and will soon roll-out Wi-Fi services in major pockets of the city.
- Following its Mumbai roll-out, Airtel launched Platinum 3G in Kolkata enabling customers in the State to experience the best 3G services available in the country.
- Airtel Digital TV announced the launch of its first indigenously manufactured set-top-boxes. The "Made in

India" set-top-boxes will be available in HD to begin with and soon all of Airtel Digital TV's set-top-boxes will be manufactured in India. With this, Airtel Digital TV has become the latest corporate to join the Govt's Make in India initiative contributing to its growing proliferation across sectors. The launch also provides the much needed impetus to build an ecosystem that will drive indigenous manufacturing of DTH set-top-boxes empowered with production capabilities as well as technical expertise within India.

5.2 Africa

A. Key Industry Developments

Congo B

- The Government is proposing a new per minute tax for off-net calls and new per SMS tax for off-net SMSes. The industry is in discussion with the Regulator to discuss the implications of this proposal.

DRC

- Airtel has obtained a formal approval to use spectrum in the 1800 MHz for test basis and has started 4G trials.

Ghana

- The Regulator has proposed to license frequency in the 800MHz band. This comes with an obligation for local shareholding of up to 40%. The price is approximately USD 230 Mn. Consultations between the industry and the Regulator have taken place, and the final decision is awaited.

Kenya

- Airtel Kenya licence expired on Jan 27, 2015 and the Regulator approved the acquisition of remaining term of the Essar Yu Licence in lieu of renewing the Airtel licence. Discussions with the Regulator are underway as regards the renewal fee.
- The draft regulations proposing intervention against dominant operators are before the Parliament. The notification of dominance by the Regulator and the Government is awaited.

Madagascar

- The Regulator has renewed the licence for Airtel for an upfront fee 8.6 Mn Euro. Discussions with the Regulator are being progressed as regards (i) the right to lay fibre optics in the country at no additional cost, and (ii) issue of 800 MHz spectrum for 4G in addition to existing spectrum holding (900MHz and 2100 MHz).

Malawi

- 20% Local Shareholding Obligation is required to be implemented by 2016. The industry is in discussions with the Government for waiver of this licence requirement.
- The Government has proposed the introduction of 10% tax to be levied on SMS and data effective 1st July 2015.
- The Malawi Regulatory Authority has licensed Lacell as the fourth operator in Malawi.

Niger

- The Regulator has granted approval for the transfer of towers from Airtel to Eaton, subject to the condition that Eaton should apply for its own licence. The Regulator has issued a decree in June which will be the basis of licensing of Eaton.

Nigeria

- Airtel's Digital Mobile Licence with the spectrum is valid upto February 8, 2016. After completion of due consultation, the Nigerian Communication Commission (NCC) on July 27, 2015, has granted Airtel permissions to use the existing 900 mhz and 1800 mhz spectrum upto November 30, 2021. Services will continue to be provided using the existing UASL which is valid upto the same date. A one-time fee of USD 108.36 million is payable for this extension before August 8, 2015.
- The 2.6 GHz Spectrum Auction has been suspended indefinitely. The proposed price was USD 64 Mn for a minimum of 4 slots.

Seychelles

- Airtel has applied for IPTV licence in July 2015 .This will allow the company to significantly improve customer experience on the fixed line.

Tanzania

- The Government has consulted the industry on new draft regulations (May 2015) which require licensees to be listed on the Dar es Salaam Stock Exchange failing which they will be required to pay 1% of annual gross revenues for the duration of non compliance. The industry has given the Government its written objections and is awaiting an opportunity to discuss the issue. The company is further seeking a waiver of the requirement as it already has Government as a shareholder.
- The Government intends to auction 800 MHz spectrum in October 2015.

Uganda

- The Regulator has confirmed an increase in overall spectrum charges. The annual cash impact is expected to be an additional USD 5 Mn.
- The Uganda Regulator has just published its findings following a market study. Despite intense competition, the study has recommended regulatory interventions to address a so-called situation of 'joint dominance'. The industry continues to engage with the Regulator and the Ministry.
- The Regulator has indicated that it will review the interconnection rates and is in the process of recruiting a consultant to handle the process.

Zambia

- The ZICTA and the Minister for ICT have continued to communicate that they will licence the 4th National operator

in Zambia. The decision, though not yet implemented, is premised on the belief that enhanced competition will cause operators to bring down prices and improve QoS. The industry is engaging with the Regulator closely to understand these developments.

Customer Registration (KYC)

- KYC (Know Your Customer) continues to be a challenge to some of the countries because of an increased focus by Government on security. The issue is currently being addressed by the local teams.

B. Key Company Developments

- Airtel successfully completed the tower sale transactions in five countries for total proceeds of over USD 1.3 Mn.
- Airtel entered into exclusive talks to sell four of its African subsidiaries - in Burkina Faso, Chad, Congo B and Sierra Leone, to France's Orange SA. While the company has invested in and established quality operations in these four countries, this transaction is about maximizing shareholder value and at the same time handing over these businesses to an operator who is committed to take the agenda in these countries forward. Airtel will be able to establish a sharper focus on the remaining countries, further reduce the debt on its balance sheet and move faster towards building a profitable business in Africa
- Airtel and Helios Towers Africa terminated their pact for the sale of the former's telecom towers in Tanzania, Chad and DRC as a result of lapsing of the long stop date. The company will continue to evaluate opportunities as and when they are available. As a company, Airtel is committed to the philosophy of separate tower entities for enhanced efficiencies at an industry level.
- Airtel Gabon launched 4G pilot during this quarter. With this, the company has 4G presence in Gabon, Rwanda and Seychelles.
- Airtel Chad & the Ministry of Education officially awarded certificates to the first batch of the 6,000 ICT trainees. This program which was launched last September in collaboration with the Ministry of Education aims to benefit 6,000 young Chadians over 2 years.
- Airtel Kenya partnered with Chandaria Foundation and the Global Peace Foundation to support 41 schools in Kenya in the LEAP Hubs entrepreneurship program through the provision of free internet connection.
- Airtel Ghana celebrated with four awards at the 2015 Ghana Telecom Awards. This marks the fifth year running that the company has won at these awards. Airtel Ghana swept awards in the following categories –Telecom Brand of the Year; Marketing Campaign of the Year - Talk Chaw; Innovative Enterprise Product of the Year - One Network and Special Recognition to the Telecom Industry Award - Lucy Quist
- Airtel Ghana launched the first ever tap and pay mobile money payment service in Ghana. The OpCo has added another first to its credits as it has rolled out an innovative service through its Airtel Money that allows a tap and pay, contactless payment based on the Near Field Communications (NFC) technology.
- Airtel Ghana came to the aid of millions affected by flooding by giving them the opportunity to communicate with their loved ones and friends for free through an emergency offer christened as 'Airtel Too Much Relief' Pack.
- Airtel Seychelles has officially and commercially launched Airtel Money, in the presence of the country's Vice-President.
- Airtel Money Tanzania was recognized for the Best Mobile Money Product Innovation at Kalahari mobile money awards
- Airtel Networks Zambia scooped 4 awards at the PMR Africa Awards.
- Airtel Nigeria has renewed its partnership with United Nations Office for Personnel Services (UNOPS), Millennium Promise (MP) and the Earth Institute at Columbia University, to provide quality healthcare to pregnant women, nursing mothers and children under five years in Pampaida, Kaduna, Northern Nigeria, under the successful Millennium Villages Project.
- Airtel DRC and Korongo Airlines have signed an agreement for air tickets purchase through Airtel M-Falanga - Airtel Money.

5.3 Results of Operations

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

Key Highlights – *For the quarter ended June 30, 2015*

- **Overall customer base at 331.9 Mn across 20 countries**
- **Net addition of 7.5 Mn customers**
- **Total revenues of Rs 236.7 Bn; Y-o-Y growth of 3.1%**
- **Mobile data revenues of Rs 34.6 Bn (up 56.9% Y-o-Y)**
- **EBITDA at Rs 82.6 Bn; Y-o-Y growth of 6.4%**
- **EBIT at Rs 42.2 Bn (up 14.2% Y-o-Y), EBIT Margin up by 1.7% Y-o-Y**
- **Consolidated net income of Rs 15.5 Bn (up 40.2% Y-o-Y)**

5.3.1 Results for the quarter ended June 30, 2015

Bharti Airtel Consolidated

As on June 30, 2015, the Company had 331.9 Mn customers, an increase of 10.7% as compared to 299.9 Mn in the corresponding quarter last year. Total minutes of usage on the network during the quarter were 343.0 Bn as compared to 316.9 Bn in the corresponding quarter last year, representing a growth of 8.2%. Mobile Data traffic grew significantly by 86.5% to 119.8 Bn MBs during the quarter as compared to 64.2 Bn MBs in the corresponding quarter last year.

During the quarter, consolidated revenues stood at Rs 236,709 Mn as compared to Rs 229,616 Mn in the corresponding quarter last year, an increase of 3.1%. Mobile data revenues increased by 56.9% to Rs 34,586 Mn as compared to Rs 22,036 Mn in the corresponding quarter last year. Mobile data revenues now represent 14.6% of the total revenues as compared to 9.6% in the corresponding quarter last year.

India revenue growth came in at 10.0%. It may be noted that the changes in inter-connect usage charges (IUC) effective March 1, 2015 has led to drop in Gross revenues in the current quarter. On a comparable basis, the growth in India revenues is 12.7% compared to the corresponding quarter of last year and 5.8% compared to the previous quarter.

Consolidated net revenues, after netting off inter-connect costs and cost of goods sold, increased by 3.5% to Rs 207,721 Mn as compared to Rs 200,790 Mn in the corresponding quarter last year. Operating expenses, excluding access costs, costs of goods sold and licence fees during the quarter increased by 0.5% to Rs 102,103 Mn as compared to Rs 101,635 Mn in the corresponding quarter last year.

The Company had an EBITDA of Rs 82,617 Mn during the quarter, an increase of 6.4% as compared to Rs 77,669 Mn in the corresponding quarter last year. EBITDA margin improved during the quarter to 34.9% as compared to 33.8% in the corresponding quarter last year, led by improvement in opex productivity. India EBITDA margin at 40.4% has expanded from 38.3% last year. The full quarter impact on account of change in IUC rates is an improvement in India EBITDA margin by 0.7%, though on a sequential quarter basis, the impact is 0.5% in the current quarter. Depreciation and amortisation expenses amounted to Rs 40,404 Mn as compared to Rs 40,365 Mn in the corresponding quarter last year, which reflects an increase of 0.1%. EBIT for the quarter increased by 14.2% to Rs 42,157 Mn as compared to Rs 36,913 Mn in the corresponding quarter last year. Cash profits from operations (before derivative and exchange fluctuations) during the quarter was higher by 0.6% at Rs 71,086 Mn as compared to Rs 70,642 Mn in the corresponding quarter last year.

Net finance costs at Rs 19,191 Mn were higher by Rs 9,626 Mn on account of higher derivatives and forex losses and lower investment income compared to the corresponding quarter last year.

During the quarter ended June 30, 2015, the Group has designated the USD denominated finance lease obligations ('FLO') resulting from the sale and lease back of telecom tower assets in Africa, as a hedge against the net investments in one of the subsidiaries in Africa with USD functional currency. The effective portion of the foreign exchange movements on the hedging instrument has been recognised in other comprehensive income so as to offset the foreign exchange movement on the net investments being hedged. Accordingly, during the quarter, foreign exchange loss of Rs 542 Mn (net of tax and non-controlling interests) has been recognised in other comprehensive income.

The resultant profit before tax and exceptional items for the quarter ended June 30, 2015 was Rs 25,007 Mn as compared to Rs 28,848 Mn in the corresponding quarter last year, a decrease of 13.3%, the decline primarily attributed to increase in Net finance costs.

