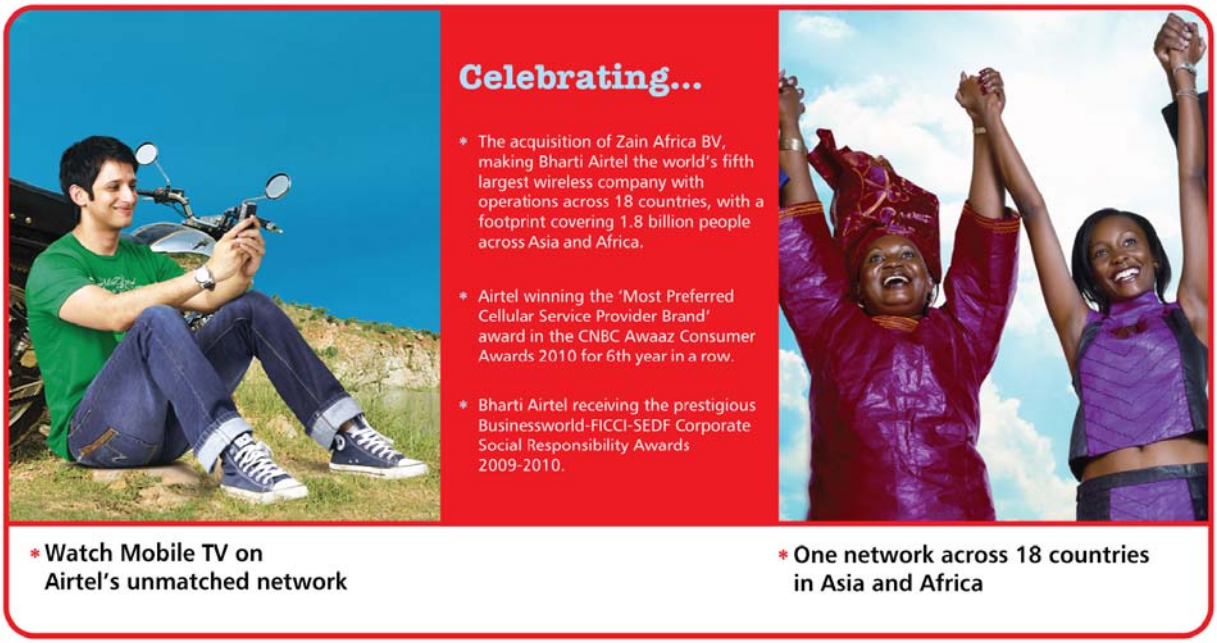
Quarterly report on the results for the first quarter ended June 30, 2010

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 11, 2010

The financial statements included in this quarterly report fairly presents in all material respects the financial condition, results of operations, cash flows 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 bases underlying the forward-looking statement. We have chosen these assumptions or bases 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 bases almost always vary from actual results, and the differences between the results implied by the forward-looking statements and assumed facts or bases 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 unless they can afford to take the risk of losing their investment. For taking an investment decision, investors must rely on their own examination of Bharti Airtel including the risks involved.

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. All translations from Indian Rupees to United States dollars were made (unless otherwise indicated) using the rate of Rs 46.60 = US $1.00. Similarly all transactions from United States Dollars to Indian Rupees were made (unless otherwise stated) using the rate of US$ 0.0215 = Re.1, being the RBI Reference rate as announced by the Reserve Bank of India on June 30, 2010. 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. Information contained on our website www.airtel.in is not part of this Quarterly Report.

Use of Certain Non-GAAP measures: - This result announcement contains certain information on the Company's results of operations and cash flows that have been derived from amounts calculated in accordance with International Financial Reporting Standards (IFRS), but are not in themselves IFRS measures. They should not be viewed in isolation as alternatives to the equivalent IFRS measures and should be read in conjunction with the equivalent IFRS measures. **Further, disclosures are also provided under "Use of Non - GAAP financial information" on page 24**

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 Infratel Ventures Limited (subsidiary of Bharti Infratel Limited), 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, Bharti Airtel (Singapore) Private Ltd, Network i2i Limited, Bharti Airtel Holdings (Singapore) Pte Limited, Bharti Infratel Lanka (Private) Limited (subsidiary of Bharti Airtel Lanka (Private) Limited), Bharti Airtel International (Netherlands) B.V., Bharti International (Singapore) Pte Ltd, Warid Telecom International Limited, Airtel M Commerce Services Limited, Bharti Airtel (Japan) Kabushiki Kaisha (subsidiary of Bharti Airtel Holdings (Singapore) Pte Ltd), Bharti Airtel (France) SAS (subsidiary of Bharti Airtel Holdings (Singapore) Pte Ltd), Bharti Airtel International (Mauritius) Limited, Bharti Airtel Africa B.V. (name changed from Zain Africa B.V.), Bharti Airtel Acquisition Holdings B.V. (name changed from Celtel Acquisition Holdings BV), Bharti Airtel Burkina Faso Holdings B.V. (name changed from Celtel Burkina Faso Holdings BV), Bharti Airtel Cameroon Holdings B.V. (name changed from Celtel Cameroon Holdings BV), Bharti Airtel Chad Holdings B.V. (name changed from Celtel Chad Holdings BV), Bharti Airtel Congo Holdings B.V. (name changed from Celtel Congo Holdings BV), Bharti Airtel Gabon Holdings B.V. (name changed from Celtel Gabon Holdings BV), Bharti Airtel Ghana Holdings B.V. (name changed from Celtel Ghana Holdings BV), Bharti Airtel Kenya B.V. (name changed from Celtel Kenya BV), Bharti Airtel Kenya Holdings B.V. (name changed from Celtel Kenya Holdings BV).

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	UNITS	Full Year Ended				Quarter Ended			
		USGAAP			IFRS	IFRS	IFRS	IFRS	IFRS
		2007	2008	2009	2010	Sep 2009	Dec 2009	Mar 2010	Jun 2010
Operating Highlights									
Total Customer Base	000's	39,013	64,268	97,594	137,013	115,837	125,263	137,013	183,372
Total Minutes on Network	Mn Min	176,679	314,504	506,070	643,109	151,745	160,964	182,001	206,213
Network Sites	Nos	39,224	69,141	93,368	107,443	100,320	103,050	107,443	118,963
Total Employees	Nos	20,314	25,543	24,538	18,354	18,598	18,201	18,354	24,843
No. of countries of operation	Nos	1	1	2	3	2	2	3	18
Population Covered	bn	1.13	1.14	1.18	1.36	1.18	1.18	1.36	1.82
Consolidated Financials									
Revenue	Rs mn	185,196	270,250	369,615	418,472	103,785	103,053	107,491	122,308
EBITDA before Acquisition Related Cost	Rs mn	74,508	113,715	151,678	168,609	43,007	40,823	41,805	45,122
Acquisition Related Cost	Rs mn	-	-	-	976	-	-	976	982
EBITDA after Acquisition Related Cost	Rs mn	74,508	113,715	151,678	167,633	43,007	40,823	40,829	44,140
Cash profit from operations before Derivative & Exchange Fluctuations	Rs mn	71,210	110,579	151,990	162,301	41,675	39,566	39,588	42,103
Cash profit from operations after Derivative & Exchange Fluctuations	Rs mn	73,070	111,374	140,065	167,455	40,924	41,088	41,185	39,942
Profit / (Loss) before Tax	Rs mn	48,860	76,537	93,073	105,091	25,860	25,336	24,411	20,719
Net income	Rs mn	42,571	67,008	84,699	89,768	22,630	21,949	20,443	16,816
Net Debt	Rs mn	42,306	42,057	69,635	23,920	69,215	47,733	23,920	602,308
Shareholder's Equity	Rs mn	135,553	217,042	303,945	421,940	354,118	376,921	421,940	435,037
Consolidated Financials									
Revenue	US$ Mn	4,297	6,753	7,254	9,271	2,160	2,208	2,381	2,625
EBITDA before Acquisition Related Cost	US$ Mn	1,729	2,841	2,977	3,735	895	875	926	968
Acquisition Related Cost	US$ Mn	-	-	-	22	-	-	22	21
EBITDA after Acquisition Related Cost	US$ Mn	1,729	2,841	2,977	3,714	895	875	904	947
Cash profit from operations before Derivative & Exchange Fluctuations	US$ Mn	1,652	2,763	2,983	3,595	867	848	877	904
Cash profit from operations after Derivative & Exchange Fluctuations	US$ Mn	1,695	2,783	2,749	3,710	852	880	912	857
Profit / (Loss) before Tax	US$ Mn	1,134	1,912	1,827	2,328	538	543	541	445
Net income	US$ Mn	988	1,674	1,662	1,989	471	470	453	361
Net Debt	US$ Mn	982	1,051	1,367	530	1,441	1,023	530	12,925
Shareholder's Equity	US$ Mn	3,145	5,423	5,966	9,347	7,371	8,075	9,347	9,336
Key Ratios									
Underlying EBITDA Margin[2]	%	40.2%	42.1%	41.0%	40.3%	41.4%	39.6%	38.9%	36.9%
Net Profit Margin	%	23.0%	24.8%	22.9%	21.5%	21.8%	21.3%	19.0%	13.7%
Net Debt to Funded Equity Ratio	Times	0.31	0.19	0.23	0.06	0.20	0.13	0.06	1.38
Return on Shareholder's Equity	%	37.4%	38.0%	32.5%	29.0%	29.6%	27.6%	25.1%	21.3%
Return on Capital employed	%	28.2%	31.7%	30.4%	24.4%	25.7%	23.7%	21.6%	18.4%

1. *Exchange rate for Rupee conversion to US$ is (a) Rs. 43.10 for the financial year ended March 31, 2007 (b) Rs. 40.02 for the financial year ended March 31, 2008 (c) Rs.50.95 for the financial year ended March 31, 2009 (d) Rs. 48.04 for the quarter ended September 30, 2009, (e) Rs. 46.68 for the quarter ended December 31, 2009 (f) Rs. 45.14 for the quarter ended March 31, 2010, (g) Rs. 46.60 for the quarter ended June 30, 2010 being the RBI Reference rate as announced by The Reserve Bank of India at the end of the respective periods.*

2. Underlying EBITDA Margin is computed before acquisition related costs, of Rs. 976 mn for the quarter ended March 31, 2010 and full year ended March 31, 2010, and of Rs. 982 mn for the quarter ended June 30, 2010.

Section 2

AN OVERVIEW

2.1 Introduction

We are one of world's leading providers of telecommunication services with presence in all the 22 licensed jurisdictions (also known as Telecom Circles) in India, and operations in Srilanka, Bangladesh and now in Africa. We served an aggregate of 183,371,520 customers as of June 30, 2010.We are the largest wireless service provider in India, based on the number of customers as of June 30, 2010. We offer an integrated suite of telecom solutions to our enterprise customers, in addition to providing long distance connectivity both nationally and internationally. We also offer Digital TV and IPTV Services. All these services are rendered under a unified brand "Airtel".

The company also deploys, owns and manages passive infrastructure pertaining to telecom operations under its subsidiary Bharti Infratel Limited. Bharti Infratel owns 42% of Indus Towers Limited. Bharti Infratel and Indus Towers are amongst top providers of passive infrastructure services in India.