The consolidated income tax expense (before the impact on exceptional items) for the quarter ending June 30, 2015 is Rs 13,481 Mn, compared to Rs 14,629 Mn in the corresponding quarter of last year. The effective tax rate in India for the quarter ending June 30, 2015 came in at 31.2% (30.1% excluding dividend distribution tax) compared to 26.5% (25.5% excluding the impact of dividend distribution tax) for the full year ended March 31, 2015. The increase in the underlying effective tax rate in India is primarily on account of expiry/reduction of tax holidays benefits in select units. The tax charge in Africa for the quarter ending June 30, 2015 at $ 39 Mn (full year 2014-15: $ 203 Mn) has been lower primarily due to higher losses & change in profit mix of the countries.

After accounting for Rs 4,581 Mn towards net benefit of exceptional items, the resultant consolidated net income for the quarter ended June 30, 2015 came in at Rs 15,543 Mn, an increase of 40.2% over the previous year.

The consolidated operating free cash flow during the quarter was higher by 12.9% at Rs 42,696 Mn as compared to Rs 37,812 Mn in the corresponding quarter last year. Capex for the quarter ending June 30, 2015 was Rs 39,921 Mn compared to Rs 39,857 Mn in the corresponding quarter of last year.

The reported Net Debt for the Company has marginally increased to $ 10,687 Mn from $ 10,679 Mn compared to the previous quarter. Net Debt excluding deferred payment liabilities to the DOT has reduced to $ 7,640 Mn compared to $ 8,392 Mn in previous quarter. The above Net Debt excludes Finance Lease Obligation (FLO) of $ 665 Mn arising from lease back of towers post the sale of towers in Africa. The gross sale proceeds of the tower disposals during the quarter are $ 1,340 Mn, of which $ 243 Mn has been received on or before 30th June, 2015. The remaining $ 1,097 Mn, is included in "Receivable from Sale of Tower Assets" in the Balance Sheet dated 30th June, 2015, and has been netted off in the computation of Net Debt.

5.4.2 Exceptional Items

Exceptional items during the quarter comprises of: (i) net gain of Rs 22,687 Mn pertaining to the divestment of telecom tower assets in Uganda, Ghana, Congo Brazzaville and Nigeria; (ii) regulatory fee provisions of Rs 1,286 Mn arising out of re-assessment of positions consequent to a recent judicial pronouncement, (iii) depreciation charge of Rs 1,643 Mn arising out of the termination of the tower sale agreement (iv) charge of Rs 2,096 Mn towards de-recognition of embedded derivative assets arising from amendment of terms in the related long-term contract, (v) provision against certain disputed receivables / expired claims amounting to Rs 2,829 Mn, (vi) Rs 519 Mn towards restructuring activities in a few countries, and (vii) net tax charge of Rs 8,300 Mn and impact on minority interests of Rs 1,433 Mn on the above.

5.4.3 B2C Services – India

5.4.3.1 Mobile Services

As on June 30, 2015, the Company had 230.7 Mn GSM customers as compared to 209.4 Mn in the corresponding quarter last year, an increase of 10.1%. The churn has increased to 3.3% for quarter ending June 30, 2015 compared to 2.7% in the corresponding quarter of last year primarily on account of interventions in market and competitive pressures. Total minutes on network increased by 7.4% to 290.8 Bn as compared to 270.8 Bn in the corresponding quarter last year. Voice realization per minute has dropped by 3.15 paise to 34.93 in Q1'16 compared to 38.08 paise in the corresponding quarter last year, however this drop in VRPM is 1.38 paise adjusting for the impact of change in IUC rates.

The Company continued to accelerate mobile data growth with 49.5 Mn data customers (21.4% of total customers) as on June 30, 2015, representing a growth of 25.8% as compared to 39.3 Mn (18.8% of total customers) at the end of the corresponding quarter last year. The total MBs on the network has increased by 83.4% to 102.0 Bn MBs as compared to 55.6 Bn MBs in the corresponding quarter last year. Mobile Data usage per customer and Data ARPU continued their healthy growth path. Mobile Data usage per customer witnessed an increase of 42.7% to 706 MBs during the quarter as compared to 495 MBs in the corresponding quarter last year. Data ARPU increased by 30.2% to Rs 181 during the quarter from Rs 139 in the corresponding quarter last year.

The Company continued to invest on upgradation and expansion of network sites. By the end of the quarter, the Company had 147,616 sites as compared to 139,894 sites in the corresponding quarter last year. Out of the total number, 35.8% are 3G sites. With 52,886 3G sites, Airtel has the largest 3G network in India. There were 34,564 sites on 3G at the end of the corresponding quarter last year and 48,825 at the end of the previous quarter.

Revenue from mobile services during the quarter was Rs 137,987 Mn as compared to Rs 127,525 Mn in the corresponding quarter last year, a growth of 8.2%. The growth in revenues is 12.2% after adjusting for IUC rate change impact. Revenue from mobile data accounted for 19.2% of the total mobile revenue during the quarter as compared to 12.4% in the corresponding quarter last year. Mobile data revenue during the quarter grew by 67.3% to Rs 26,090 Mn over the corresponding quarter last year.

EBITDA during the quarter increased by 12.8% to Rs 53,489 Mn as compared to Rs 47,412 Mn in the corresponding quarter last year. EBITDA margin significantly improved to 38.8% during the quarter as compared to 37.2% in the corresponding quarter last year. Improvement in margin is mainly due to sustained revenue growth and planned cost reductions. The full quarter impact on account of change in IUC rates has led to improvement in EBITDA margin by 0.6%, though on a sequential quarter basis, the impact is 0.4% in the current quarter. EBIT during the quarter was Rs 33,744 Mn as compared to Rs 29,514 Mn in the corresponding quarter last year, an increase of 14.3%. EBIT margin during the quarter was 24.5% as compared to 23.1% in the corresponding quarter last year, an improvement of 1.3% contributed by improvements in EBITDA even after absorbing additional depreciation & amortization charge on incremental capex and spectrum respectively.

During the quarter, the mobile business incurred capital expenditure of Rs 22,166 Mn largely attributed to data capex. Operating free cash flows increased by 27.7% at Rs 31,324 Mn as compared to Rs 24,533 Mn in the corresponding quarter last year.

5.4.3.2 Telemedia Services

As on June 30, 2015, the Company had its Telemedia operations in 87 cities with 3.4 Mn customers, out of which approximately 1.5 Mn are broadband (DSL) customers, representing 44.8% of the total Telemedia customers.

For the quarter ended June 30, 2015, revenues from Telemedia operations were Rs 11,427 Mn as compared to Rs 10,705 Mn in the corresponding quarter last year, a growth of 6.7%. EBITDA for the quarter was higher by 32.7% to Rs 5,270 Mn compared to Rs 3,971 Mn in the corresponding quarter last year. EBITDA margin for this segment improved significantly to 46.1% during the quarter as against 37.1% in the corresponding quarter last year. The full quarter impact on account of change in IUC rates

has led to improvement in EBITDA margin by 4.7%, though on a sequential quarter basis, the improvement in margins is 3.1% in the current quarter. EBIT for the quarter ended June 30, 2015 was Rs 2,967 Mn as compared to Rs 1,756 Mn in the corresponding quarter last year, a growth of 69.0%.

During the quarter ended June 30, 2015, the Company incurred capital expenditure of Rs 1,572 Mn for the Telemedia business. The resultant operating free cash flow during the quarter was Rs 3,698 Mn as compared to Rs 3,282 Mn in the corresponding quarter last year.

5.4.3.3 Digital TV Services

As on June 30, 2015, the Company had its Digital TV operations in 639 districts. DTH had 10.4 Mn customers at the end of the quarter, which represents an increase of 10.9% as compared to the corresponding quarter last year. Net customer additions for Digital TV during the quarter were 339,038 . As a result of higher HD penetration and upselling of packs, ARPU increased to Rs 222 as compared to Rs 214 in the corresponding quarter last year. Adjusting for the impact of change in accounting for indirect taxes, the underlying ARPU improvement since last year is Rs 27.

Revenues from Digital TV services increased by 15.8% to Rs 6,848 Mn as compared to Rs 5,915 Mn in the corresponding quarter last year. Adjusting for change in accounting for indirect taxes since the third quarter of last year, on a comparable basis the growth in revenues for DTH is 26.8% compared to the corresponding quarter last year. EBITDA for the quarter increased to Rs 2,408 Mn as compared to Rs 1,438 Mn in the corresponding quarter last year. The reported EBITDA margin improved significantly to 35.2% in the current quarter, as compared to a margin of 24.3% in the corresponding quarter last year. DTH reported EBIT of Rs 415 Mn in the current quarter, as compared to EBIT loss of 625 Mn in the corresponding quarter last year.

During the current quarter, the Company incurred a capital expenditure of Rs 2,113 Mn. Operating free cash flow during the quarter at Rs 295 Mn has significantly improved, compared to cash loss of Rs 1,189 Mn in the corresponding quarter last year. The DTH business is now positive in operating profit and cash flow.

5.4.4 B2B Services – India: Airtel Business

Revenues in this segment include those from: a) Enterprise & Government business (EGB), which is predominantly Data, and b) Global Business which includes wholesale voice and data. The EGB revenues (included in Airtel Business) together with the Corporate Mobile revenues (included in India Mobile) and Corporate Fixed Line revenues (included in Telemedia) is Rs 22,434 Mn in this quarter; this is now 12.9% of the total India revenues, and have grown by 18.1% over the corresponding quarter last year.

Airtel Business segment as reported, clocked revenues of Rs 19,690 Mn during the quarter as compared to Rs 16,111 Mn in the corresponding quarter last year which is a healthy growth of 22.2%. EBITDA stood at Rs 4,108 Mn during the quarter as compared to Rs 3,250 Mn in the corresponding quarter last year, higher by 26.4% primarily on account of higher revenues. EBIT for the current quarter increased by 38.2% to Rs 2,425 Mn as compared to Rs 1,755 Mn during the corresponding quarter last year. EBIT margin increased to 12.3% during the quarter as compared to 10.9% in the corresponding quarter last year (11.5% for the full year ended March 31, 2015).

The Company incurred a capital expenditure of Rs 438 Mn in Airtel Business as compared to Rs 115 Mn in the corresponding quarter last year. Operating free cash flow during the quarter was Rs 3,670 Mn as compared to Rs 3,134 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 Infratel for the quarter ended June 30, 2015 increased by 4.6% to Rs 13,946 Mn as compared to Rs 13,328 Mn in the corresponding quarter last year. EBITDA during the quarter was higher by 11.8% at Rs 6,791 Mn compared to Rs 6,073 Mn in the corresponding quarter of last year. EBIT for the quarter grew by 17.8% to Rs 3,967 Mn as compared to Rs 3,368 Mn in the corresponding quarter last year. As at the end of the quarter, Infratel had 37,486 towers with average sharing factor of 2.05 times compared to 1.94 times in the corresponding quarter last year. Including proportionate share of Indus in which Infratel holds 42%, on a consolidated basis, Infratel had 86,397 towers with an average sharing factor of 2.13 times as compared to 2.02 times in the corresponding quarter last year, reflecting an improvement in the tenancy ratio.

Bharti Infratel incurred a capital expenditure of Rs 2,902 Mn during the quarter on a standalone basis. Operating free cash flows during the quarter were Rs 3,889 Mn as compared to Rs 3,405 Mn in the corresponding quarter last year. The share of profits of Indus during the quarter came in at Rs 2,120 Mn as compared to Rs 1,596 Mn in the corresponding quarter last year.

5.4.6 South Asia

As on June 30, 2015, the Company had 9.0 Mn mobile customers on its network compared to 8.7 Mn as at the end of corresponding quarter last year. Minutes of usage for the quarter were 9.1 Bn as compared to 10.3 Bn in the corresponding quarter last year, a decrease of 11.5%. The growth in minutes is 4.4% on a sequential basis.

Data customers represented 27.0% of the total customer base in the current quarter as compared to 19.7% in the corresponding quarter last year (on the basis of revised definition of 'data customer' as one who uses at least 1 MB per month). Total data consumption during the quarter increased by 90.2% to 3.99 Bn MBs as compared to 2.10 Bn MBs in the corresponding quarter last year. Data usage per customer also increased to 560 MBs, a growth of 25.0% as compared to 448 MBs in the corresponding quarter last year.
By the end of the quarter, the Company had 6,941 sites on network as compared to 6,885 sites in the corresponding

quarter last year. Out of the total number, 3G sites represented 47.4% to 3,291 sites as compared to 2,105 sites in the corresponding quarter last year.

Revenue from operations in South Asia stood at Rs 3,886 Mn for the quarter ended June 30, 2015, a decrease of 11.1% as compared to Rs 4,371 Mn in the corresponding quarter last year, primarily due to lower minutes of usage. Data revenue grew by 66.3% to Rs 553 Mn as compared to Rs 332 Mn in the corresponding quarter last year. Data revenue now represents 14.2% of mobile revenue during the quarter as compared to 7.6% in the corresponding quarter last year. EBITDA loss for the quarter was at Rs 476 Mn as compared to EBITDA of Rs 233 Mn in the corresponding quarter last year. EBIT losses during the quarter were Rs 1,829 Mn as compared to Rs 1,076 Mn in the corresponding quarter last year.

During the quarter ended June 30, 2015, the Company incurred capital expenditure of Rs 992 Mn for South Asia operations as compared to Rs 815 Mn in the corresponding quarter last year.

5.4.7 Africa

The revenue-weighted currency depreciation versus the US Dollar across 17 countries in Africa over the last 12 months (exit June 30 rates) has been been 21.6% mainly caused by depreciation in Madagascar Malagasy Ariary by 37.5%, Ghana Cedi by 30.7%, Nigerian Naira by 28.3%, Ugandan Shilling by 26.9%, CFA by 22.8%, Tanzanian shilling by 20.9% and Zambian Kwacha by 19.2%. To enable comparison on an underlying basis, all financials upto EBIT and all operating metrics mentioned below are in constant currency rates as of March 5, 2015 for all the periods.

During the quarter ended June 30, 2015, the agreement for sale of tower assets in Tanzania and Chad with Helios Towers Africa have lapsed and therefore stands terminated. Additionally, subsequent to the balance sheet date, the agreement for sale of tower assets in Democratic Republic of Congo with Helios Towers Africa has lapsed and therefore stands terminated. Accordingly, assets so far held for sale and the related liabilities amounting to Rs 12,230 Mn & Rs 1,377 Mn respectively, have been re-classified from held for sale to its earlier classification. The Group has presented the arrears of depreciation charge of Rs 1,643 Mn pertaining to previous quarters (viz. since the date these assets had been classified as held for sale till March 31, 2015) as an exceptional item in the current quarter.

As on June 30, 2015, the Company had an aggregate customer base of 78.3 Mn as compared to 69.1 Mn in the corresponding quarter last year, an increase of 13.4%. The Company's continued focus on quality acquisitions and customer life cycle management has led to a reduction in customer churn for the quarter to 5.4% which is the lowest in last 10 quarters. This compares to 7.0% in the corresponding quarter of last year and 5.8% for the previous quarter. Total minutes on network during the quarter registered a healthy growth of 16.0% to 32.8 Bn as compared to 28.3 Bn in the corresponding quarter last year.

Data customers during the quarter increased by 31.9% to 13.0 Mn as compared to 9.9 Mn in the corresponding quarter last year (on the basis of revised definition of 'data customer' as one who uses at least 1 MB per month). Data customers now represent 16.6% of the total customer base, as compared to 14.3% in the corresponding quarter last year. Data traffic has registered a strong growth and has more than doubled on Y-o-Y basis to 13.8 Bn MBs compared to 6.5 Bn MBs in the corresponding quarter last year. Data usage per customer during the quarter was 359 MBs as compared to 231 MBs in the corresponding quarter last year, an increase of 55.8%.

The Company's mobile money service, Airtel Money is continuing to show healthy growth. The total customer base using the Airtel Money platform increased by 61.8% to 7.0 Mn as compared to 4.3 Mn in the corresponding quarter last year. The total number of transactions during the quarter has more than doubled to 198.2 Mn as compared to 97.7 Mn in the corresponding quarter last year. Total value of transactions on the Airtel money platform has grown by 72.6% to $ 3,325 Mn in the current quarter as compared to $ 1,927 Mn in the corresponding quarter last year.

The Company had 19,146 network sites by the end of the quarter as compared to 17,781 network sites in the corresponding quarter last year. 3G sites at 10,722 represented 56.0% of the total sites as at the end of the quarter, as compared to 7,165 sites (40.3% of total sites) at the end of the corresponding quarter last year.

The revenues for the quarter has grown by 1.0% to $ 989 Mn compared to $ 980 Mn in the corresponding quarter of last year. The IUC rate change in Nigeria has led to drop in revenues by $ 4.5 Mn. Mobile data revenues were $ 128 Mn during the quarter, reflecting a growth of 48.5% over the corresponding quarter last year. Mobile data revenue now represents 12.9% of the total mobile revenue during the quarter as compared to 8.8% in the corresponding quarter last year.

Opex increased by 5.3% to $ 569 Mn as compared to $ 541 Mn in the corresponding quarter last year. EBITDA during the quarter is significantly lower at $ 203 Mn compared to $ 228 Mn in the corresponding quarter last year. EBITDA margin at 20.5% reflects a decline of 2.7% compared to 23.3% in the corresponding quarter last year. Depreciation and amortization charges reported at $ 196 Mn is marginally higher compared to $ 195 Mn in the corresponding quarter of last year. EBIT for the quarter was reported at $ 7 Mn as compared to $ 33 Mn in the corresponding quarter last year. After accounting for the finance costs and taxes, the net loss for the quarter was $ 154 Mn as compared to a loss of $ 137 Mn in the corresponding quarter last year.

Capital expenditure during the quarter was $ 150 Mn for African operations. Investments are mostly directed towards enhancing data capabilities. The operating free cash flow during the quarter stood at $ 53 Mn, as against $ 68 Mn in the corresponding quarter last year.

5.4 Bharti's Three Line Graph

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

The parameters considered for the three-line graph are:

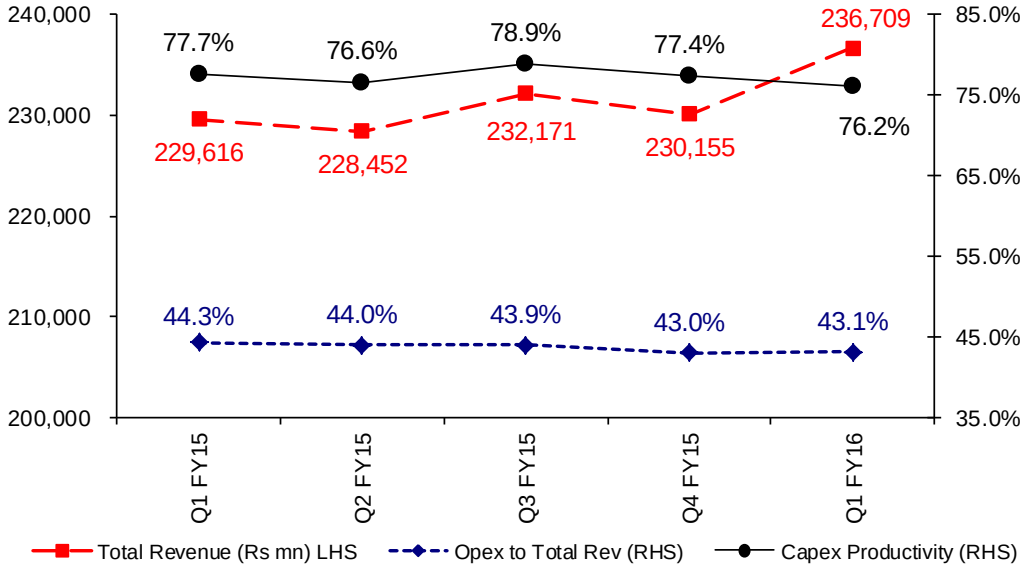
1. Total Revenues i.e. absolute turnover/sales

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

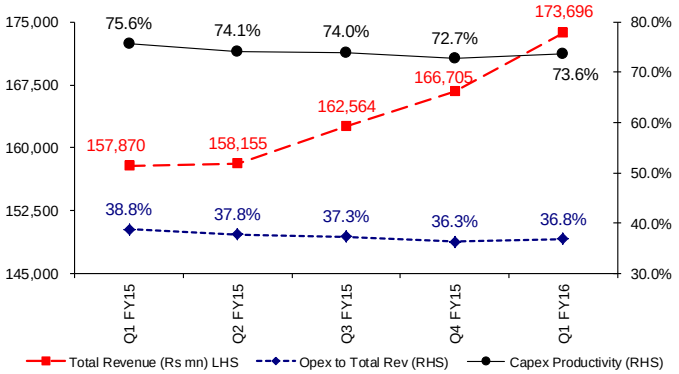
3. Capex Productivity – this is computed by dividing revenue for the quarter (annualized) by gross cumulative capex (gross fixed assets and capital work in progress) till date i.e. the physical investments made in the assets creation of the Company. This ratio depicts the asset productivity of the Company.

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

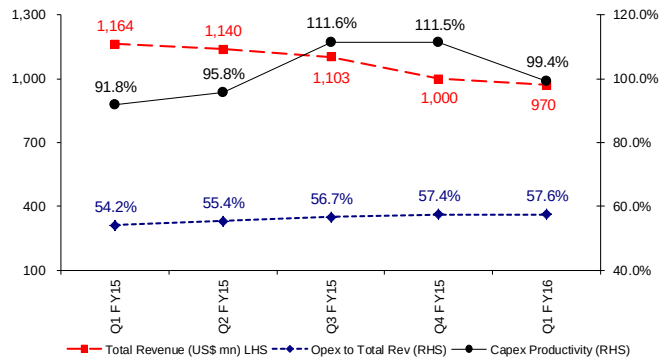
5.4.1 Bharti Airtel – Consolidated



5.4.2 Bharti Airtel – India



5.4.3 Bharti Airtel – Africa



SECTION 6

STOCK MARKET HIGHLIGHTS

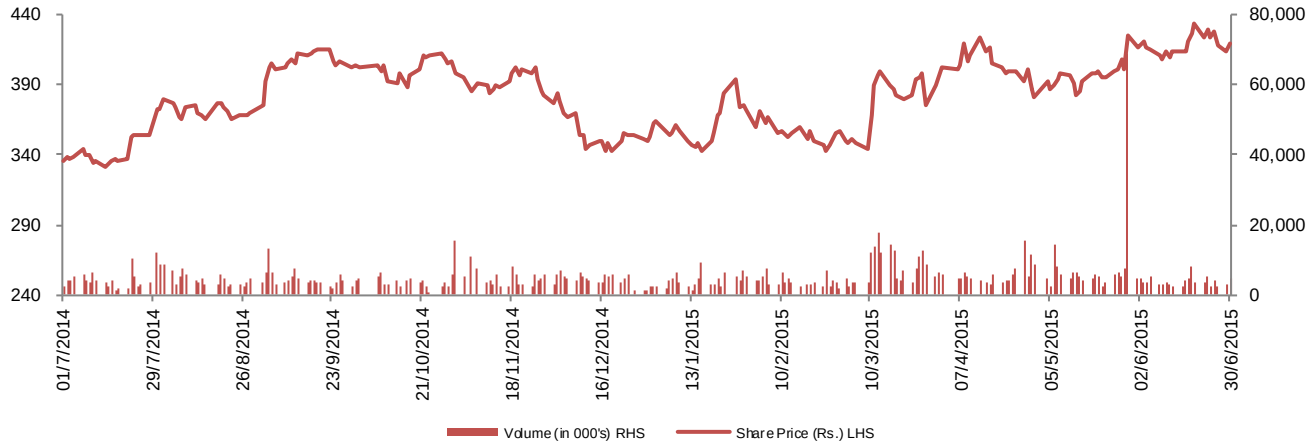
6.1 General Information

Shareholding and Financial Data	Unit	
Code/Exchange		532454/BSE
Bloomberg/Reuters		BHARTI IN/BRTI.BO
No. of Shares Outstanding (30/06/15)	Mn Nos	3,997.40
Closing Market Price - BSE (30/06/15)	Rs /Share	419.90
Combined Volume (NSE & BSE) (01/07/14 - 30/06/15)	Nos in Mn/day	5.21
Combined Value (NSE & BSE) (01/07/14 - 30/06/15)	Rs Mn /day	2,009.34
Market Capitalization	Rs Bn	1,679
Market Capitalization	US$ Bn	26.33
Book Value Per Equity Share	Rs /share	159.62
Market Price/Book Value	Times	2.63
Enterprise Value	Rs Bn	2,402
Enterprise Value	US$ Bn	37.68
Enterprise Value/ EBITDA (LTM)	Times	7.53
P/E Ratio (LTM)	Times	29.80