2.2 Business Divisions

2.2.1 India & South Asia

Mobile Services (India & South Asia) - We offer mobile services using GSM technology in India, Sri Lanka and Bangladesh. We have the largest customer base in India in the wireless segment. We had 136,620,401 mobile customers with a customer market share (CMS) of 21.5% in India, as on June 30, 2010. We offer post-paid, pre-paid, roaming and value added services through our extensive sales and distribution channel covering 1.5 mn outlets. Our network is at present in 5,092 census towns and 440,023 non-census towns and villages in India, thus covering approximately 84.3% of the country's population.

Our national long distance infrastructure comprises of 129,244 Rkms of optical fibre providing a pan India reach.

Airtel Sri Lanka has approximately 1.4 mn customers, having a presence in 20 administrative districts of Sri Lanka. The company has launched 3.5G services in the major towns and has created a wide distribution network comprising over 21,000 retailers across the country. Airtel has recently expanded its network into the Eastern districts.

Airtel has started telecom operations in Bangladesh with the acquisition of a 70% stake in Warid Telecom, Bangladesh. It has over 2.5 mn customers, and offers mobile services across 64 districts of Bangladesh with a distribution network over 46,000 retailers across the country. Bangladesh, with a population of over 165 mn and teledensity of 36% is a very promising market for telecom services.

Telemedia Services – We provide broadband (DSL), data and telephone services (fixed line) in 88 cities with growing focus on the various data solutions for the Small & Medium Business (SMB) segment. We had 3,153,079 customers of which 42.6% were subscribing to broadband / internet services, as on June 30, 2010. Our product offerings in this segment include installation of fixed-line telephones providing local, national and international long distance voice connectivity and broadband Internet access through DSL.

We remain strongly committed to our focus on the SMB segment by providing a range of customized Telecom/IT solutions and aim to achieve revenue leadership in this rapidly growing segment of the ICT market. The strategy of our Telemedia Services business unit is to focus on cities with high revenue potential.

Enterprise Services - Enterprise Services is India's leading provider of communications services to large Enterprise and Carrier customers. We own a state of the art long distance network infrastructure, enabling us to provide connectivity services both within India and connecting India to the world.

We have made significant investments in new submarine cable systems, extending our reach all across the globe with over 225,000 Rkms, covering 50 countries across 5 Continents.

Enterprise Services delivers end to end telecom solutions to India's large corporates. We also serve as the single point of contact for all telecommunication needs for corporate customers in India by providing a full suite of communication services across data, voice, network integration, and managed services. We are regarded as the trusted communications partner to India's leading organizations, helping them to meet the challenges of growth.

We have also forayed into the Media & Entertainment industry with the launch of Digital Media Business. Digital Media enables a clear demand for secure digital distribution capability across multiple platforms and will help establish India as an innovation hub for global content and format delivery.

Digital TV Services - Airtel Digital TV with a base of over 3.2 mn customers continues to lead in new customer acquisition, acquiring 1 out of every 4 new customers joining the DTH platform. We continue to expand distribution, going beyond 9,000 towns and thousands of villages. To further widen the gap with incumbent technology, we have launched Airtel Digital TV recorder and High Definition (HD) set top boxes delivering superior customer experience. With recording of TV programs from mobile & web, we have launched our first truly integrated service converging all 3 platforms.

Passive Infrastructure Services – Bharti Infratel provides passive infrastructure services on a non-discriminatory basis to all telecom operators in India. Bharti Infratel deploys, owns and manages passive infrastructure in 11 circles of India. Infratel also holds 42% share in Indus Towers (a Joint Venture between Bharti Infratel, Vodafone and Idea

Cellular). Indus operates in 15 circles (4 circles common with Infratel, 11 circles on exclusive basis).

Bharti Infratel has 31,196 towers in 11 circles, excluding the 35,254 towers in 11 circles for which the right of use has been assigned to Indus with effect from January 1, 2009. Indus Towers has a portfolio of 104,901 towers including the towers under right of use.

2.2.2 Africa

Mobile Services (Africa) - Bharti Airtel acquired the Africa operations of Zain Group excluding the Sudanese & Moroccan operations for a total enterprise value of US$ 10.7 bn. This acquisition is in line with Bharti's strategy of expanding in emerging markets. Africa's population stands at 1 bn and is projected to grow at an annual average rate of 2.3% with a GDP growth rate of 3.1%. The population in 15 countries that we operate is around 459 mn with a mobile customer base of 178 mn representing a penetration of 38%. As at June 30, 2010 Airtel had 36.4 mn customers in these markets. The financial statements of African operations are consolidated in company results w.e.f. June 8, 2010.

Africa Others – It comprises of investment holding companies for Africa mobile operations.

2.3 Partners

Strategic Equity Partners - We have a strategic alliance with SingTel, which has enabled us to further enhance and expand our telecommunications networks in India to provide quality service to our customers. The investment made by SingTel in Bharti is one of their largest investments made in the world outside Singapore.

Equipment and Technology Partners - We continued to strengthen and build upon the unique outsourcing business models we have pioneered with our partners. These business models have enabled long term strategic relationships with global leaders who share our drive for co-creating innovative and tailor-made solutions for the markets we operate in.

Every year, in the first quarter, Airtel joins its key Partners to celebrate the year gone by, and renew our mutual commitment to win in the marketplace as one extended team. This year's Partnership Meet had our top 100 partner organizations dialoging on what we must do to keep on winning. Also, as a reflection of the continued strength of our partnerships, we registered the highest partner satisfaction scores in our annual survey pointing to high levels of partner engagement and loyalty.

IBM is our strategic partner for all business and enterprise IT systems. Our path breaking contract with IBM caters to, among other things, technology evolution, scale, tariff changes and subscriber growth. As of quarter end, there were more than 90 hardware, software and service providers supporting us through IBM. Bearing testimony to the depth and breadth of this relationship is the IP Converged Core contract we just signed with IBM.

On the GSM/Wireless equipment side, we have partnered with Ericsson and Nokia Siemens for 2G/2.5G network in India, and with Huawei for the supply of 2G and 3G networks in Sri Lanka. We recently extended our agreement with Ericsson and Nokia Siemens Network (NSN) to cover the further expansion of our 2G/2.5G wireless network over the next two years. These equipment vendors also have the managed services contracts for the respective circles/country and take care of Network Operations towards flawless service delivery.

Alcatel Lucent (ALU) is our Wire-line Access Network Managed Services partner through a JV Company. They are also responsible for deployment of Fibre/Copper and service provisioning. ALU were recently introduced as the 3rd vendor in the Carrier Ethernet area.

IBM Daksh, Mphasis, Firstsource, Teleperformance, Aegis and HTMT are our call centre partners and provide an excellent customer experience through dedicated contact center operations. We work with globally renowned organizations such as OnMobile, Comviva, Yahoo, Google and Cellebrum among others to provide each of our customers with a unique experience in VAS like CRBT (caller ring back tone), Music on Demand, Email services and other Airtel Live applications. We have an alliance with RIM for selling Blackberry enterprise services and Blackberry internet services.

SECTION 3

Key Accounting Changes

3.1 Adoption of International Financial Reporting Standards (IFRS) w.e.f. April 1, 2010

The Ministry of Corporate Affairs (MCA) on 22nd January 2010 announced the approach and timelines for achieving Indian Accounting Standard convergence with IFRS. New converged Accounting Standards u/s 211(3C) of the Companies Act, 1956 will be issued and will be initially applicable to a specified class of companies. These companies include those listed in NIFTY 50, Sensex 30 or listed in overseas exchange or whose net worth exceeds Rs 10,000 mn are required to prepare the opening balance sheet in accordance with converged standards as of April 1, 2011.

The Securities and Exchange Board of India in its circular dated November 9, 2009 had permitted listed entities having subsidiaries to voluntarily submit the consolidated financial statements under IFRS standards effective April 1, 2010.

The company was following US GAAP standards and Indian GAAP for preparation of consolidated financial statements till Mar 31, 2010. The company in line with SEBI circular had elected to early adopt IFRS for the preparation of consolidated financial statements and accordingly has transitioned from existing Indian GAAP (being the base GAAP for transition) to IFRS effective April 1, 2009. The company will continue to follow existing Indian GAAP for standalone results.

3.2 Reclassification of Reporting Segments

Consequent to the adoption of IFRS w.e.f. April 1, 2010, the company has reviewed its operating segments disclosures. As per Para 5, IFRS 8 - “An operating segment is a component of an entity:
(a) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity),
(b) whose operating results are regularly reviewed by the entity’s chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and
(c) for which discrete financial information is available”.

In consonance with IFRS 8 the 'Chief Operating decision maker' management approach, the company has reviewed its operating segments as follows. These have also been restated for prior periods.

Mobile Services (India & South Asia) - These services cover telecom services provided through cellular mobile technology in the geographies of India and South Asia. This also includes the captive national long distance networks (erstwhile reported under Enterprise Services segment) which primarily provides connectivity to the Mobile Services business in India.

Mobile Services (Africa) - These services cover telecom services provided through cellular mobile technology in the African continent. This segment includes the businesses of the recently acquired Zain operations in Africa.

Telemedia Services - These services are provided through wire-line connectivity to retail and small business customers.

Enterprise Services - These services cover long distance services to third party international or domestic telecom service providers and internet broad-band/network solution services to corporate customers. (This segment previously included the captive national long distance networks which has now been reported under Mobile Services (India & South Asia)).

Passive Infra Services include setting up, operating and maintenance of communication towers for wireless telecom services provided both within and outside the group in and out of India.

Other Operations - These represent revenues and expenses, assets and liabilities for the group none of which constitutes a separately reportable segment. The corporate headquarters expenses are not charged to individual segments.

3.3 Consolidation of Joint Venture Results

Consequent to the adoption of IFRS w.e.f. April 1, 2010, the company has adopted 'Proportionate Consolidation' of Joint Ventures as per IAS 31 - Interest in Joint Ventures. As per Para 33, "The application of proportionate consolidation means that the statement of financial position of the venturer includes its share of the assets that it controls jointly and its share of the liabilities for which it is jointly responsible. The statement of comprehensive income of the venturer includes its share of the income and expenses of the jointly controlled entity. "
The Company has proportionately consolidated the financial statements of Indus Towers Ltd. based on its equity interest in that company with effect from April 1, 2010 and for the comparable prior periods. Consequently Forty Two Percent (42%) of the Assets/Liabilities and Revenue/Expenses of Indus Towers Ltd. are reported in the consolidated books of Bharti Airtel Ltd. The impact of this consolidation on the erstwhile USGAAP results (based on 'Equity Consolidation' for Joint Ventures) for the financial Year 2009-10 has been disclosed separately on page 40.

SECTION 4

FINANCIAL HIGHLIGHTS

This section presents the (1) audited financial results for the first quarter ended June 30, 2009, and (2) audited financial results for the first quarter ended June 30, 2010 as per International Financial Reporting Standards (IFRS).

Detailed financial statements, analysis and other related information is attached to this report as Annexure (page 27 - 29). Also, kindly refer to Section 8 - use of Non - GAAP financial information (page 24) and Glossary (page 42) for detailed definitions.