6.2 Summarized Shareholding pattern as of June 30, 2015

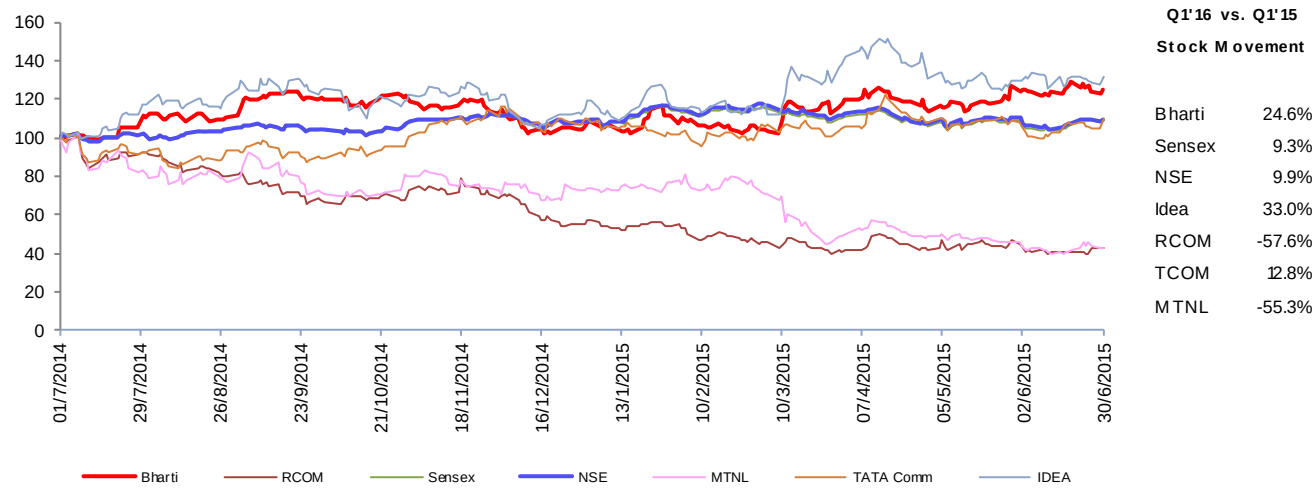
Category	Number of Shares	%
Promoter & Promoter Group		
Indian	1,750,613,515	43.79%
Foreign	865,673,286	21.66%
Sub total	**2,616,286,801**	**65.45%**
Public Shareholding		
Institutions	1,028,949,715	25.74%
Non-institutions	352,163,586	8.81%
Sub total	**1,381,113,301**	**34.55%**
Total	**3,997,400,102**	**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



Q1'16 vs. Q1'15 Stock Movement

Bharti	24.6%
Sensex	9.3%
NSE	9.9%
Idea	33.0%
RCOM	-57.6%
TCOM	12.8%
MTNL	-55.3%

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-15	Jun-14	Y-on-Y Growth
Revenue	236,709	229,616	3%
Other operating income	99	439	-77%
Operating expenses	(154,246)	(152,777)	1%
Depreciation & amortisation	(40,404)	(40,365)	0%
Profit / (Loss) from operations	**42,158**	**36,913**	**14%**
Share of results of Joint Ventures / Associates	2,126	1,578	
Profit before finance income, finance costs, other expenses, exceptional items and tax	**44,284**	**38,491**	**15%**
Finance income	5,250	6,162	-15%
Finance costs	(24,441)	(15,727)	55%
Other expenses	(85)	(78)	9%
Exceptional items, net	14,314	(1,820)	
Profit / (Loss) before tax	**39,322**	**27,028**	**45%**
Income tax expense (including exceptional items)	(21,781)	(15,326)	42%
Net profit for the period	**17,541**	**11,702**	**50%**
Income Attributable to :			
Equity holders of the parent	**15,543**	**11,085**	**40%**
Non-controlling interests (including exceptional items)	1,998	617	224%
Net Income / (Loss)	17,541	11,702	50%
Earning Per Share			
Basic, profit attributable to equity holders of parent (In Rs)	3.89	2.77	
Diluted, profit attributable to equity holders of parent (In Rs)	3.89	2.77	

7.1.2 Consolidated Statement of Comprehensive Income

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		
	Jun-15	Jun-14	Y-on-Y Growth
Net income / (loss) for the period	17,541	11,702	50%
Other comprehensive income:			
Items that may be reclassfied subsequently to profit or loss:			
Exchange differences on translation of foreign operations	2,728	(1,409)	-294%
Income tax effect	(59)	0	
Gains/(losses) on hedges of net investment	(3,465)	0	
Income tax effect	(76)	0	
Gains/(losses) on cash flow hedge	5,189	0	
Income tax effect	0	0	
	4,317	(1,409)	406%
Items that will not be reclassfied to profit or loss:			
Re-measurement gains/(losses) on defined benefit plans	(201)	9	-2333%
Income tax effect	49	(3)	-1733%
	(152)	6	-2633%
Other comprehensive income / (loss) for the period, net of tax	**4,165**	**(1,403)**	**397%**
Total comprehensive income / (loss) for the period, net of tax	**21,706**	**10,299**	**111%**
Total comprehensive income / (loss) attributable to :			
Equity holders of the parent	**18,364**	**9,378**	**96%**
Non controlling interests	3,342	921	263%
Total Comprehensive Income / (Loss)	**21,706**	**10,299**	**111%**

7.1.3 Consolidated Statement of Financial Position

Amount in Rs Mn

Particulars	As at Jun 30, 2015	As at Jun 30, 2014	As at Mar 31, 2015
Assets			
Non-current assets			
Property, plant and equipment	601,442	584,228	579,157
Intangible assets	1,038,364	808,356	922,283
Investment in joint ventures / associates	48,384	48,910	46,257
Other investments	27,999	29,917	31,260
Derivative financial assets	3,111	2,406	7,303
Other financial assets	21,417	17,194	16,018
Other non - financial assets	27,484	26,896	28,383
Deferred tax asset	51,862	59,845	59,502
	1,820,063	**1,577,752**	**1,690,163**
Current assets			
Inventories	1,748	1,770	1,339
Trade and other receivable	77,587	64,608	67,252
Derivative financial assets	3,859	2,314	1,207
Prepayments and other assets	37,373	38,160	31,828
Income tax recoverable	4,485	5,584	5,750
Other investments	88,447	87,414	92,840
Receivable from sale of tower assets	69,969	0	0
Other financial assets	10,795	8,024	10,075
Cash and cash equivalents	37,414	20,368	11,719
	331,677	**228,242**	**222,010**
Assets of disposal group classified as held for sale	12,233	14,731	45,645
	343,910	**242,973**	**267,655**
Total assets	**2,163,973**	**1,820,725**	**1,957,818**
Equity and liabilities			
Equity			
Issued capital	19,987	19,987	19,987
Treasury shares	(39)	(303)	(114)
Share premium	123,456	123,456	123,456
Retained earnings	488,416	448,256	473,025
Other Reserves	6,245	15,581	3,210
Equity attributable to equity holders of parent	**638,065**	**606,977**	**619,564**
Non-controlling interest	52,118	43,097	48,525
Total equity	**690,183**	**650,074**	**668,089**
Non-current liabilities			
Borrowing	527,883	572,829	452,283
Deferred revenue	18,444	12,986	17,917
Provisions	7,166	8,700	6,248
Derivative financial liabilities	1,677	1,460	164
Deferred tax liability	15,822	15,099	15,110
Other financial liabilities	253,473	23,642	162,106
Other non - financial liabilities	1,486	1,445	1,466
	825,951	**636,161**	**655,294**
Current liabilities			
Borrowing	189,139	139,677	211,389
Deferred revenue	48,077	45,944	50,074
Provisions	2,240	1,980	2,061
Other non - financial liabilities	28,177	26,082	15,897
Derivative financial liabilities	469	928	628
Income tax liabilities	9,965	10,373	9,271
Trade & other payables	367,069	308,143	339,670
	645,136	**533,127**	**628,990**
Liabilities of disposal group classified as held for sale	2,703	1,363	5,445
	647,839	**534,490**	**634,435**
Total liabilities	**1,473,790**	**1,170,651**	**1,289,729**
Total equity and liabilities	**2,163,973**	**1,820,725**	**1,957,818**

7.1.4 Consolidated Statement of Cash Flows

Amount in Rs Mn

Particulars	Quarter Ended	
	Jun-15	Jun-14
Cash flows from operating activities		
Profit before tax	**39,322**	**27,028**
Adjustments for -		
Depreciation and amortization	40,404	40,365
Finance income	(5,250)	(6,162)
Finance cost	24,441	15,727
Share of results of Joint ventures / associates	(2,126)	(1,578)
Exceptional items (net)	(16,911)	0
Amortisation of share based compensation	21	32
Other non-cash items	(124)	(70)
Operating cash flow before changes in assets and liabilities	**79,777**	**75,342**
Trade & other receivables and prepayments	(9,314)	(12,158)
Inventories	(433)	(378)
Trade and other payables	27,356	24,367
Provisions	(767)	36
Other financial and non financial liabilities	2,597	(2,077)
Other financial and non financial assets	(2,035)	(1,673)
Cash generated from operations	**97,181**	**83,459**
Interest received	410	454
Dividend received from mutual funds	0	267
Dividend received	0	9,510
Income tax paid	(10,299)	(6,641)
Net cash inflow from operating activities	**87,292**	**87,049**
Cash flows from investing activities		
Purchase of property, plant and equipment	(44,062)	(29,424)
Proceeds from sale of property, plant and equipment	387	1,156
Purchase of intangible assets	(67,617)	(6,961)
Current investments (net)	4,305	(15,771)
Purchase of non-current investments	0	(357)
Sale of non-current investments	3,092	589
Sale of tower assets	7,346	0
Loan to joint venture / associate	0	(65)
Net cash outflow from investing activities	**(96,549)**	**(50,843)**
Cash flows from financing activities		
Proceeds from borrowings	76,322	179,013
Repayment of borrowings	(59,293)	(229,467)
Short term borrowings (net)	2,041	200
Proceeds from sale and finance lease back of towers	4,768	0
Repayment of finance lease liabilities	(57)	0
Repayment of loan to joint venture	0	(9,173)
Interest and other finance charges paid	(9,232)	(9,357)
Proceeds from exercise of stock options	367	83
Net cash inflow / (outflow) from financing activities	**14,916**	**(68,701)**
Net (decrease) / increase in cash and cash equivalents during the period[16]	**5,659**	**(32,495)**
Effect of exchange rate changes on cash and cash equivalents	1,737	(475)
Add : Balance as at the beginning of the period	(1,415)	39,575
Balance as at the end of the period	**5,981**	**6,605**

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-15	Jun-14
Access charges	19,567	18,766
Licence fees, revenue share & spectrum charges	19,216	17,611
Network operations costs	37,199	36,390
Cost of goods sold	928	267
Employee costs	6,132	5,482
Selling, general and adminstration expense	20,670	19,798
Operating Expenses [17]	**103,712**	**98,315**

Note 17: Operating Expense reported above for the quarter ended Jun-15, excludes the impact of exceptional items. Refer section 5.3.2 on "Exceptional Items" on page 22 for details.