4.1 Consolidated - Summary of Consolidated Financial Statements

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

Amount in Rs mn, except ratios

Particulars	Quarter Ended		
	Jun-10	Jun-09	Y-on-Y Growth
Total revenues	**122,308**	**104,143**	**17%**
EBITDA before Acquisition Related Cost	**45,122**	**42,974**	**5%**
Acquisition Related Cost	982	-	
EBITDA after Acquisition Related Cost	44,140	42,974	3%
Cash profit from operations before Derivative and Exchange Fluctuation	42,103	41,473	2%
Cash profit from operations after Derivative and Exchange Fluctuation	39,942	44,258	-10%
Profit / (Loss) before Tax	20,719	29,483	-30%
Current tax expense	5,409	6,821	-21%
Profit / (Loss) after current tax expense	15,310	22,662	-32%
Deferred tax expense / (income)	(1,659)	(2,516)	-34%
Net income	16,816	24,745	-32%
EBITDA / Total revenues (before Acquisition Related Cost)	36.9%	41.3%	
EBITDA / Total revenues (after Acquisition Related Cost)	36.1%	41.3%	

4.1.2 Consolidated Summarized Statement of Financial Position

Amount in Rs mn

Particulars	As at Jun 30, 2010
Assets	
Non-current assets	1,298,394
Current assets	131,163
Total assets	**1,429,557**
Non-current liabilities	647,106
Current liabilities	314,567
Total liabilities	**961,673**
Equity & Minority Interest	
Equity	435,037
Minority Interest	32,847
Total Equity & Minority Interest	**467,884**
Total Equity and liabilities	**1,429,557**

4.2 Region wise - Summary of Consolidated Financial Statements

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

Amount in Rs mn,except ratios

Particulars	Quarter Ended Jun 2010				Quarter Ended Jun 2009			
	India & SA	Africa	Africa Others	Total	India & SA	Africa	Africa Others	Total
Total revenues	**112,725**	**9,583**	**-**	**122,308**	**104,143**			**104,143**
EBITDA before Acquisition Related Cost	**42,500**	**2,635**	**(13)**	**45,122**	**42,974**			**42,974**
Acquisition Related Cost	76	-	906	982	-			-
EBITDA after Acquisition Related Cost	42,424	2,635	(919)	44,140	42,974			42,974
Cash profit from operations before Derivative and Exchange Fluctuation	41,658	1,983	(1,538)	42,103	41,473			41,473
Cash profit from operations after Derivative and Exchange Fluctuation	40,233	1,244	(1,535)	39,942	44,258			44,258
Profit / (Loss) before Tax	23,008	(754)	(1,535)	20,719	29,483			29,483
Current tax expense	5,248	161	-	5,409	6,821			6,821
Profit / (Loss) after current tax expense	17,760	(915)	(1,535)	15,310	22,662			22,662
Deferred tax expense / (income)	(1,561)	(98)	-	(1,659)	(2,516)			(2,516)
Net income	19,048	(697)	(1,535)	16,816	24,745			24,745
EBITDA / Total revenues (before Acquisition Related Cost)	37.7%	27.5%		36.9%	41.3%			41.3%
EBITDA / Total revenues (after Acquisition Related Cost)	37.6%	27.5%		36.1%	41.3%			41.3%

4.2.2 Region wise Summarized Statement of Financial Position

Amount in Rs mn

Particulars	As at Jun 30, 2010			
	India & SA	Africa	Africa Others	Total
Assets				
Non-current assets	735,273	563,121	0	1,298,394
Current assets	95,815	34,190	1,158	131,163
Total assets	**831,088**	**597,311**	**1,158**	**1,429,557**
Liabilities				
Non-current liabilities	199,164	71,917	376,025	647,106
Current liabilities	165,574	99,570	49,423	314,567
Total liabilities	**364,738**	**171,487**	**425,448**	**961,673**
Investment Elimination	1,658	(426,605)	424,947	-
Equity & Minority Interest				
Equity	442,384	(8,004)	657	435,037
Minority Interest	25,624	7,223	0	32,847
Total Equity & Minority Interest	**468,008**	**(781)**	**657**	**467,884**
Total Equity and liabilities	**832,746**	**170,706**	**426,105**	**1,429,557**

4.3 Segment wise Summarized Statement of Operations

India & South Asia

4.3.1 Mobile Services (India & South Asia) – comprises of Consolidated Statement of Operations of Mobile Services India & South Asia.

Amount in Rs mn, except ratios

Particulars	Quarter Ended		
	Jun-10	Jun-09	Y-on-Y Growth
Total revenues	88,237	84,301	5%
EBITDA	31,710	34,106	-7%
EBIT	22,236	25,770	-14%
EBITDA / Total revenues	35.9%	40.5%	

4.3.2 Telemedia Services – comprises of Operations of Telemedia Services.

Amount in Rs mn, except ratios

Particulars	Quarter Ended		
	Jun-10	Jun-09	Y-on-Y Growth
Total revenues	8,960	8,551	5%
EBITDA	3,938	3,466	14%
EBIT	1,910	1,797	6%
EBITDA / Total revenues	44.0%	40.5%	

4.3.3 Enterprise Services – comprises of Operations of Enterprise Services

Amount in Rs mn, except ratios

Particulars	Quarter Ended		
	Jun-10	Jun-09	Y-on-Y Growth
Total revenues	10,186	11,627	-12%
EBITDA	2,497	2,942	-15%
EBIT	1,450	2,196	-34%
EBITDA / Total revenues	24.5%	25.3%	

4.3.4 Passive Infrastructure Services – represents Bharti Infratel Ltd and proportionate consolidation of 42% of Indus.

Amount in Rs mn, except ratios

Particulars	Quarter Ended		
	Jun-10	Jun-09	Y-on-Y Growth
Total revenues	20,412	15,937	28%
EBITDA	7,240	5,201	39%
EBIT	2,572	1,327	94%
EBITDA / Total revenues	35.5%	32.6%	

4.3.5 Others – comprises of Digital TV operations, corporate offices and new projects in India & South Asia.

Amount in Rs mn, except ratios

Particulars	Quarter Ended		
	Jun-10	Jun-09	Y-on-Y Growth
Total revenues	1,949	1,027	90%
EBITDA before Acquisition Related Cost	(2,283)	(2,213)	-3%
Acquisition Related Cost	76	0	
EBITDA after Acquisition Related Cost	(2,359)	(2,213)	-7%
Depreciation and Others	539	567	-5%
EBIT	(2,898)	(2,780)	-4%

Africa

4.3.6 Mobile Services (Africa) – comprises of 15 country operations in Africa.

Amount in Rs mn, except ratios

Particulars	Quarter Ended		
	Jun-10[3]	Jun-09	Y-on-Y Growth
Total revenues	9,583		
EBITDA	2,635		
EBIT	653		
EBITDA / Total revenues	27.5%		

Note 3: For 23 days (June 8, 2010 to June 30, 2010)

4.3.7 Africa Others – comprises of holding investments in Mobile Africa operations.

Amount in Rs mn, except ratios

Particulars	Quarter Ended		
	Jun-10	Jun-09	Y-on-Y Growth
Total revenues	-		
EBITDA before Acquisition Related Cost	(13)		
Acquisition Related Cost	906		
EBITDA after Acquisition Related Cost	(919)		
Depreciation and Others	-		
EBIT	(919)		

4.4 Region wise and Segment wise Investment & Contribution

4.4.1 Investments in Projects

Amount in Rs mn, except ratios

Segment	As at Jun 30, 2010				
	India & SA	Africa	Africa Others	Total	% of Total
Mobile Services[4]	559,258	540,450	-	1,099,708	89%
Telemedia Services	112,434	-	-	112,434	9%
Enterprise Services	34,459	-	-	34,459	3%
Passive Infrastructure Services	205,008	-	-	205,008	17%
Others	23,507	-	-	23,507	2%
Total	**934,666**	**540,450**	**-**	**1,475,116**	**119%**
Less:- Accumulated Depreciation and Amortization	153,714	80,370	-	234,084	19%
Net Fixed Assets and Other Project Investment	**780,952**	**460,080**	**-**	**1,241,032**	**100%**
% of Total	**63%**	**37%**	**0%**	**100%**	

Note 4: includes National optic fibre network

4.4.2 Region wise and Segment wise contribution to Revenue, EBITDA and Capital expenditure incurred during the period.

Amount in Rs mn, except ratios

Segment	Revenue				
	Quarter ended Jun 2010				
	India & SA	Africa	Africa Others	Total	% of Total
Mobile Services	88,237	9,583		97,820	80%
Telemedia Services	8,960			8,960	7%
Enterprise Services	10,186			10,186	8%
Passive Infrastructure Services	20,412			20,412	17%
Others	1,949			1,949	2%
Sub Total	**129,744**	**9,583**		**139,327**	**114%**
Eliminations	(17,019)			(17,019)	-14%
Total	**112,725**	**9,583**		**122,308**	**100%**
% of Total	**92%**	**8%**	**0%**	**100%**	

Amount in Rs mn, except ratios

Segment	EBITDA				
	Quarter ended Jun 2010				
	India & SA	Africa	Africa Others	Total	% of Total
Mobile Services	31,710	2,635		34,345	78%
Telemedia Services	3,938			3,938	9%
Enterprise Services	2,497			2,497	6%
Passive Infrastructure Services	7,240			7,240	16%
Others	(2,359)		(919)	(3,278)	-7%
Sub Total	**43,026**	**2,635**	**(919)**	**44,742**	**101%**
Eliminations	(602)			(602)	-1%
Total	**42,424**	**2,635**	**(919)**	**44,140**	**100%**
% of Total	**96%**	**6%**	**-2%**	**100%**	

Amount in Rs mn, except ratios

Segment	Capex				
	Quarter ended Jun 2010				
	India & SA	Africa	Africa Others	Total	% of Total
Mobile Services	7,071	935		8,006	44%
Telemedia Services	1,598			1,598	9%
Enterprise Services	694			694	4%
Passive Infrastructure Services	5,301			5,301	29%
Others	2,762			2,762	15%
Sub Total	**17,426**	**935**		**18,361**	**100%**
Eliminations	0			0	0%
Total	**17,426**	**935**		**18,361**	**100%**
% of Total	**95%**	**5%**	**0%**	**100%**	

SECTION 5

OPERATING HIGHLIGHTS

The financial figures used for computing ARPU, ARPM, Non Voice revenue, Gross revenue per employee per month are based on IFRS.

5.1 Customers and Non Voice % - Consolidated

Parameters	Unit	June 30, 2010	March 31, 2010	Q-on-Q Growth	June 30, 2009	Y-on-Y Growth
Mobile Services	**000's**	**176,975**	**131,349**	**35%**	**103,351**	**71%**
India & South Asia	000's	140,613	131,349	7%	103,351	36%
Africa	000's	36,362	-		-	
Telemedia Services	000's	3,153	3,067	3%	2,828	11%
Digital TV Services	000's	3,244	2,597	25%	863	276%
Total	**000's**	**183,372**	**137,013**	**34%**	**107,042**	**71%**
Non Voice Revenue as a % of Total Revenues	%	14.7%	15.9%		14.1%	

5.2 Traffic Details - Consolidated

Parameters	Unit	June 30, 2010	March 31, 2010	Q-on-Q Growth	June 30, 2009	Y-on-Y Growth
Mobile Services	**Mn Min**	**198,892**	**174,746**	**14%**	**141,035**	**41%**
India & South Asia	Mn Min	195,197	174,746	12%	141,035	38%
Africa[5]	Mn Min	3,695				
Telemedia Services	Mn Min	4,696	4,515	4%	4,746	-1%
National Long Distance Services	Mn Min	17,333	15,875	9%	11,781	47%
International Long Distance Services	Mn Min	3,044	3,173	-4%	2,869	6%
Total Minutes on Network (Gross)	**Mn Min**	**223,965**	**198,309**	**13%**	**160,431**	**40%**
Eliminations	Mn Min	(17,751)	(16,308)	9%	(12,031)	48%
Total Minutes on Network (Net)	**Mn Min**	**206,213**	**182,001**	**13%**	**148,399**	**39%**

Note 5: Network minutes for Africa operations are on full month basis

5.3 Mobile Services India

Parameters	Unit	June 30, 2010	March 31, 2010	Q-on-Q Growth	June 30, 2009	Y-on-Y Growth
Customer Base[6]						
All India Wireless Customers	000's	635,505	584,323	9%	427,282	49%
Wireless Customers on Airtel's Networks	000's	136,620	127,619	7%	102,368	33%
Net Additions						
All India Wireless Customers	000's	51,182	59,175	-14%	35,522	44%
Wireless Customers on Airtel's Networks	000's	9,001	8,755	3%	8,445	7%
Market Share						
Airtel's Wireless Market Share	%	21.5%	21.8%		24.0%	
Airtel's Market Share of Net Additions	%	17.6%	14.8%		23.8%	
Pre-Paid Subscribers						
As a % of total Customer Base	%	96.0%	95.8%		94.7%	
Other Operating Information						
Average Revenue Per User (ARPU)	Rs	215	220	-2%	278	-23%
Average Revenue Per User (ARPU)	US$	4.6	4.7	-2%	6.0	-23%
Average Rate Per Minute (ARPM)	Rs	0.45	0.47	-5%	0.58	-23%
Average Minutes of Use Per User	Min	480	468	3%	478	1%
Monthly Churn	%	5.8%	5.7%		3.4%	
Non Voice Revenue						
Non Voice Revenue as a % of mobile revenues	%	11.6%	11.8%		9.3%	

Note 6: All India mobile subscribers based on report published by TRAI

5.4 Telemedia Services

Parameters	Unit	June 30, 2010	March 31, 2010	Q-on-Q Growth	June 30, 2009	Y-on-Y Growth
Telemedia Customers	000's	3,153	3,067	3%	2,828	11%
Net additions	000's	86	78	10%	102	-15%
Average Revenue Per User (ARPU)	Rs	961	937	3%	1,027	-6%
Average Revenue Per User (ARPU)	US$	20.6	20.1	3%	22.0	-6%

5.5 Network and Coverage - India

Parameters	Unit	June 30, 2010	March 31, 2010	Q-on-Q Growth	June 30, 2009	Y-on-Y Growth
Mobile Services						
Census Towns	Nos	5,092	5,091	1	5,067	25
Non-Census Towns and Villages	Nos	440,023	438,933	1,090	423,149	16,874
Population Coverage	%	84.3%	84.2%		81.9%	
Optic Fibre Network	R Kms	129,244	126,357	2,886	104,540	24,704
Network Sites	Nos	105,394	104,826	568	96,149	9,245
Telemedia Services						
Cities covered	Nos	88	89	(1)	95	(7)
Submarine Cables Systems	Nos	4	3	1	2	2

5.6 Passive Infrastructure Services

5.6.1 Bharti Infratel

Parameters	Unit	June 30, 2010	March 31, 2010	Q-on-Q Growth	June 30, 2009	Y-on-Y Growth
Total Towers[7]	Nos	31,196	30,568	628	28,078	3,118
Key Indicators						
Sharing Revenue per Sharing Operator per month	Rs	36,290	36,878	-2%	36,420	0%
Sharing Factor	Times	1.65	1.62		1.43	

Note 7: Total towers are excluding 35,254 towers in 11 circles for which the right of use has been assigned to Indus with effect from 1st Jan 2009

5.6.2 Indus Towers

Parameters	Unit	June 30, 2010	March 31, 2010	Q-on-Q Growth	June 30, 2009	Y-on-Y Growth
Total Towers[8]	Nos	104,901	102,938	1,963	97,925	6,976
Key Indicators						
Sharing Revenue per Sharing Operator per month	Rs	30,379	29,674	2%	28,915	5%
Sharing Factor	Times	1.75	1.71		1.55	

Note 8: Indus KPIs are on 100% basis.

5.7 Human Resource Analysis - India

Parameters	Unit	June 30, 2010	March 31, 2010	Q-on-Q Growth	June 30, 2009	Y-on-Y Growth
Consolidated						
Total Employees	Nos	17,233	17,289	(56)	23,590	(6357)
Number of Customers per employee	Nos	8,299	7,709	8%	4,496	85%
Gross Revenue per employee per month [9]	Rs	2,153,214	2,059,518	5%	1,468,970	47%

Note 9: Gross Revenue includes Indus JV proportionate revenue whereas Indus employees are not included
Note 10: Total employees includes Bharti Infratel employees of 1,001 and excludes Indus JV employees

5.8 Mobile Services - Africa

Parameters	Unit	June 30, 2010	March 31, 2010	Q-on-Q Growth	June 30, 2009	Y-on-Y Growth
Customer Base						
Total Wireless Customers	000's	NA				
Wireless Customers on Airtel's Networks	000's	36,362				
Net Additions						
Total Wireless Customers	000's	NA				
Wireless Customers on Airtel's Networks	000's	36,362				
Market Share						
Airtel's Wireless Market Share	%	NA				
Airtel's Market Share of Net Additions	%	NA				
Pre-Paid Subscribers						
As a % of total Customer Base	%	99.3%				
Other Operating Information						
Average Revenue Per User (ARPU)	US$	7.4				
Average Rate Per Minute (ARPM)	US¢	7.2				
Average Minutes of Use Per User	Min	103				
Monthly Churn	%	5.6%				
Non Voice Revenue						
Non Voice Revenue as a % of mobile revenues	%	7.9%				

5.9 Traffic Details - Africa

Parameters	Unit	June 30, 2010	March 31, 2010	Q-on-Q Growth	June 30, 2009	Y-on-Y Growth
Mobile Services	**Mn Min**	**3,695**				
International Long Distance Services	Mn Min	-				
Total Minutes on Network (Gross)	**Mn Min**	**3,695**				
Eliminations	Mn Min	-				
Total Minutes on Network (Net)	**Mn Min**	**3,695**				

5.10 Network & Coverage - Africa

Parameters	Unit	June 30, 2010	March 31, 2010	Q-on-Q Growth	June 30, 2009	Y-on-Y Growth
Mobile Servies						
Towns & Villages	Nos	NA				
Population Coverage	%	NA				
Network Sites	Nos	10,840				

5.11 Human Resource Analysis - Africa

Parameters	Unit	June 30, 2010	March 31, 2010	Q-on-Q Growth	June 30, 2009	Y-on-Y Growth
Total Employees	Nos	6,600				
Number of Customers per employee	Nos	5,509				
Gross Revenue per employee per month	US$	10,386				

Note 11: All the above KPIs calculated for Africa operations are on full month basis

SECTION 6

MANAGEMENT DISCUSSION AND ANALYSIS

6.1 India and South Asia

A. Key Industry Developments

1. 3G and BWA Auction:

During Apr-June, 2010 DoT has completed 3G and BWA auctions – First time in India.

3G - After 34 days (April 9, 2010 to May 13, 2010) and 183 rounds of 3G bidding, the Indian government has raised Rs. 67,719 crores from the 3G auction. Airtel, Aircel and Reliance each won spectrum in 13 service areas, Idea for 11 service areas, whereas Tata and Vodafone each have won spectrum in 9 service areas. Date of grant of spectrum is expected on September 1, 2010.

BWA - India's Broadband Wireless Access (BWA) spectrum auctions closed after 16 days (May 24, 2010 to 11 June, 2010) and 117 rounds of bidding. Among the winners Infotel (acquired later by Reliance Industries Ltd.) won for all 22 of India's service areas, Aircel won for 8 service area, Airtel and Qualcomm won for 4 service areas and Augere won for 1 service area. The Government has raised Rs. 38,543 crores from the BWA auction and spectrum was awarded on July 7, 2010.

2. Security Clearance

- DoT introduced a new security condition in Dec 2009 in the license agreement, making it mandatory for the service providers to apply for security clearance for all the equipments before placement of order.
- DoT has started issuing provisional clearances for some of the items lists submitted by the service providers and also denied clearance for certain equipments.
- Basis self certifications by service providers, June 2010 onwards DoT has started issuing the final approvals to service providers.
- Service providers who have got the final DoT approval have started procuring the equipment required for their networks.
- Further, DoT is in the process of finalizing a new agreement in consultation with the Industry which needs to be signed between all the service providers and their suppliers, covering various aspects of the overall security aspects of the country.

3. Mobile Number Portability

- The inter-operator testing is under progress to ensure a smooth launch.
- DoT has extended the timelines for implementation of MNP to October 31, 2010.

4. Subscriber Verification

- DoT has decentralized its powers to TERM Cells with respect to imposition of penalty on non-compliances observed through audits carried out on subscriber verification.
- Industry has raised concerns around this as this will question the transparency of the audit methodology.
- Industry has also written to DoT on other issues concerning the audits which have been outstanding for long. Majorly, the industry has been asking DoT to come out with a standard operating procedure for the audit carried out by TERM Cells so that the subjectivity / interpretation issues are removed thus making it a uniform and transparent audit. In addition, the industry has requested clarifications to be issued with respect to some documents allowed by DoT but being marked negative by TERM Cells due to interpretation apart from allowing some additional documents as proof of identity and address.
- DoT has sought views from the industry with suggestions on how the whole audit process can be strengthened so that there are no subsisting issues.

5. TRAI Recommendations on Spectrum Management & Licensing Framework

TRAI announced its recommendations to DoT on Spectrum Management and Licensing Framework on May 11, 2010. The key highlights of the recommendations are:

- The contracted spectrum will be 6.2 MHz / 5 MHz for GSM / CDMA respectively.
- All future licenses would be unified licenses and spectrum to be delinked from the license.
- A uniform license fee would be levied for UASL, CMTS, ISP and IP-I operators, which would be rationalized at 6% w.e.f. 2013-14.
- On renewal of license, 900MHz band to be replaced with 1800MHz band with equal amount of spectrum.
- 3G price should be adopted to determine the current price for 1800 MHz band. For 900MHz, it will be valued at 1.5 times of spectrum in 1800MHz band. TRAI is initiating the exercise to determine the current prices and would apprise the Government of its findings.
- Spectrum sharing to be allowed between 2 operators, who do not hold more than 4.4MHz.