7.2.1.2 Schedule of Depreciation & Amortization

Amount in Rs Mn

Particulars	Quarter Ended	
	Jun-15	Jun-14
Depreciation	21,909	21,610
Amortization	5,287	3,286
Depreciation & Amortization	**27,196**	**24,896**

7.2.1.3 Schedule of Income Tax

Amount in Rs Mn

Particulars	Quarter Ended	
	Jun-15	Jun-14
Current tax expense	9,971	8,757
Deferred tax expense / (income)	722	830
Dividend distribution tax	402	294
Income tax expense [18]	**11,096**	**9,880**

Note 18: Income tax expense reported above for the quarter ended Jun-15, excludes the impact of exceptional items. Refer section 5.3.2 on "Exceptional Items" on page 22 for details.

7.2.2 South Asia

7.2.2.1 Schedule of Operating Expenses

Amount in Rs Mn

Particulars	Quarter Ended	
	Jun-15	Jun-14
Access charges	652	729
Licence fees, revenue share & spectrum charges	391	386
Network operations costs	1,442	1,338
Cost of goods sold	51	74
Employee costs	320	314
Selling, general and adminstration expense	1,505	1,296
Operating Expenses	**4,361**	**4,137**

7.2.2.2 Schedule of Depreciation & Amortization

Amount in Rs Mn

Particulars	Quarter Ended	
	Jun-15	Jun-14
Depreciation	1,097	1,073
Amortization	256	236
Depreciation & Amortization	**1,353**	**1,309**

7.2.3 Africa

7.2.3.1 Schedule of Operating Expenses (In Constant Currency)

Amount in US$ Mn

Particulars	Quarter Ended	
	Jun-15	Jun-14
Access charges	151	146
Licence fees, revenue share & spectrum charges	56	56
Network operations costs	212	192
Cost of goods sold	10	8
Employee costs	93	89
Selling, general and adminstration expense	264	257
Operating Expenses [19]	**785**	**750**

Note 19: Operating Expense reported above for the quarter ended Jun-15 and Jun-14, excludes the impact of exceptional items. Refer section 5.3.2 on "Exceptional Items" on page 22 for details.
Refer Note 10 on page 11

7.2.3.2 Schedule of Depreciation & Amortization (In Constant Currency)

Amount in US$ Mn

Particulars	Quarter Ended	
	Jun-15	Jun-14
Depreciation	159	160
Amortization	37	35
Depreciation & Amortization [20]	**196**	**195**

Note 20: Depreciation and Amortization reported above for the quarter ended Jun-15, excludes the impact of exceptional items. Refer section 5.3.2 on "Exceptional Items" on page 22 for details.
Refer Note 10 on page 11

7.2.3.3 Schedule of Income Tax

Amount in US$ Mn

Particulars	Quarter Ended	
	Jun-15	Jun-14
Current tax expense	38	56
Withholding taxes (WHT)	8	11
Deferred tax expense / (income)	(7)	13
Income tax expense [21]	**39**	**80**

Note 21: Income tax expense reported above for the quarter ended Jun-15 and Jun-14, excludes the impact of exceptional items. Refer section 5.3.2 on "Exceptional Items" on page 22 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, 2015	As at Jun 30, 2014	As at Mar 31, 2015
Long term debt, net of current portion	527,883	572,829	452,283
Short-term borrowings and current portion of long-term debt	189,139	139,677	211,389
Deferred payment liability	194,244	4,245	143,167
Less:			
Cash and Cash Equivalents	37,414	20,368	11,719
Restricted Cash	2,345	1,609	2,603
Investments & Receivables [22]	190,163	117,331	124,100
Net Debt	**681,345**	**577,443**	**668,417**

7.3.2 Schedule of Net Debt in US$

Amount in US$ Mn

Particulars	As at Jun 30, 2015	As at Jun 30, 2014	As at Mar 31, 2015
Long term debt, net of current portion	8,280	9,532	7,226
Short-term borrowings and current portion of long-term debt	2,967	2,324	3,377
Deferred payment liability	3,047	71	2,287
Less:			
Cash and Cash Equivalents	587	339	187
Restricted cash	37	27	42
Investments & Receivables [22]	2,983	1,952	1,983
Net Debt	**10,687**	**9,609**	**10,679**

Note 22: Investments & Receivables include interest bearing notes and residual portion of Tower sale proceeds receivables.

7.3.3 Schedule of Finance Cost

Amount in Rs Mn, except ratios

Particulars	Quarter Ended	
	Jun-15	Jun-14
Interest on borrowings & Finance charges	12,113	10,516
Interest on Finance Lease Obligation	110	0
Derivatives and exchange (gain)/ loss	7,802	3,006
Investment (income)/ loss	(834)	(3,957)
Finance cost (net)	**19,191**	**9,565**

7.4 Use of Non-GAAP Financial Information

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

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

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

7.4.1 Reconciliation of Non-GAAP financial information based on IFRS

Amount in Rs Mn, except ratios

Particulars	Quarter Ended	
	Jun-15	Jun-14
Profit / (Loss) from Operating Activities To EBITDA		
Profit / (Loss) from Operating Activities	42,158	36,913
Add: Depreciation and Amortization	40,404	40,365
Add: CSR Costs	55	391
EBITDA	**82,617**	**77,669**

Reconciliation of Finance Cost		
Finance Cost	24,441	15,727
Finance Income	(5,250)	(6,162)
Finance Cost (net)	**19,191**	**9,565**

Profit / (Loss) from Operating Activities to Cash Profit from Operations before Derivative & Exchange Fluctuation		
Profit / (Loss) from Operating Activities	42,158	36,913
Add: Depreciation and Amortization	40,404	40,365
Less: Finance Cost (net)	19,191	9,565
Less: Other expenses	85	78
Add: Derivatives and exchange (gain)/loss	7,802	3,006
Cash Profit from Operations before Derivative & Exchange Fluctuation	**71,086**	**70,642**

SECTION 8

TRENDS AND RATIO ANALYSIS

8.1 Based on Statement of Operations

Consolidated

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Jun-15	Mar-15	Dec-14	Sep-14	Jun-14
Total revenues	**236,709**	**230,155**	**232,171**	**228,452**	**229,616**
Access charges	27,419	27,988	28,804	28,077	27,890
Cost of goods sold	1,569	1,306	1,057	988	937
Net revenues	**207,721**	**200,861**	**202,310**	**199,386**	**200,790**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	102,103	98,862	101,973	100,499	101,635
Licence Fee	23,101	21,735	22,172	21,559	21,925
EBITDA	**82,617**	**80,505**	**78,276**	**77,494**	**77,669**
Cash profit from operations before Derivative and Exchange Fluctuations	71,086	72,231	72,858	68,976	70,642
EBIT	42,157	42,720	39,842	38,524	36,913
Share of results of Joint Ventures/Associates	2,126	2,136	1,800	1,709	1,578
Profit before Tax	25,007	25,155	31,118	29,969	28,848
Net income	15,543	12,553	14,365	13,832	11,085
Capex	39,921	64,460	45,095	37,271	39,857
Operating Free Cash Flow (EBITDA - Capex)	42,696	16,045	33,181	40,224	37,812
Cumulative Investments	2,439,612	2,265,893	2,258,253	2,221,036	2,161,720

	Jun-15	Mar-15	Dec-14	Sep-14	Jun-14
As a % of Total revenues					
Access charges	11.6%	12.2%	12.4%	12.3%	12.1%
Cost of goods sold	0.7%	0.6%	0.5%	0.4%	0.4%
Net revenues	87.8%	87.3%	87.1%	87.3%	87.4%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	43.1%	43.0%	43.9%	44.0%	44.3%
Licence Fee	9.8%	9.4%	9.5%	9.4%	9.5%
EBITDA	34.9%	35.0%	33.7%	33.9%	33.8%
Cash profit from operations before Derivative and Exchange Fluctuations	30.0%	31.4%	31.4%	30.2%	30.8%
EBIT	17.8%	18.6%	17.2%	16.9%	16.1%
Share of results of JV / Associates	0.9%	0.9%	0.8%	0.7%	0.7%
Profit before tax	10.6%	10.9%	13.4%	13.1%	12.6%
Net income	6.6%	5.5%	6.2%	6.1%	4.8%

Refer Note 6 & 7 on page 6

India & South Asia

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Jun-15	Mar-15	Dec-14	Sep-14	Jun-14
Total revenues	**177,344**	**170,212**	**166,148**	**161,827**	**162,019**
Access charges	20,025	20,448	20,774	20,126	19,315
Cost of goods sold	979	712	414	461	341
Net revenues	**156,341**	**149,053**	**144,960**	**141,240**	**142,363**
Operating Expenses (Excl Access Charges, cost of goods sold, License Fee & CSR Costs)	67,019	63,516	63,691	62,608	64,245
Licence Fee	19,607	18,282	18,158	17,687	17,996
EBITDA	**69,942**	**67,604**	**63,324**	**61,195**	**60,700**
EBIT	41,396	40,772	36,650	34,692	34,104
Profit before Tax	33,397	38,694	38,198	34,135	33,460
Net income (before exceptional items)	20,330	25,535	25,650	22,960	21,790
Capex	30,410	42,250	27,517	21,250	30,285
Operating Free Cash Flow (EBITDA - Capex)	39,532	25,354	35,806	39,946	30,415
Cumulative Investments	1,732,251	1,584,349	1,500,781	1,402,788	1,318,040

	Jun-15	Mar-15	Dec-14	Sep-14	Jun-14
As a % of Total revenues					
Access charges	11.3%	12.0%	12.5%	12.4%	11.9%
Cost of goods sold	0.6%	0.4%	0.2%	0.3%	0.2%
Net revenues	88.2%	87.6%	87.2%	87.3%	87.9%
Operating Expenses (Excl Access Charges, cost of goods sold, License Fee & CSR Costs)	37.8%	37.3%	38.3%	38.7%	39.7%
Licence Fee	11.1%	10.7%	10.9%	10.9%	11.1%
EBITDA	39.4%	39.7%	38.1%	37.8%	37.5%
EBIT	23.3%	24.0%	22.1%	21.4%	21.0%
Profit before tax	18.8%	22.7%	23.0%	21.1%	20.7%
Net income	11.5%	15.0%	15.4%	14.2%	13.4%

Refer Note 8 on page 7

India

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Jun-15	Mar-15	Dec-14	Sep-14	Jun-14
Total revenues	**173,696**	**166,705**	**162,564**	**158,155**	**157,870**
Access charges	19,567	20,051	20,392	19,749	18,766
Cost of goods sold	928	647	344	421	267
Net revenues	**153,202**	**146,008**	**141,828**	**137,985**	**138,837**
Operating Expenses (Excl Access Charges, cost of goods sold, License Fee & CSR Costs)	64,000	60,578	60,672	59,828	61,280
Licence Fee	19,216	17,907	17,775	17,320	17,611
EBITDA	**70,213**	**67,870**	**63,594**	**61,088**	**60,524**
EBIT	43,016	42,577	38,432	36,033	35,238
Profit before Tax	35,525	41,266	40,734	35,665	35,168
Net income (before exceptional items)	22,466	28,115	28,194	24,499	23,481
Capex	29,418	40,920	27,090	20,588	29,470
Operating Free Cash Flow (EBITDA - Capex)	40,795	26,950	36,504	40,499	31,054
Cumulative Investments	1,662,010	1,516,524	1,433,023	1,336,906	1,254,975

	Jun-15	Mar-15	Dec-14	Sep-14	Jun-14
As a % of Total revenues					
Access charges	11.3%	12.0%	12.5%	12.5%	11.9%
Cost of goods sold	0.5%	0.4%	0.2%	0.3%	0.2%
Net revenues	88.2%	87.6%	87.2%	87.2%	87.9%
Operating Expenses (Excl Access Charges, cost of goods sold, License Fee & CSR Costs)	36.8%	36.3%	37.3%	37.8%	38.8%
Licence Fee	11.1%	10.7%	10.9%	11.0%	11.2%
EBITDA	40.4%	40.7%	39.1%	38.6%	38.3%
EBIT	24.8%	25.5%	23.6%	22.8%	22.3%
Profit before tax	20.5%	24.8%	25.1%	22.6%	22.3%
Net income	12.9%	16.9%	17.3%	15.5%	14.9%

Refer Note 8 on page 7

South Asia

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Jun-15	Mar-15	Dec-14	Sep-14	Jun-14
Total revenues	**3,886**	**3,706**	**3,788**	**3,893**	**4,371**
Access charges	652	581	552	541	729
Cost of goods sold	51	65	70	40	74
Net revenues	**3,182**	**3,061**	**3,166**	**3,312**	**3,568**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	3,267	2,953	3,053	2,838	2,949
Licence Fee	391	374	383	367	386
EBITDA	**(476)**	**(266)**	**(271)**	**107**	**233**
EBIT	(1,829)	(1,940)	(1,782)	(1,341)	(1,076)
Profit before Tax	(2,338)	(2,707)	(2,536)	(1,531)	(1,650)
Net income (before exceptional items)	(2,346)	(2,715)	(2,545)	(1,539)	(1,633)
Capex	992	1,330	427	661	815
Operating Free Cash Flow (EBITDA - Capex)	(1,468)	(1,596)	(698)	(554)	(582)
Cumulative Investments	70,241	67,825	67,758	65,883	63,066

Particulars	Quarter Ended				
	Jun-15	Mar-15	Dec-14	Sep-14	Jun-14
Exchange Fluctuation Impact					
Reported revenues (Rs Mn)	3,886	3,706	3,788	3,893	4,371
a. QoQ growth (%)	*4.84%*	*-2.16%*	*-2.70%*	*-10.92%*	*-2.61%*
b. Impact of exchange fluctuation (%)) [23]	*2.05%*	*-0.48%*	*2.19%*	*0.89%*	*-2.77%*
c. QoQ growth in constant currency (%) (a - b)	*2.79%*	*-1.68%*	*-4.89%*	*-11.81%*	*0.17%*
Revenues in constant currency (Rs Mn) [24]	3,824	3,720	3,784	3,978	4,511

Note 23: Based on Q-o-Q variation and weighted on the revenues of each country for the current quarter
Note 24: Revenues for above periods restated at the March 5, 2015 closing exchange rates of each country.

	Jun-15	Mar-15	Dec-14	Sep-14	Jun-14
As a % of Total revenues					
Access charges	16.8%	15.7%	14.6%	13.9%	16.7%
Cost of goods sold	1.3%	1.8%	1.8%	1.0%	1.7%
Net revenues	81.9%	82.6%	83.6%	85.1%	81.6%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	84.1%	79.7%	80.6%	72.9%	67.5%
Licence Fee	10.1%	10.1%	10.1%	9.4%	8.8%
EBITDA	-12.2%	-7.2%	-7.1%	2.8%	5.3%
EBIT	-47.1%	-52.3%	-47.0%	-34.4%	-24.6%
Profit before tax	-60.2%	-73.0%	-67.0%	-39.3%	-37.8%
Net income	-60.4%	-73.2%	-67.2%	-39.5%	-37.4%

Africa: In INR

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Jun-15	Mar-15	Dec-14	Sep-14	Jun-14
Total revenues	**61,595**	**62,153**	**68,276**	**68,956**	**69,685**
Access charges	9,389	9,543	10,055	10,037	10,456
Cost of goods sold	593	597	643	625	595
Net revenues	**51,612**	**52,013**	**57,578**	**58,295**	**58,634**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	35,454	35,680	38,637	38,166	37,752
Licence Fee	3,494	3,453	4,014	3,872	3,929
EBITDA	**12,674**	**12,901**	**14,953**	**16,310**	**16,958**
EBIT	761	1,947	3,195	3,842	2,797
Profit before Tax	(8,777)	(13,539)	(7,079)	(4,155)	(4,624)
Net income (before exceptional items)	(9,768)	(11,389)	(8,359)	(7,536)	(8,200)
Capex	9,511	22,210	17,578	16,021	9,571
Operating Free Cash Flow (EBITDA - Capex)	3,163	(9,309)	(2,625)	289	7,386
Cumulative Investments	707,361	681,544	757,472	818,247	843,679
	Jun-15	Mar-15	Dec-14	Sep-14	Jun-14
As a % of Total revenues					
Access charges	15.2%	15.4%	14.7%	14.6%	15.0%
Cost of goods sold	1.0%	1.0%	0.9%	0.9%	0.9%
Net revenues	83.8%	83.7%	84.3%	84.5%	84.1%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	57.6%	57.4%	56.6%	55.3%	54.2%
Licence Fee	5.7%	5.6%	5.9%	5.6%	5.6%
EBITDA	20.6%	20.8%	21.9%	23.7%	24.3%
EBIT	1.2%	3.1%	4.7%	5.6%	4.0%
Profit before tax	-14.3%	-21.8%	-10.4%	-6.0%	-6.6%
Net income	-15.9%	-18.3%	-12.2%	-10.9%	-11.8%

Refer Note 8 on page 7

Africa: In USD Constant Currency

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Jun-15	Mar-15	Dec-14	Sep-14	Jun-14
Total revenues	**989**	**982**	**995**	**978**	**980**
Access charges	151	151	145	142	146
Cost of goods sold	10	9	9	9	8
Net revenues	**828**	**822**	**841**	**828**	**825**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	568	563	565	548	539
Licence Fee	56	55	59	56	56
EBITDA	**203**	**203**	**215**	**223**	**228**
EBIT	7	30	43	49	33
Capex	150	364	284	265	160
Operating Free Cash Flow (EBITDA - Capex)	53	(161)	(69)	(42)	68
Cumulative Investments	11,095	10,889	11,940	13,280	14,039
	Jun-15	Mar-15	Dec-14	Sep-14	Jun-14
As a % of Total revenues					
Access charges	15.3%	15.3%	14.6%	14.5%	14.9%
Cost of goods sold	1.0%	1.0%	0.9%	0.9%	0.9%
Net revenues	83.7%	83.7%	84.5%	84.6%	84.2%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	57.4%	57.3%	56.8%	56.1%	55.0%
Licence Fee	5.6%	5.6%	6.0%	5.7%	5.7%
EBITDA	20.5%	20.7%	21.6%	22.8%	23.3%
EBIT	0.7%	3.1%	4.3%	5.0%	3.4%

Refer Note 10 on page 11

Africa: In USD Reported Currency

Amount in US$ Mn, except ratios

Particulars	Quarter Ended				
	Jun-15	Mar-15	Dec-14	Sep-14	Jun-14
Total revenues	**970**	**1,000**	**1,103**	**1,140**	**1,164**
Access charges	148	154	163	166	175
Cost of goods sold	9	10	10	10	10
Net revenues	**813**	**837**	**930**	**964**	**979**
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	559	574	626	631	630
Licence Fee	55	56	65	64	66
EBITDA	**200**	**207**	**241**	**270**	**283**
EBIT	12	31	51	63	47
Profit before Tax	(138)	(218)	(115)	(69)	(77)
Net income (before exceptional items)	(154)	(183)	(136)	(124)	(137)
Capex	150	364	284	265	160
Operating Free Cash Flow (EBITDA - Capex)	50	(157)	(43)	5	123
Cumulative Investments	11,095	10,889	11,940	13,280	14,039

	Jun-15	Mar-15	Dec-14	Sep-14	Jun-14
As a % of Total revenues					
Access charges	15.2%	15.4%	14.7%	14.6%	15.0%
Cost of goods sold	1.0%	1.0%	0.9%	0.9%	0.9%
Net revenues	83.8%	83.7%	84.3%	84.5%	84.1%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	57.6%	57.4%	56.7%	55.4%	54.2%
Licence Fee	5.7%	5.6%	5.9%	5.6%	5.6%
EBITDA	20.6%	20.7%	21.9%	23.6%	24.3%
EBIT	1.3%	3.1%	4.6%	5.6%	4.0%
Profit before tax	-14.2%	-21.8%	-10.5%	-6.0%	-6.6%
Net income from operations	-15.8%	-18.3%	-12.3%	-10.9%	-11.8%

Refer Note 8 on page 7

8.2 Financial Trends of Business Operations

Mobile Services India

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Jun-15	Mar-15	Dec-14	Sep-14	Jun-14
Total revenues	**137,987**	**134,135**	**131,635**	**126,342**	**127,525**
EBITDA	53,489	51,744	49,128	46,458	47,412
EBITDA / Total revenues	*38.8%*	*38.6%*	*37.3%*	*36.8%*	*37.2%*
EBIT	33,744	33,954	31,614	28,983	29,514
Capex	22,166	34,598	20,738	14,890	22,879
Operating Free Cash Flow (EBITDA - Capex)	31,324	17,145	28,391	31,568	24,533
Cumulative Investments	1,290,246	1,153,195	1,071,544	983,232	906,159

Telemedia Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Jun-15	Mar-15	Dec-14	Sep-14	Jun-14
Total revenues	**11,427**	**11,288**	**11,171**	**11,160**	**10,705**
EBITDA	5,270	5,165	4,407	4,506	3,971
EBITDA / Total revenues	*46.1%*	*45.8%*	*39.5%*	*40.4%*	*37.1%*
EBIT	2,967	2,853	2,016	2,132	1,756
Capex	1,572	1,672	1,679	1,029	689
Operating Free Cash Flow (EBITDA - Capex)	3,698	3,493	2,728	3,477	3,282
Cumulative Investments	84,772	83,571	81,947	80,244	79,225

Digital TV Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Jun-15	Mar-15	Dec-14	Sep-14	Jun-14
Total revenues	**6,848**	**6,348**	**6,234**	**6,263**	**5,915**
EBITDA	2,408	2,078	1,707	1,529	1,438
EBITDA / Total revenues	*35.2%*	*32.7%*	*27.4%*	*24.4%*	*24.3%*
EBIT	415	80	(360)	(677)	(625)
Capex	2,113	1,330	1,630	2,255	2,627
Operating Free Cash Flow (EBITDA - Capex)	295	748	77	(726)	(1,189)
Cumulative Investments	56,216	54,109	52,948	51,356	47,977

Airtel Business

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Jun-15	Mar-15	Dec-14	Sep-14	Jun-14
Total revenues	**19,690**	**17,805**	**16,177**	**17,037**	**16,111**
EBITDA	4,108	3,079	3,568	4,102	3,250
EBITDA / Total revenues	*20.9%*	*17.3%*	*22.1%*	*24.1%*	*20.2%*
EBIT	2,425	1,543	1,928	2,487	1,755
Capex	438	371	367	328	115
Operating Free Cash Flow (EBITDA - Capex)	3,670	2,707	3,201	3,774	3,134
Cumulative Investments	51,907	50,881	50,797	49,708	48,574

Tower Infrastructure Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Jun-15	Mar-15	Dec-14	Sep-14	Jun-14
Total revenues	**13,946**	**13,518**	**13,692**	**13,744**	**13,328**
EBITDA	6,791	6,766	6,550	6,355	6,073
EBITDA / Total revenues	*48.7%*	*50.0%*	*47.8%*	*46.2%*	*45.6%*
EBIT	3,967	3,810	3,705	3,579	3,368
Share of results of Joint ventures / Associates	2,120	2,139	1,805	1,728	1,596
Capex	2,902	2,720	2,570	2,054	2,667
Operating Free Cash Flow (EBITDA - Capex)	3,889	4,046	3,980	4,301	3,405
Cumulative Investments	173,944	169,968	171,202	167,914	168,454

Others

Amount in Rs Mn

Particulars	Quarter Ended				
	Jun-15	Mar-15	Dec-14	Sep-14	Jun-14
Total revenues	**796**	**715**	**690**	**725**	**779**
EBITDA	(488)	317	(430)	(566)	(360)
EBIT	(492)	306	(430)	(445)	(488)
Capex	252	207	153	74	530
Operating Free Cash Flow (EBITDA - Capex)	(741)	110	(584)	(640)	(890)
Cumulative Investments	4,925	4,800	4,585	4,451	4,585