B. Key Company Developments

- Bharti Airtel has become a global telecom operator by **completing the acquisition of Zain Group's ("Zain")** mobile operations in 15 countries across Africa for an enterprise valuation of US$10.7 billion. With this acquisition, Airtel will become the first Indian brand to go truly global with a footprint that covers over 1.8 billion people. Bharti Airtel also becomes a major Indian MNC with operations in 18 countries **across Asia and Africa** with a customer base of over 183 million.

- Airtel won the **'Most Preferred Cellular Service Provider Brand'** award in the **CNBC Awaaz Consumer Awards 2010** for the 6th year in a row. The CNBC Awaaz Consumer Awards were based on an exhaustive consumer survey done by Nielsen. Over 3,000 consumers, spanning 19 cities and 16 states in India, rated brands across different

categories to choose brands which delivered true value for money.

- Bharti Airtel received the prestigious **Business world – FICCI-SEDF Corporate Social Responsibility Awards 2009-2010.** The FICCI Socio Economic Development Foundation (FICCI-SEDF) and Business world CSR award was instituted in 1999 to recognize exemplary responsible business practices by the Indian Industry. Airtel joined the select list of companies like SAIL, Mahindra & Mahindra, Tata Chemicals, Tata Tea, Gujarat Ambuja Cements, Kinetic Engineering and Titan which have been recognized for their innovative programmes in the sphere of CSR.

- Bharti Airtel announced the appointment of **Drew Kelton as President – Enterprise Services (India & South Asia)**. As President of the Enterprise Services unit, Drew's key focus would be to lead the transformation of the business to create a world class business-to-business (B2B) organization.

- Bharti Airtel unveiled **Airtel Blog**, World's first Voice Blogging service, enabling subscribers to create profiles and follow celebrities.

- **Airtel Apps Central**, India's first operator-driven mobile applications store, enabling subscribers to transform a basic phone into a Smart Phone. The application completed four months and clocked 13 million downloads.

- Airtel digital TV launched India's first **High Definition (HD) box** with Dolby Digital Plus offering 7.1 channels of surround sound for its customers.

- After its pioneering initiative of recording television programmes through mobile, Airtel also extended the **recording facility through internet** for its Digital TV recorder customers.

- Bharti Airtel announced the launch of its **Hosted Contact Center** services in partnership with industry leaders Servion and Cisco. Hosted Contact Center solutions are faster and less expensive to implement than customer premise-based contact centers and require no ongoing capital equipment or maintenance fee investment.

6.2 Africa

Key Industry Developments

Ghana

- In Apr 10, National Communications Authority (NCA), issued a draft policy statement on implementation of Mobile Number Portability (MNP) .The NCA has set June 2011, as the date for launch of MNP in Ghana. The NCA has set up a MNP steering group made up of representatives of all operators and would manage the implementation of MNP.

- On June 1, 2010, the Government of Ghana imposed a new tax of $0.06 per minute on all incoming international calls. The Electronic Communications (Amendment) Act, 2009 (Act 786) prohibits operators from increasing the charges of services to customers as a result of the increase in termination rate of international incoming traffic.

Nigeria

- The Nigerian Communications Commission (NCC) issued a public notice mandating the Registration of Telecommunications Subscriptions (RTS). As per this order operators are required to commence the registration of finger prints, on-site photo, residential address and occupation details for all new subscribers. The registration of the above details of existing subscribers commenced from August 1, 2010.

- The Nigerian Communications Commission (NCC) appointed KPMG Consultancy Services to develop the regulatory and technical framework for the implementation of Number Portability in Nigeria.

- The NCC has floated a proposal for the implementation of Number Portability Clearing House System and associated services.

Siera Leone

The National Telecommunications Commission (NATCOM) of Siera Leone had given a due date of June 30, 2010 for registration of all SIM cards sold by mobile operators in the country.

Kenya

- Airtel Kenya has been given additional Frequency Spectrum to enable it to offer 3G services to its customers, making it the second operator in the country after Safaricom to get the license.

- The Government of Kenya has issued a directive in June 2009 for mobile operators to register all subscribers on their network by collecting the identification details of all subscribers and storing their details. The Government had communicated the due date of July 31, 2010 for the registration of SIM cards failing which Mobile operators will be required to disconnect all unregistered SIM cards.

- The Communications Commission of Kenya (CCK) has appointed a consultant to carry out a study to determine universal service gaps. The study is intended to support the implementation of the universal service fund, which is a fund comprising of levies collected from all operators at the rate of 1% of annual gross revenues or lower.

- All operators will have the right to borrow funds from the universal service fund and to use to set up infrastructure in the identified areas.

Zambia

- In June 10, Government of Zambia has issued unified license to all its service providers which includes 3G Spectrum and International Service licenses. However, the old GSM license is yet to be migrated to new regime.

6.3 Results of Operations

The company has reported its (1) audited financial results for the quarter ended June 30, 2009; (2) audited financial results for the quarter ended June 30, 2010. The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

Key Highlights - *For the quarter ended June 30, 2010*

- **Net addition of 46.4 million customers (Incl 36.4 mn customers of Africa)**
- **Total Revenues of Rs 122.3 billion (up 17% Y-o-Y).**
- **EBITDA before acquisition cost Rs 45.1 billion (up 5% Y-o-Y).**
- **EBITDA after acquisition cost Rs 44.1 billion (up 3% Y-o-Y).**
- **Cash profit from operations of Rs 39.9 billion (down 10% Y-o-Y).**
- **Net Income of Rs 16.8 billion (down 32% Y-o-Y).**

Bharti Airtel Consolidated

Quarter ended June 30, 2010

Customer Base
As on June 30, 2010, the company had an aggregate of 183,371,520 customers consisting of 176,974,680 Mobile, 3,153,079 Telemedia and 3,243,761 Digital TV customers. Its total customer base as on June 30, 2010 increased by 71.3% compared to the customer base as on June 30, 2009.

Revenues/Turnover
During the quarter ended June 30, 2010, the company recorded revenues of Rs 122,308 mn, a growth of 17.4% compared to the quarter ended June 30, 2009. Revenues from mobile services represented 80.0% of the total revenues for the quarter ended June 30, 2010. Non-voice revenue contributed to approximately 14.7% of the total revenues for the quarter.

Operating Expenses (ex-revenue share license and spectrum fee) During the quarter ended June 30, 2010; the company incurred an operating expenditure of Rs 52,199 mn representing 43% of the total revenues. The operating expense comprises:

- Rs 27,268 mn towards network operations costs (22.3% of turnover)
- Rs 5,601 mn towards employee costs, (4.6% of turnover) and
- Rs 19,330 mn towards selling general and administrative costs (15.8% of turnover, including Rs 982 mn of acquisition related costs)

The operating expenses grew by 32% compared to the quarter ended June 30, 2009. The increase in the operating expenses is associated to the costs pertaining to the expansion of operations.

EBITDA, Finance Cost and Cash Profit from Operations
During the quarter ended June 30, 2010, the company had an EBITDA of Rs. 44,140 mn; growth of 3% compared to the quarter ended June 30, 2009. The EBITDA margin for the quarter was 36.1%. The underlying EBITDA margin (excluding acquisition related costs) for the quarter was 36.9%.

The net finance cost for the quarter ended June 30, 2010 was Rs 4,198 mn. The interest on borrowings during the quarter was Rs 2,489 mn, the finance charges during the quarter was Rs 321 mn, the investment income (primarily related to income on marketable securities) was Rs 773 mn and Rs 2,161 mn was effect of exchange fluctuation and derivative accounting. The interest cost of Rs 460 Mn attributable to 3G and BWA loans is capitalized due to pending commercial launch of the same.

The cash profit from operations after derivative and exchange fluctuations for the quarter was Rs 39,942 mn, a decrease of 10% as compared to the quarter ended June 30, 2009. During the quarter ended June 30, 2010, the company had depreciation and amortization expenses of Rs 19,467 mn.

Profit / (Loss) Before Tax (PBT)
The Profit / (Loss) before tax for the quarter was Rs 20,719 mn, a decrease of 30%, as compared to the quarter ended June 30, 2009. The current tax for the quarter ended June 30, 2010 was Rs 5,409 mn and deferred tax expense / (income) was Rs (1,659) mn.

Net income
The net income for the quarter ended June 30, 2010 was Rs 16,816 mn with YoY decline of 32%.

Statement of Financial Position
As on June 30, 2010, the company had total assets of Rs 1,429,557 mn, and total liabilities of Rs 961,673 mn respectively. The difference of Rs 467,884 mn was on account of Equity attributable to equity holders of parent and non-controlling interest.

The company had a net debt of Rs 602,308 mn (US$ 12,925 mn) as on June 30, 2010, resulting in a Net Debt to EBITDA (LTM) of 2.87.

Capital Expenditure
During the quarter ended June 30, 2010, the company incurred capital expenditure of Rs 18,361 mn (US$ 394 mn).

Human Resources
As on June 30, 2010, the company had a total of 24,843 employees.

Mobile Services – India & South Asia

Customer Base, Churn, ARPU and MoU
As at the end of the quarter the company had 136,620,401 GSM mobile customers on its network, which accounted for a market share of 21.5% of the all India mobile market.

During the quarter, Bharti's share of net additions was 17.6% of all India wireless subscriber net additions.

The average monthly churn for the quarter ended June 30, 2010 was 5.8%.

During the quarter blended ARPU was Rs 215 (US$ 4.6) per month as compared to Rs 220 (US$ 4.7) per month in the quarter ended March 31, 2010. The blended monthly usage per customer, during the quarter was at 480 minutes. The Average rate per minute during the quarter was Rs 0.45. Non voice revenue, which includes Voice Mail Service, Call Management, Airtel Talkies and other value added services like Hello Tunes, Music on Demand and Airtel Live contributed to approximately 11.6% of the total revenues of the segment.

Revenues, EBITDA and EBIT
The revenues for the quarter ended June 30, 2010 for mobile services stood at Rs 88,237 mn, a growth of 4.7% over the corresponding quarter last year. The revenue from this segment contributed to 72% of the total consolidated revenues. The EBITDA during the quarter ended June 30, 2010 was Rs 31,710 mn representing decline of 7.0% over the quarter ended June 30, 2009. The EBITDA margin for the quarter ended June 30, 2010 was 35.9%. The EBIT for the quarter ended June 30, 2010 was Rs 22,236 mn as compared to Rs 25,770 mn for the quarter ended June 30, 2009, a decline of 13.7%.

Capital Expenditure
During the quarter ended June 30, 2010, the company incurred a capital expenditure of Rs 7,071 mn (US$ 152 million) on its Mobile Services.

Telemedia Services

Customer Base and ARPU
At the end of the quarter ended June 30, 2010, the company had its Telemedia operations in 88 cities. During the quarter, the company added 86,221 customers on its Telemedia networks with 3,153,079 customers as on June 30, 2010. The company had approximately 1.34 mn customers (42.6%) of the total customer base subscribing to broadband (DSL) services.

The ARPU for the quarter was Rs 961 (US$ 20.6) per month.

Revenues, EBITDA and EBIT
For the quarter ended June 30, 2010, the revenues from Telemedia operations of Rs 8,960 mn, represented a growth of 4.8% over the corresponding quarter last year. The EBITDA for the quarter was Rs 3,938 mn compared to Rs 3,466 mn in the corresponding prior year quarter, an increase of 13.6%. The EBITDA margin for this segment was 44.0% for the quarter ended June 30, 2010. The EBIT for the quarter ended June 30, 2010 was Rs 1,910 mn.

Capital Expenditure
During the quarter ended June 30, 2010, the company incurred a capital expenditure of Rs 1,598 mn (US$ 34 million) on its Telemedia Services.

Enterprise Services

Revenues, EBITDA and EBIT
The revenues for the quarter ended June 30, 2010 for Enterprise services stood at Rs 10,186 mn, a decline of -12.4% over the corresponding quarter last year. The revenue from this segment contributed to 8% of the total consolidated revenues. The EBITDA during the quarter ended June 30, 2010 was Rs 2,497 mn, a decline of 15.1% over the corresponding quarter last year. The EBITDA margin for the quarter ended June 30, 2010 was 24.5%. The EBIT for the quarter ended June 30, 2010 was Rs. 1,450 mn as compared to Rs 2,196 mn for the quarter ended June 30, 2009, a decline of 34.0%.

Capital Expenditure
During the quarter ended June 30, 2010, the company incurred a capital expenditure of Rs 694 mn (US $15 mn) on its Enterprise Services.

Passive Infrastructure Services

Revenues, EBITDA and EBIT
For the quarter ended June 30, 2010, the revenues from its Passive Infrastructure Services were Rs 20,412 mn. The EBITDA for the quarter ended June 30, 2010 was Rs 7,240 mn. The EBITDA margin for the quarter ended June 30, 2010 was 35.5%. The EBIT for the quarter ended June 30, 2010 was Rs 2,572 mn.

Capital Expenditure
During the quarter ended June 30, 2010, the company incurred a capital expenditure of Rs 5,301 mn (US $114 million) on its Passive Infrastructure Services.

Towers and Sharing Operators – Infratel
As at the end of the quarter, the company had 31,196 towers. Sharing factor for the quarter ended June 30, 2010 was 1.65 times.

Towers and Sharing Operators – Indus Towers
As at the end of the quarter, the company had 104,901 towers. Sharing factor for the quarter ended June 30, 2010 was 1.75 times.

Mobile Services - Africa

Customer Base
As at the end of the quarter the company had 36,361,563 GSM mobile customers on its network.

Revenues and EBITDA
The revenue for Africa's Operation's was Rs 9,583 mn and EBITDA margin was 27.5% from the date of acquisition.

Capital Expenditure
During the month of June 2010, the company incurred a capital expenditure of Rs 935 mn on its African Operation.

SECTION 7

STOCK MARKET HIGHLIGHTS

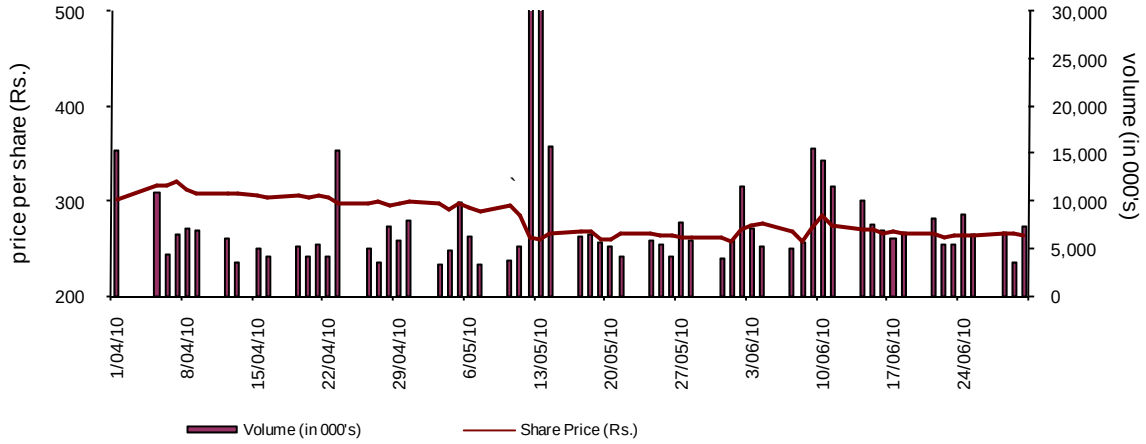
7.1 General Information

Shareholding and Financial Data	Unit	
Code/Exchange		532454/BSE
Bloomberg/Reuters		BHARTI IN/BRTI.BO
No. of Shares Outstanding (30/06/10)	Mn Nos	3,797.53
Closing Market Price - BSE (30/06/10)	Rs /Share	263.25
Combined Volume (NSE & BSE) (01/04/10-30/06/10)	Nos in Mn/day	7.58
Combined Value (NSE & BSE) (01/04/10-30/06/10)	Rs bn /day	2.12
Market Capitalization	Rs bn	1,000
Market Capitalization	US$ bn	21.45
Book Value Per Equity Share	Rs /share	114.56
Market Price/Book Value	Times	2.30
Net Debt to EBITDA (LTM)	Times	2.87
Enterprise Value	Rs bn	1,602
Enterprise Value	US$ bn	34.38
Enterprise Value/ Annualised Q1 Revenue	Times	3.27
Enterprise Value/ Annualised Q1 EBITDA	Times	9.07

7.2 Summarized Shareholding pattern as of June 30, 2010

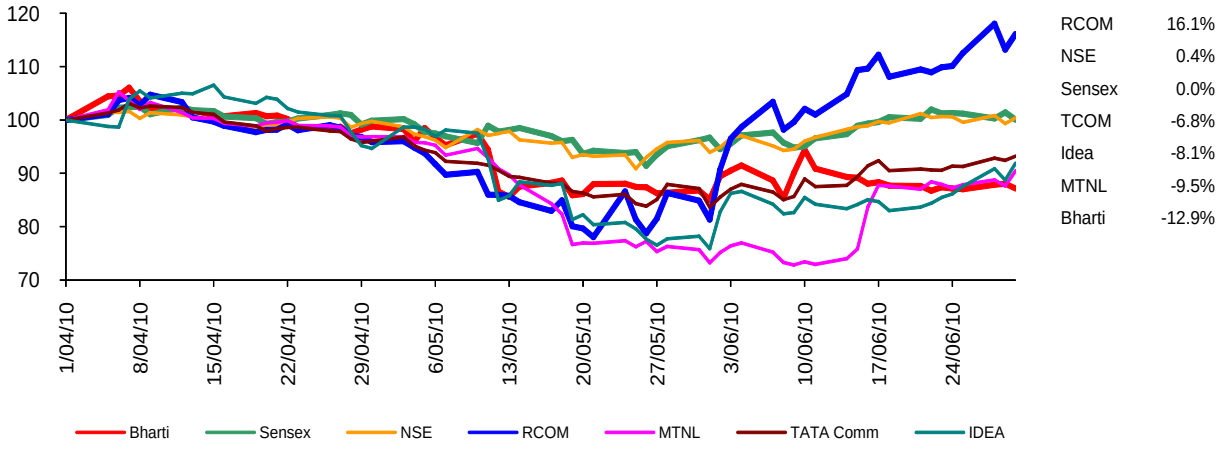
Category	Number of Shares	%
Promoter & Promoter Group		
Indian	1,725,513,056	45.44%
Foreign	851,868,286	22.43%
Sub total	**2,577,381,342**	**67.87%**
Public Shareholding		
Institutions	968,034,301	25.49%
Non-institutions	252,114,453	6.64%
Sub total	**1,220,148,754**	**32.13%**
Total	**3,797,530,096**	**100.00%**

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



Source: Bloomberg

7.4 Comparison of Domestic Telecom stock movement with Sensex and Nifty



Source: Bloomberg

SECTION 8

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 25
Earnings before Interest and Taxation (EBIT)	Profit / (Loss) from Operating Activities	Page 25
Cash Profit from Operations after Derivative and Exchange Fluctuations	Profit / (Loss) from Operating Activities	Page 25
Profit / (Loss) after current tax expenses	Profit / (Loss) before taxation	Page 25
Minority Interest	Non - Controlling Interest	

8.1 Reconciliation of Non-GAAP financial information based on IFRS

Consolidated

Amount in Rs mn

Particulars	Quarter Ended Jun 2010
Profit / (Loss) from Operating Activities To EBITDA	
Profit / (Loss) from Operating Activities	**24,673**
Add: Depreciation and Amortization	19,467
EBITDA after acquisition cost	**44,140**
Add: Acquisition Cost	982
EBITDA before acquisition cost	**45,122**

Profit / (Loss) from Operating Activities to Cash Profit from Operations after Derivative & Exchange Fluctuation	
Profit / (Loss) from Operating Activities	**24,673**
Add: Depreciation and Amortization	19,467
Add: Finance income	2,510
Less: Finance expense	6,708
Cash Profit from Operations	**39,942**

Profit / (Loss) from Operating Activities to EBIT	
Profit / (Loss) from Operating Activities	**24,673**
Less: Non operating expenses	233
Add: Other income	549
EBIT	**24,989**

Profit / (Loss) before tax to Profit / (Loss) after Current tax expense	
Profit / (Loss) before tax	20,719
Less: Current tax expense	5,409
Profit / (Loss) after current tax expense	**15,310**

8.2 Schedules to Financial Statements

8.2.1 Schedule of Operating Expenses

Amount in Rs mn

Particulars	Quarter Ended Jun 30, 2010			
	India & SA	Africa	Africa Others	Total
Access charges	12,775	1,452		14,227
Licence fees, revenue share & spectrum charges	11,742	-		11,742
Network operations costs	25,550	1,718		27,268
Employee costs	4,721	880		5,601
Selling, general and adminstration expense	15,513	2,898	919	19,330
Operating Expenses	**70,301**	**6,948**	**919**	**78,168**

8.2.2 Schedule of Depreciation & Amortisation

Amount in Rs mn

Particulars	Quarter Ended Jun 30, 2010			
	India & SA	Africa	Africa Others	Total
Fixed Assets	16,750	1,108	-	17,858
Licence Fees	207	147	-	354
Intangibles	526	729	-	1,255
Depreciation and Amortization	**17,483**	**1,984**	**-**	**19,467**

8.2.3 Schedule of Net Debt

Amount in Rs mn

Particulars	Quarter Ended Jun 30, 2010			
	India & SA	Africa	Africa Others	Total
Long term debt, net of current portion	146,261	54,667	376,025	576,953
Short-term borrowings and current portion of long-term debt	41,343	35,194	-	76,537
Less:				
Cash and Cash Equivalents	16,201	13,887	992	31,080
Restricted Cash, non-current	282	-	-	282
Short term investments	19,699	-	121	19,820
Net Debt	**151,422**	**75,974**	**374,912**	**602,308**

8.2.4 Schedule of Finance Cost

Amount in Rs mn

Particulars	Quarter Ended Jun 30, 2010			
	India & SA	Africa	Africa Others	Total
Interest on borrowings	1,446	516	526	2,489
Finance Charges	82	147	92	321
Investment Income	(761)	(11)	(0)	(773)
Derivatives and exchange fluctuation	1,425	739	(3)	2,161
Finance cost (net)	**2,191**	**1,391**	**616**	**4,198**