8.3 Based on Statement of Financial Position

Consolidated

Amount in Rs Mn, except ratios

Particulars	As at				
	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014
Equity attributable to equity holders of parent	638,065	619,564	609,282	615,141	606,977
Net Debt	681,345	668,417	668,388	622,158	577,443
Net Debt (US$ Mn)	10,687	10,679	10,554	10,098	9,609
Capital Employed = Equity attributable to equity holders of parent + Net Debt	1,319,410	1,287,981	1,277,670	1,237,299	1,184,420

	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014
Return on Equity attributable to equity holders of parent (LTM)	9.1%	8.5%	8.1%	6.8%	5.4%
Return on Capital Employed (LTM)	9.1%	8.1%	7.3%	6.7%	6.6%
Net Debt to EBITDA (LTM) - US$	2.08	2.08	2.10	2.06	2.03
Net Debt to EBITDA (Annualised) - US$	2.06	2.06	2.09	1.97	1.85
Assets Turnover ratio (LTM)	69.9%	71.1%	70.7%	70.4%	70.2%
Interest Coverage ratio (times)	8.27	8.21	7.86	9.13	8.59
Net debt to Equity attributable to equity holders of parent (Times)	1.07	1.08	1.10	1.01	0.95
Per share data (for the period)					
Net profit/(loss) per common share (in Rs)	3.89	3.14	3.60	3.46	2.77
Net profit/(loss) per diluted share (in Rs)	3.89	3.14	3.59	3.46	2.77
Book Value Per Equity Share (in Rs)	159.6	155.0	152.4	153.9	151.8
Market Capitalization (Rs Bn)	1,679	1,575	1,410	1,616	1,347
Enterprise Value (Rs Bn)	2,402	2,243	2,079	2,238	1,924

8.4 Operational Performance – India

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014
Total Customers Base	**000's**	**244,518**	**239,502**	**230,413**	**224,664**	**222,149**
Mobile Services						
Customer Base	000's	230,662	226,017	217,215	211,752	209,411
VLR	%	95.8%	95.8%	96.1%	95.8%	95.0%
Net Additions	000's	4,644	8,802	5,463	2,341	3,892
Pre-Paid (as a % of total Customer Base)	%	94.4%	94.6%	94.6%	94.7%	94.9%
Monthly Churn	%	3.3%	2.5%	2.7%	3.1%	2.7%
Average Revenue Per User (ARPU)	Rs	198	198	202	198	202
Average Revenue Per User (ARPU)	US$	3.1	3.2	3.3	3.3	3.4
Revenue per site per month	Rs	308,227	303,748	305,283	295,645	301,594
Revenues						
Total Revenues	Rs Mn	137,987	134,135	131,635	126,342	127,525
Mobile Services	Rs Mn	136,000	131,874	130,137	124,696	126,058
Others	Rs Mn	1,987	2,261	1,498	1,646	1,467
Voice						
Minutes on the network	Mn	290,802	277,869	267,485	263,905	270,827
Voice Average Revenue Per User (ARPU)	Rs	148	151	157	158	166
Voice Usage per customer	min	424	418	416	418	435
Voice Realization per minute	paisa	34.93	36.22	37.67	37.69	38.08
Non Voice Revenue						
% of Mobile Services	%	25.3%	23.7%	22.6%	20.2%	18.2%
Of Which						
Messaging & VAS as % of Mobile Services	%	5.7%	5.7%	6.0%	5.4%	5.5%
Data as % of Mobile Services	%	19.2%	17.6%	16.2%	14.5%	12.4%
Others as % of Mobile Services	%	0.4%	0.4%	0.4%	0.4%	0.3%
Data						
Data Customer Base	000's	49,470	46,386	42,249	40,108	39,320
Of which no. of 3G data customers	*000's*	*21,360*	*19,441*	*16,940*	*15,445*	*12,535*
As % of Customer Base	*%*	*21.4%*	*20.5%*	*19.5%*	*18.9%*	*18.8%*
Total MBs on the network	Mn MBs	102,015	86,627	77,281	67,668	55,610
Data Average Revenue Per User (ARPU)	Rs	181	176	170	150	139
Data Usage per customer	MBs	706	656	622	563	495
Data Realization per MB	paisa	25.57	26.82	27.36	26.67	28.04
Telemedia Services						
Telemedia Customers	000's	3,444	3,411	3,388	3,372	3,350
Of which no. of Broadband (DSL) customers	*000's*	*1,542*	*1,508*	*1,489*	*1,479*	*1,462*
As % of Customer Base	*%*	44.8%	44.2%	43.9%	43.9%	43.6%
Net Additions	000's	33	23	17	22	(6)
Average Revenue Per User (ARPU)	Rs	1,050	1,034	1,036	1,024	1,010
Average Revenue Per User (ARPU)	US$	16.5	16.6	16.7	16.9	16.9
Non Voice Revenue as % of Telemedia Revenues	%	66.6%	66.5%	64.9%	63.2%	63.0%
Digital TV						
Digital TV Customers	000's	10,412	10,073	9,810	9,540	9,388
Net additions	000's	339	263	270	151	376
Average Revenue Per User (ARPU)	Rs	222	214	214	220	214
Average Revenue Per User (ARPU)	US$	3.5	3.4	3.5	3.6	3.6
Monthly Churn	%	0.8%	1.0%	1.0%	1.1%	0.6%

8.5 Traffic Trends – India

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014
Mobile Services	Mn Min	290,802	277,869	267,485	263,905	270,827
Telemedia Services	Mn Min	4,735	4,429	4,250	4,363	4,172
National Long Distance Services	Mn Min	32,038	30,649	29,144	28,447	28,036
International Long Distance Services	Mn Min	5,772	4,817	4,264	3,686	3,741
Total Minutes on Network (Gross)	**Mn Min**	**333,347**	**317,764**	**305,143**	**300,401**	**306,776**
Eliminations	Mn Min	(32,248)	(30,775)	(29,413)	(28,734)	(28,321)
Total Minutes on Network (Net)	**Mn Min**	**301,099**	**286,989**	**275,730**	**271,667**	**278,456**

8.6 Network and Coverage Trends - India

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014
Mobile Services						
Census Towns	Nos	5,121	5,121	5,121	5,121	5,121
Non-Census Towns & Villages	Nos	464,157	464,045	462,779	462,199	461,449
Population Coverage	%	86.7%	86.8%	86.8%	86.8%	86.8%
Optic Fibre Network	R Kms	199,991	197,351	193,625	188,793	186,341
Sites on Network	Nos	147,616	146,539	142,898	141,290	139,894
Of which no. of 3G sites	*Nos*	*52,886*	*48,825*	*41,850*	*38,055*	*34,564*
Telemedia Services						
Cities covered	Nos	87	90	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, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014
Total Towers	Nos	37,486	37,196	36,747	36,381	36,112
Total Co-locations	Nos	77,292	75,819	74,331	72,597	70,544
Key Indicators						
Sharing Revenue per sharing operator per month	Rs	36,936	36,843	36,989	37,264	37,428
Average Sharing Factor	Times	2.05	2.03	2.01	1.97	1.94

Additional Information

8.7.2 Indus Towers

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014
Total Towers	Nos	116,454	115,942	115,040	114,101	113,490
Total Co-locations	Nos	256,960	253,513	248,611	242,079	237,562
Average Sharing Factor	Times	2.20	2.17	2.14	2.11	2.08

8.7.3 Bharti Infratel Consolidated

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014
Total Towers	Nos	86,397	85,892	85,064	84,303	83,778
Total Co-locations	Nos	185,215	182,294	178,748	174,270	170,320
Average Sharing Factor	Times	2.13	2.11	2.08	2.05	2.02

8.8 Human Resource Analysis - India

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014
Total Employees [12]	Nos	18,764	18,814	18,823	18,846	18,870
Number of Customers per employee	Nos	13,031	12,730	12,241	11,921	11,773
Personnel Cost per employee per month	Rs	108,926	103,671	97,679	100,264	96,846
Gross Revenue per employee per month	Rs	3,085,632	2,953,569	2,878,818	2,797,320	2,788,736

Refer Note 12 on page 15

8.9 South Asia

8.9.1 Operational Performance

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014
Customer Base	000's	9,019	8,603	7,892	7,678	8,650
VLR	%	88.1%	88.8%	89.6%	87.8%	83.7%
Net Additions	000's	416	712	213	(972)	32
Pre-Paid (as % of total Customer Base)	%	97.7%	97.6%	97.4%	97.3%	97.2%
Monthly Churn	%	3.8%	3.1%	4.1%	7.3%	5.2%
Average Revenue Per User (ARPU)	Rs	147	149	164	160	168
Revenue per site per month	Rs	187,606	180,658	183,731	187,812	211,538
Voice						
Minutes on the network	Mn	9,097	8,711	8,278	8,554	10,280
Voice Average Revenue Per User (ARPU)	Rs	115	117	130	125	138
Voice Usage per customer	min	345	351	358	351	396
Voice Realization per minute	paisa	33.22	33.30	36.38	35.62	34.87
Non Voice Revenue						
% of Mobile revenues	%	22.2%	21.7%	20.5%	21.7%	18.0%
Of Which						
Messaging & VAS as % of Mobile revenues	%	5.6%	5.7%	6.2%	8.6%	8.1%
Data as % of Mobile revenues	%	14.2%	12.9%	11.1%	10.2%	7.6%
Others as % of Mobile revenues	%	2.4%	3.1%	3.1%	2.9%	2.3%
Data						
Data Customer Base	000's	2,435	2,197	1,837	1,645	1,702
As % of Customer Base	*%*	*27.0%*	*25.5%*	*23.3%*	*21.4%*	*19.7%*
Total MBs on the network	Mn MBs	3,991	3,492	2,744	2,356	2,098
Data Average Revenue Per User (ARPU)	Rs	78	79	82	79	71
Data Usage per customer	MBs	560	578	535	465	448
Data Realization per MB	paisa	13.84	13.68	15.38	16.88	15.84

Refer Note 13 on page 16

8.9.2 Operational Performance (in constant currency)

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014
Average Revenue Per User (ARPU)	Rs	145	150	164	163	174
Voice Average Revenue Per User (ARPU)	Rs	112	117	130	128	143
Voice Realization per minute	paisa	32.59	33.44	36.35	36.42	36.01

8.9.3 Network and Coverage Trends

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014
Sites on Network	Nos	6,941	6,867	6,810	6,935	6,885
Of which no. of 3G sites	*Nos*	*3,291*	*3,050*	*2,504*	*2,350*	*2,105*

8.9.4 Human Resource Analysis

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014
Total Employees	Nos	715	750	791	818	783
Number of Customers per employee	Nos	12,614	11,471	9,977	9,387	11,047
Personnel Cost per employee per month	Rs	149,042	148,266	144,607	149,831	146,535
Gross Revenue per employee per month	Rs	1,811,513	1,647,237	1,596,326	1,586,530	1,860,852

8.10 Africa

8.10.1 Operational Performance (In Constant Currency)

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014
Customer Base	000's	78,323	76,263	74,599	71,367	69,086
VLR	%	83.5%	83.9%	84.0%	85.7%	86.6%
Net Additions	000's	2,061	1,664	3,232	2,281	(357)
Pre-Paid (as % of total Customer Base)	%	99.4%	99.4%	99.4%	99.3%	99.3%
Monthly Churn	%	5.4%	5.8%	5.5%	6.1%	7.0%
Average Revenue Per User (ARPU)	US$	4.3	4.3	4.6	4.7	4.7
Revenue per site per month	US$	17,196	17,618	18,281	18,262	18,363
Voice						
Minutes on the network	Mn	32,791	31,045	30,361	28,966	28,256
Voice Average Revenue Per User (ARPU)	US$	3.1	3.3	3.5	3.5	3.7
Voice Usage per customer	min	141	137	140	138	136
Voice Realization per minute	US¢	2.20	2.37	2.51	2.56	2.72
Non Voice Revenue						
% of Mobile revenues	%	27.2%	25.2%	23.5%	23.8%	21.5%
Of Which						
Messaging & VAS as % of Mobile revenues	%	9.7%	9.3%	9.1%	9.8%	9.2%
Data as % of Mobile revenues	%	12.9%	11.5%	10.5%	10.1%	8.8%
Others as % of Mobile revenues	%	4.6%	4.4%	3.9%	3.9%	3.5%
Data						
Data Customer Base	000's	13,039	12,289	11,242	11,049	9,882
As % of Customer Base	*%*	*16.6%*	*16.1%*	*15.1%*	*15.5%*	*14.3%*
Total MBs on the network	Mn MBs	13,843	11,256	9,475	8,061	6,541
Data Average Revenue Per User (ARPU)	US$	3.3	3.2	3.2	3.1	3.0
Data Usage per customer	MBs	359	321	290	253	231
Data Realization per MB	US¢	0.92	1.00	1.10	1.21	1.31

Refer Note 14 & 15 on page 17

8.10.2 Network and Coverage Trends

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014
Sites on Network	Nos	19,146	18,819	18,347	17,935	17,781
Of which no. of 3G sites	*Nos*	*10,722*	*10,011*	*9,228*	*8,104*	*7,165*

8.10.3 Human Resource Analysis

Parameters	Unit	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	Jun 30, 2014
Total Employees	**Nos**	**5,191**	**5,130**	**5,367**	**5,340**	**5,284**
Number of Customers per employee	Nos	15,088	14,866	13,900	13,365	13,075
Personnel Cost per employee per month	US$	5,953	6,127	6,001	6,222	6,415
Gross Revenue per employee per month	US$	63,529	64,976	68,520	71,174	73,400

SECTION 9

KEY ACCOUNTING POLICIES AS PER IFRS

1. Investment in Joint Ventures and Associated

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

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The Group's investments in its joint ventures and associates 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 recognized. Additional losses are provided for, and a liability is recognized, only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture or associate. 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 amortized 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
Customer premises equipment	5 – 6
Assets taken on finance lease	Period of lease or 10 years, as applicable, whichever is less
Computer equipment	3
Office, furniture and equipment	2 – 5
Vehicles	3 – 5
Leasehold improvements	Period of the lease or 10/20 years, as applicable, whichever is less
Assets individually costing Rs. 5 thousand or less	1

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

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, 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 income statement.

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 reclassified to the statement of comprehensive income.

The Company hedges certain net investment in foreign subsidiaries. Any foreign exchange gain or loss on the hedging instrument relating to the effective portion of the hedge is recognized in other comprehensive income to offset the change in the value of the net investment being hedged. The ineffective portion of the gain or loss on these hedges is immediately recognized in the income statement. Gains and losses accumulated in equity are include in the income statement when the foreign operation is partially disposed of or sold.

The Company also apply cash flow hedge accounting for hedge of foreign currency risk in a highly probable forecast transaction. Any foreign exchange gain or loss on the hedging instrument relating to the effective portion of the hedge is recognized in other comprehensive income. The ineffective portion of the gain or loss on these hedges is immediately recognized in the income statement. Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss (for example, when the forecast sale that is hedged takes place). When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was recognized in equity is immediately transferred to the income statement.

5. Finance leases

Lessee accounting

Finance leases, which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalized at the commencement of the lease at the fair value of the leased asset 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 finance 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 group outstanding in respect of the finance 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.

The contracted price is received in advance and is recognized as revenue during the tenure of the agreement. Unearned IRU revenue net of the amount recognizable within one year is disclosed deferred revenue in non-current liabilities and the amount recognizable within one year as deferred revenue 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 services usage charges, bandwidth services, 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 and data messaging services.

Service revenues are recognized as the services are rendered and are stated net of discounts, process waivers and taxes. Revenues from pre-paid cards are recognized based on actual usage. Processing fees on recharge coupons is recognized over the estimated customer relationship period or coupon validity period, whichever is lower. 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. Billings in excess of revenue recognized is treated as unearned and reported as deferred revenue in the statement of financial position.

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 the period of agreement with the customer. Service revenue is recognized from the date of satisfactory installation of equipment and software at the customer site and provisioning of internet and VSAT services.

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 (including installation) is recognized over the period of arrangement.

Unbilled revenue represent revenues recognized from the bill cycle date to the end of reporting period. These are billed in subsequent periods based on the terms of the billing plans / contractual arrangements.

(ii) Equipment sales

Equipment sales consist primarily of revenues from sale of telecommunication equipment and related accessories to subscribers. Revenue from Equipment sales which does not have value to the customer on standalone basis, forming part of multiple-element revenue arrangements are deferred and recognized over the customer relationship period. Revenue from other equipment sales transactions are recognized when the significant risks and rewards of ownership are transferred to the buyer.

(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 VSAT 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 separately identifiable components at the inception of the arrangement. The evaluation is done based on the criteria as to whether the deliverables in the arrangement have value to the customer on a standalone basis.

Total consideration related to the multiple element arrangements is allocated among the different components 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). In case the relative fair value of different components cannot be determined on a reasonable basis, the total consideration is allocated to the different components on a residual value method.

9. Licenses

Acquired licenses and spectrum are shown at historical cost. Licenses and spectrum acquired in a business combination are recognized at fair value at the acquisition date. Licenses 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.

The revenue-share fee on licenses 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, rights acquired for unlimited license access, and non-compete clauses, are capitalized at the Group's share of respective fair values on the date of an acquisition. Amortization is charged to the statement of comprehensive income on a straight-line basis over the estimated useful lives of intangible assets from the date they are available for use or placed in service. The intangibles are amortized as follows:

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

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 consist of interest and other costs that the Group incurs in connection with the borrowing of funds. 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. All other borrowing costs are expensed in the period they occur.

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. Transactions with non-controlling interests

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

SECTION 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	It is computed by dividing the 'data' revenues by the total revenues of mobile services for the relevant period.

Revenue	Data revenue includes revenue from use of data session on GPRS / 3G / 4G including blackberry.
Data ARPU	Average revenue per data customer per month is computed by: dividing the total data revenues during the relevant period by the average data customers; and dividing the result by the number of months in the relevant period.
Data Customer Base	A customer who used at least 1 MB on GPRS / 3G / 4G network in the last 30 days.
Data Usage per Customer	It is calculated by dividing the total MBs consumed on the network during the relevant period by the average data customer base; and dividing the result by the number of months in the relevant period.
Data Realization per MB	It is computed by dividing the Data revenues by total MBs consumed on the network.
DTH / Digital TV Services	Direct to Home broadcast service
Earnings Per Basic Share	It is computed by dividing net income attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. The calculation of Net Profit/ (loss) per diluted share adjusts net profit or loss and the weighted average number of ordinary shares outstanding, to give effect to all dilutive potential ordinary shares that were outstanding during the year.
Earnings Per Diluted Share	Net profit or loss attributable to ordinary shareholders is adjusted for the after-tax effect of the following: (1) dividends on potential ordinary shares (for example, dilutive convertible preferred shares); (2) interest recognized on potential ordinary shares (for example, dilutive convertible debt); and (3) any other changes in income or expense resulting from the conversion of dilutive potential ordinary shares (e.g., an entity's contribution to its non-discretionary employee profit-sharing plan may be revised based on changes in net profit due to the effects of items discussed above).
EBITDA	Earnings/ (loss) before interest, taxation, depreciation and amortization. It is not a IFRS measure and is defined as operating income adjusted for depreciation and amortization, pre-operating costs and CSR costs.
EBITDA Margin	It is computed by dividing EBITDA for the relevant period by total revenues for the relevant period.
EBIT	Earnings / (Loss) before interest, taxation for the relevant period.
Enterprise Valuation (EV)	Calculated as sum of Market Capitalization, Net Debt and finance lease obligations as at the end of the relevant period.
EV / EBITDA (times)	Computed by dividing Enterprise Valuation as at the end of the relevant period (EV) by EBITDA for the relevant period (LTM).
Finance Lease Obligation (FLO)	Finance Lease Obligation represents present value of future obligation for assets taken on finance lease.
Gross Revenue per Employee per month	It is computed by dividing the Gross Revenue (net of inter-segment eliminations) by the closing number of employees in a given business unit and number of months in the relevant period.
ILD	International Long Distance Services.
Intangibles	Comprises of goodwill, software, bandwidth, one-time entry fee paid towards acquisition of licenses, distribution network and customer relationships.
Interest Coverage Ratio	EBITDA for the relevant period divided by interest on borrowing for the relevant period.
IPTV	Internet Protocol TV. IPTV is the method of delivering and viewing television programmes using an IP transmission and service infrastructure, which can deliver digital television to the customers. IPTV when offered using an IP network and high speed broadband technology becomes interactive because of availability of return path and is capable of providing Video on Demand (VOD), time shifted television and many other exciting programmes.
KPI	Key Performance Indicators
LTM	Last twelve months.
Market Capitalization	Number of issued and outstanding shares as at end of the period multiplied by closing market price (BSE) as at end of the period.

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 plus deferred payment liability minus cash and cash equivalents, short-term investments which includes interest bearing notes, receivables towards residual portion of Tower sale proceeds, restricted cash and restricted cash non-current as at the end of the relevant period. This excludes finance lease obligations. Restricted cash deducted does not include cash related to mobile commerce services which is restricted in use.
Net Debt to EBITDA (LTM)	It is computed by dividing net debt as at the end of the relevant period by EBITDA (EBITDA adjusted downwards to the extent of finance lease charges on towers in Africa) for preceding (last) 12 months from the end of the relevant period.
Net Debt to EBITDA (Annualized)	It is computed by dividing net debt as at the end of the relevant period by EBITDA (EBITDA adjusted downwards to the extent of finance lease charges on towers in Africa) for the relevant period (annualized).
Net Debt to Funded Equity Ratio	It is computed by dividing net debt as at the end of the relevant period by Equity attributable to equity holders of parent as at the end of the relevant period.
Net Income from operations	It is calculated by adding back the interest expense on loans taken for the Africa acquisition to the net income of Africa.
Net Revenues	It is not 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, Lease line, MPLS, IPTV etc.
Others as % of Mobile Revenues	It is computed by dividing 'other' revenue by the total revenues of mobile services for the relevant period. Others include revenue from infrastructure sharing, sale of goods etc.
Operating Free Cash flow	It is computed by subtracting capex from EBITDA.
Personnel Cost per Employee per month	It is computed by dividing the Personnel Cost by the closing number of employees in a given business unit and number of months in the relevant period.
Price-Earnings Ratio – P/E Ratio	It is computed by dividing the closing market price (BSE) as at end of the relevant period by the earnings per basic share for the relevant period (LTM).
Profit / (Loss) after current tax expense	It is not an IFRS measure and is defined as Profit / (Loss) before taxation adjusted for current tax expense.

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

Regulatory

BWA	Broadband Wireless Access
3G	Third - Generation Technology
4G	Fourth - Generation Technology
UCC	Unsolicited Commercial Calls
DoT	Department of Telecommunications

IP	Internet Protocol
ITFS	International Toll Free Service
QoS	Quality of Service
TDSAT	Telecom Disputes Settlement and Appellate Tribunal
TRAI	Telecom Regulatory Authority of India
UAS	Unified Access Service
UASL	Unified Access Service License
USSD	Unstructured Supplementary Services Data
VSAT	Very Small Aperture Terminals
VLR	Visitor Location Register
Others	
BSE	The Stock Exchange, Mumbai
CMAI	Communication Multimedia & Infrastructure
RBI	Reserve Bank of India
GSM	Global System for Mobile Communications.
CDMA	Code Division Multiple Access
DSL	Digital Subscriber Line
ICT	Information and Communication Technology
GAAP	Generally Accepted Accounting Principles
KYC	Know Your Customer
MMS	Multimedia Messaging Service
MTM	Mark to Market
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
NSE	The National Stock Exchange of India Limited.
Sensex	Sensex is a stock index introduced by The Stock Exchange, Mumbai in 1986.
SMS	Short Messaging Service.
BYOD	Bring Your Own Device
STB/CPE	Set Top Box/Customer Premises Equipment
DAS	Digital Addressable System
SIM	Subscriber Identity Module
VAT	Value Added Tax
IPLC	International Private Leased Circuit

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