Note 12: Inter segment borrowing cost / income eliminated within respective segments

8.2.5 Schedule of Income Tax

Amount in Rs mn

Particulars	Quarter Ended Jun 30, 2010			
	India & SA	Africa	Africa Others	Total
Current tax expense	5,248	161		5,409
Deferred tax expense / (income)	(1,561)	(98)		(1,659)
Income tax expense	**3,687**	**63**		**3,750**

ANNEXURE – DETAILED FINANCIAL AND RELATED INFORMATION

A.1 Financial Statements as per International Financial Reporting Standards (IFRS)

A.1.1 Consolidated Statement of Operations (as per IFRS)

Amount in Rs mn

Particulars	Quarter Ended				
	Jun 2010	Mar 2010	Dec 2009	Sep 2009	Jun 2009
Revenue	122,308	107,491	103,053	103,785	104,143
Operating expenses	(78,168)	(66,662)	(62,230)	(60,778)	(61,169)
Depreciation & amortisation	(19,467)	(16,953)	(15,881)	(15,244)	(14,754)
Profit / (Loss) from operating activities	**24,673**	**23,876**	**24,942**	**27,763**	**28,220**
Share of results of associates	(72)	(32)	(10)	(6)	0
Other income	548	214	182	190	111
Non operating expense	(233)	(2)	(44)	(3)	(132)
Profit / (Loss) before interest and tax	**24,917**	**24,056**	**25,070**	**27,944**	**28,199**
Finance income	2,510	4,992	4,465	304	7,620
Finance costs	(6,708)	(4,636)	(4,199)	(2,388)	(6,336)
Profit / (Loss) before tax	**20,719**	**24,412**	**25,336**	**25,860**	**29,483**
Income tax income/(expense)	(3,750)	(3,415)	(2,980)	(2,753)	(4,305)
Net income / (loss) for the period	**16,969**	**20,997**	**22,356**	**23,107**	**25,178**
Other comprehensive income / (loss)					
Exchange differences on translation of foreign operations	(4,184)	(596)	(422)	43	(53)
Other comprehensive income / (loss) for the period, net of tax	**(4,184)**	**(596)**	**(422)**	**43**	**(53)**
Total comprehensive income / (loss) for the period, net of tax	**12,785**	**20,401**	**21,934**	**23,150**	**25,125**
Income Attributable to :					
Equity holders of the parent	16,816	20,444	21,949	22,630	24,745
Non controlling interests	153	553	407	477	433
Net Income / (Loss)	**16,969**	**20,997**	**22,356**	**23,107**	**25,178**
Total comprehensive income / (loss) attributable to :					
Equity holders of the parent	12,641	19,904	21,527	22,673	24,692
Non controlling interests	144	497	407	477	433
Comprehensive Income / (Loss)	**12,785**	**20,401**	**21,934**	**23,150**	**25,125**
Earning Per Share					
Basic, profit attributable to equity holders of parent (In Rs)	4.43	5.39	5.79	5.97	6.52
Diluted, profit attributable to equity holders of parent (In Rs)	4.43	5.39	5.79	5.97	6.52

A.1.2 Statement of Financial Position (as per IFRS)

Amount in Rs mn

Particulars	As at Jun 2010	As at Mar 2010	As at Dec 2009	As at Sep 2009	As at Jun 2009
Assets					
Non-current assets					
Property, plant and equipment	604,854	482,629	470,733	466,063	453,189
Intangible assets	636,179	59,890	49,661	50,109	49,345
Investment in associates	2	57	89	99	15
Derivative financial assets	4,495	3,337	4,122	5,187	4,671
Other financial assets	7,818	7,368	6,145	6,067	6,796
Other non - financial assets	7,900	7,485	6,038	5,245	4,134
Deferred tax asset	37,146	12,489	10,842	8,368	6,254
	1,298,394	**573,255**	**547,630**	**541,138**	**524,404**
Current assets					
Inventories	1,863	484	796	858	943
Trade and other receivable	44,309	35,711	40,450	44,853	45,029
Derivative financial assets	209	144	1,744	2,429	2,813
Prepayments and other assets	33,882	20,835	23,045	24,835	29,775
Income tax recoverable	-	2,826	380	1,475	-
Short term investments	19,820	52,362	71,513	57,496	57,840
Cash and cash equivalents	31,080	25,323	5,962	7,535	7,104
	131,163	**137,685**	**143,890**	**139,481**	**143,504**
Total assets	**1,429,557**	**710,940**	**691,520**	**680,619**	**667,908**
Equity and liabilities					
Equity					
Issued capital	18,988	18,988	18,985	18,984	18,984
Treasury shares	(81)	(81)	(90)	(101)	(102)
Advances against equity	22	-	39	-	24
Share premium	56,499	56,499	56,329	56,426	56,403
Retained earnings / (deficit)	318,193	301,342	280,901	258,916	240,733
Foreign currency translation reserve	(3,351)	824	1,364	1,786	1,743
Other components of equity	44,767	44,368	19,393	18,107	17,628
Equity attributable to equity holders of parent	**435,037**	**421,940**	**376,921**	**354,118**	**335,413**
Non-controlling interest	32,847	25,285	16,464	14,300	13,822
Total equity	**467,884**	**447,225**	**393,385**	**368,418**	**349,235**
Non-current liabilities					
Borrowing	576,953	81,474	71,354	64,839	48,357
Deferred revenue	38,313	29,957	31,686	30,013	29,794
Provisions	7,408	4,243	4,172	6,151	6,175
Derivative financial liabilities	221	289	272	264	233
Deferred tax liability	8,796	3,737	4,022	3,251	3,476
Other financial liabilities	11,428	10,860	10,491	10,135	11,521
Other non - financial liabilities	3,987	3,912	3,679	3,561	3,540
	647,106	**134,472**	**125,676**	**118,214**	**103,096**
Current liabilities					
Borrowing	76,538	20,424	53,868	69,419	82,545
Deferred revenue	292	292	292	292	292
Provisions	913	410	384	359	330
Derivative financial liabilities	50	415	347	171	278
Income tax liabilities	1,549	-	-	-	997
Trade & other payables	235,225	107,702	117,568	123,746	131,135
	314,567	**129,243**	**172,459**	**193,987**	**215,577**
Total liabilities	**961,673**	**263,715**	**298,135**	**312,201**	**318,673**
Total equity and liabilities	**1,429,557**	**710,940**	**691,520**	**680,619**	**667,908**

A.1.3 Consolidated Statement of Cash Flows (as per IFRS)

Amount in Rs mn

Particulars	Quarter Ended
	Jun 2010
Cash flows from operating activities	
Profit before taxation	**20,719**
Adjustments for -	
Depreciation and amortization	19,467
Finance income	(2,510)
Finance cost	6,708
Share of results of associated companies (post tax)	55
Amortization of Deferred Stock based compensation	433
Other non-cash items	157
Operating cash flow before working capital changes	**45,029**
Trade receivables and prepayments	(1,244)
Inventories	67
Trade and other payables	13,835
Change in provision	227
Other Liabilities	607
Other Assets	(863)
Interest Received	167
Income Tax (Paid)/Refund	(2,130)
Net cash inflow / (outflow) from operating activities	**55,695**
Cash flows from investing activities	
Purchase of property, plant and equipment	(21,834)
Proceeds from sale of property, plant and equipment	2,770
Acquisition of intangible assets	(157,826)
Short term investments (Net)	33,148
Investment in subsidiary	(360,932)
Net cash inflow / (outflow) from investing activities	**(504,674)**
Cash flows from financing activities	
Proceeds from issuance of term borrowings	467,187
Repayment of borrowings	(11,307)
Advance against equity	22
Interest paid	(2,344)
Net cash inflow / (outflow) from financing activities	**453,558**
Effect of exchange rate changes on cash and cash equivalents	
Net (decrease) / increase in cash and cash equivalents during the period	**4,579**
Add : Balance as at the Beginning of the period	24,961
Balance as at the end of the period	**29,540**

Note 13: Cash and Cash Equivalents is excluding bank overdraft

Note14: Cash investment in subsidiary of Rs 360,932 mn (US$ 7.7 bn) represents investment in Africa and is net of cash acquired of Rs 13,159 mn (US$ 0.3 bn) and deferred purchase consideration of Rs 48,452 mn (US$ 1 bn), aggregating to total purchase consideration of Rs 422,543 mn (US$ 9 bn)

A.2 Trend and Ratio Analysis

The financial figures used in the quarterly trends are based on IFRS financial statements

A.2.1 Based on Statement of Operations

Consolidated

Amount in Rs mn

Parameters	For the Quarter Ended				
	Jun-10	Mar-10	Dec-09	Sep-09	Jun-09
Total Revenues	122,308	107,491	103,053	103,785	104,143
Access and interconnection charges	14,227	11,570	11,166	10,698	11,372
Operating Expenses (Excl Access Charges & License Fee)	52,199	44,498	41,132	39,856	39,672
Licence Fee	11,742	10,594	9,932	10,224	10,125
EBITDA	44,140	40,829	40,823	43,007	42,974
Cash profit from operations after Derivative and Exchange Fluctuations	39,942	41,185	41,088	40,924	44,258
Profit / (Loss) before tax	20,719	24,411	25,336	25,860	29,483
Net income	16,816	20,443	21,949	22,630	24,745

	Jun-10	Mar-10	Dec-09	Sep-09	Jun-09
As a % of Total Revenues					
Access and interconnection charges	11.6%	10.8%	10.8%	10.3%	10.9%
Operating Expenses (Excl Access Charges & License Fee)	42.7%	41.4%	39.9%	38.4%	38.1%
Licence Fee	9.6%	9.9%	9.6%	9.9%	9.7%
Underlying EBITDA	36.9%	38.9%	39.6%	41.4%	41.3%
Cash profit from operations after Derivative and Exchange Fluctuations	32.7%	38.3%	39.9%	39.4%	42.5%
Profit / (Loss) before tax	16.9%	22.7%	24.6%	24.9%	28.3%
Net income	13.7%	19.0%	21.3%	21.8%	23.8%

India & South Asia

Amount in Rs mn

Parameters	For the Quarter Ended				
	Jun-10	Mar-10	Dec-09	Sep-09	Jun-09
Total Revenues	112,725	107,491	103,053	103,785	104,143
Access and interconnection charges	12,775	11,570	11,166	10,698	11,372
Operating Expenses (Excl Access Charges & License Fee)	45,784	43,987	41,132	39,856	39,672
Licence Fee	11,742	10,594	9,932	10,224	10,125
EBITDA	42,424	41,340	40,823	43,007	42,974
Cash profit from operations after Derivative and Exchange Fluctuations	40,233	41,696	41,088	40,924	44,258
Profit / (Loss) before tax	23,008	24,922	25,336	25,860	29,483
Net income	19,048	20,954	21,949	22,630	24,745

	Jun-10	Mar-10	Dec-09	Sep-09	Jun-09
As a % of Total Revenues					
Access and interconnection charges	11.3%	10.8%	10.8%	10.3%	10.9%
Operating Expenses (Excl Access Charges & License Fee)	40.6%	40.9%	39.9%	38.4%	38.1%
Licence Fee	10.4%	9.9%	9.6%	9.9%	9.7%
Underlying EBITDA	37.7%	38.9%	39.6%	41.4%	41.3%
Cash profit from operations after Derivative and Exchange Fluctuations	35.7%	38.8%	39.9%	39.4%	42.5%
Profit / (Loss) before tax	20.4%	23.2%	24.6%	24.9%	28.3%
Net income	16.9%	19.5%	21.3%	21.8%	23.8%

Mobile Africa

Amount in Rs mn

Parameters	For the Quarter Ended				
	Jun-10	Mar-10	Dec-09	Sep-09	Jun-09
Total Revenues	9,583				
Access and interconnection charges	1,452				
Operating Expenses (Excl Access Charges & License Fee)	5,496				
EBITDA	2,635				
Cash profit from operations after Derivative and Exchange Fluctuations	1,244				
Profit / (Loss) before tax	(754)				
Net income	(697)				

	Jun-10	Mar-10	Dec-09	Sep-09	Jun-09
As a % of Total Revenues					
Access and interconnection charges	15.2%				
Operating Expenses (Excl Access Charges & License Fee)	57.4%				
Underlying EBITDA	27.5%				
Cash profit from operations after Derivative and Exchange Fluctuations	13.0%				
Profit / (Loss) before tax	-7.9%				
Net income	-7.3%				

Africa Others

Amount in Rs mn

Parameters	For the Quarter Ended				
	Jun-10	Mar-10	Dec-09	Sep-09	Jun-09
Total Revenues					
Access and interconnection charges					
Operating Expenses (Excl Access Charges & License Fee)	919	511			
Licence Fee					
EBITDA	(919)	(511)			
Cash profit from operations after Derivative and Exchange Fluctuations	(1,535)	(511)			
Profit / (Loss) before tax	(1,535)	(511)			
Net income	(1,535)	(511)			

A.2.2 Based on Statement of Financial Position

Consolidated

Amount in Rs mn

Parameters	As at				
	Jun-10	Mar-10	Dec-09	Sep-09	Jun-09
Equity attributable to equity holders of parent	435,037	421,940	376,921	354,118	335,413
Net Debt	602,308	23,920	47,733	69,215	65,945
Capital Employed = Equity attributable to equity holders of parent + Net Debt	1,037,345	445,860	424,654	423,333	401,358

Parameters	Jun-10	Mar-10	Dec-09	Sep-09	Jun-09
Return on Equity attributable to equity holders of parent (LTM)	21.3%	25.1%	27.6%	29.6%	31.4%
Return on Capital Employed (LTM)	18.4%	21.6%	23.7%	25.7%	28.3%
Net Debt to EBITDA (LTM)	2.87	0.14	0.28	0.42	0.41
Assets Turnover ratio (LTM)	73.7%	85.2%	90.4%	97.2%	102.1%
Interest Coverage ratio (times)	17.74	32.08	28.24	32.46	29.80
Book Value Per Equity Share (in Rs)	114.6	111.1	99.3	93.3	88.3
Net debt to Equity attributable to equity holders of parent (Times)	1.38	0.06	0.13	0.20	0.20
Per share data (for the period)					
Net profit/(loss) per common share (in Rs)	4.43	5.39	5.79	5.97	6.52
Net profit/(loss) per diluted share (in Rs)	4.43	5.39	5.79	5.97	6.52
Market Capitalization (Rs. bn)	1,000	1,184	1,248	1,589	1,523
Enterprise Value (Rs. bn)	1,602	1,172	1,268	1,631	1,570

A.2.3 Bharti's Three Line Graph

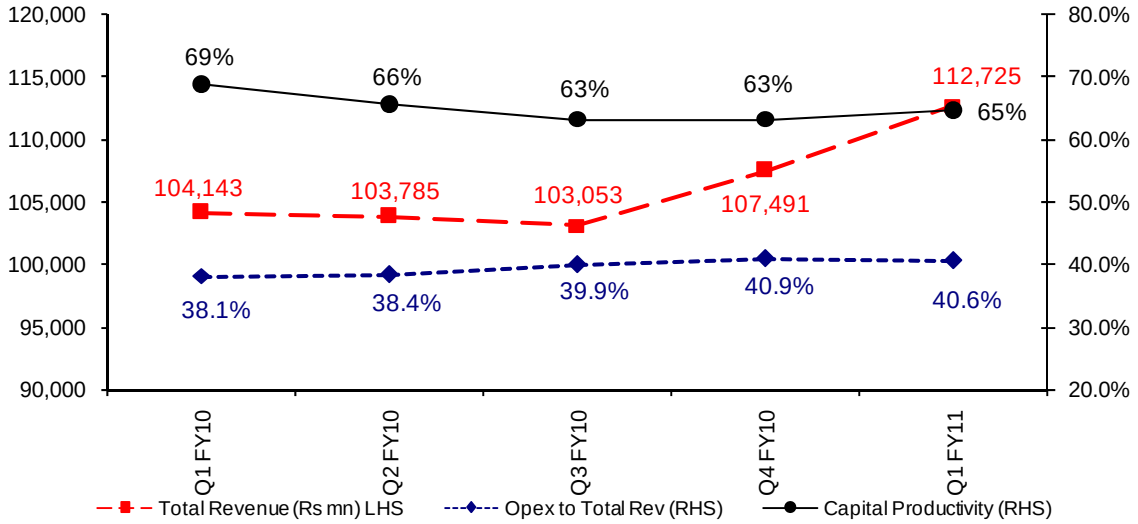
The company tracks its performance on a three-line graph.

The parameters considered for the three-line graph are:

1. Total Revenues i.e. absolute turnover/sales
p
2. Opex Productivity – operating expenses divided by the total revenues for the respective period. Operating expenses is the sum of (i) equipment costs (ii) employee costs (iii) network operations costs & (iv) selling, general and administrative costs. This ratio depicts the operational efficiencies in the company.
3. Capital 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 productivity of assets of the company

The company believes that as long as the absolute revenues keep increasing periodically, opex productivity stabilizes or keeps coming down and capital productivity keeps improving, the company's overall financial health can be tracked.

Given below is the graph for the last five quarters of the company:



Note 15: 3 line graph is based on Bharti Airtel (India & South Asia). The graph shown above is excluding Bharti Airtel African Operations as it is for less than one month in this quarter.

A.2.4 Operational Performance - India

Parameters	Unit	June 30, 2010	March 31, 2010	Dec 31, 2009	Sep 30, 2009	June 30, 2009
Customers	**000's**	**143,017**	**133,283**	**123,896**	**114,808**	**106,059**
Mobile Services						
Customers	000's	136,620	127,619	118,864	110,511	102,368
Airtel's Wireless Market Share	%	21.5%	21.8%	22.6%	23.4%	24.0%
Net Additions	000's	9,001	8,755	8,353	8,144	8,445
Airtel's Market Share of Net Additions	%	17.6%	14.8%	15.6%	18.3%	23.8%
Prepaid Customers as a % of total customers	%	96.0%	95.8%	95.3%	95.2%	94.7%
Average Revenue Per User (ARPU)	Rs	215	220	230	252	278
Average Revenue Per User (ARPU)	US$	4.6	4.7	4.9	5.4	6.0
Average Rate Per Minute (ARPM)	Rs	0.45	0.47	0.52	0.56	0.58
Average Minutes of Use Per User	Min	480	468	446	450	478
Monthly Churn	%	5.8%	5.7%	6.3%	4.4%	3.4%
Non Voice Revenue as a % of mobile revenues	%	11.6%	11.8%	11.0%	9.8%	9.3%
Telemedia Services						
Customers	000's	3,153	3,067	2,989	2,928	2,828
Net Additions	Nos	86,221	78,313	60,291	100,373	101,642
Average Revenue Per User (ARPU)	Rs	961	937	964	989	1,027
Average Revenue Per User (ARPU)	US$	20.6	20.1	20.7	21.2	22.0

A.2.5 Traffic, Coverage and Network Trends - India

Parameters	Unit	June 30, 2010	March 31, 2010	Dec 31, 2009	Sep 30, 2009	June 30, 2009
Mobile Services	Mn Min	190,396	172,797	153,241	143,680	140,713
Telemedia Services	Mn Min	4,696	4,515	4,576	4,796	4,746
National Long Distance Services	Mn Min	17,333	15,875	13,944	12,417	11,781
International Long Distance Services	Mn Min	3,044	3,173	3,100	3,181	2,869
Total Minutes on Network (Gross)	**Mn Min**	**215,469**	**196,359**	**174,861**	**164,073**	**160,109**
Eliminations	Mn Min	(17,751)	(16,308)	(14,331)	(12,782)	(12,031)
Total Minutes on Network (Net)	**Mn Min**	**197,718**	**180,052**	**160,529**	**151,290**	**148,077**

Parameters	Unit	June 30, 2010	March 31, 2010	Dec 31, 2009	Sep 30, 2009	June 30, 2009
Mobile Servies						
Census Towns	Nos	5,092	5,091	5,078	5,072	5,067
Non-Census Towns & Villages	Nos	440,023	438,933	433,851	429,723	423,149
Population Coverage	%	84.3%	84.2%	83.6%	82.9%	81.9%
Optic Fibre Network	R Kms	129,244	126,357	118,337	113,326	104,540
Network Sites	Nos	105,394	104,826	102,190	99,501	96,149
Telemedia Services						
Cities covered	Nos	88	89	95	95	95
Submarine Cable Systems	Nos	4	3	3	2	2

A.2.6 Passive Infrastructure Services

A.2.6.1 Bharti Infratel

Parameters	Unit	June 30, 2010	March 31, 2010	Dec 31, 2009	Sep 30, 2009	June 30, 2009
Total Towers	Nos	31,196	30,568	29,806	29,112	28,078
Key Indicators						
Sharing Revenue per Sharing Operator per month	Rs	36,290	36,878	38,107	36,696	36,420
Sharing Factor	Times	1.65	1.62	1.57	1.49	1.43

A.2.6.2 Indus Towers

Parameters	Unit	June 30, 2010	March 31, 2010	Dec 31, 2009	Sep 30, 2009	June 30, 2009
Total Towers	Nos	104,901	102,938	102,696	100,728	97,925
Key Indicators						
Sharing Revenue per Sharing Operator per month	Rs	30,379	29,674	28,333	25,917	28,915
Sharing Factor	Times	1.75	1.71	1.66	1.61	1.55

A.2.7 Human Resource Analysis - India

Parameters	Unit	June 30, 2010	March 31, 2010	Dec 31, 2009	Sep 30, 2009	June 30, 2009
Consolidated						
Total Employees	Nos	17,233	17,289	17,986	18,387	23,590
Number of Customers per employee	Nos	8,299	7,709	6,888	6,244	4,496
Gross Revenue per employee per month	Rs	2,153,214	2,059,518	1,905,074	1,876,960	1,468,970

A.3 Key Accounting Policies as per IFRS

1. Joint Ventures

A joint venture is a contractual arrangement whereby the Group and other parties undertake an economic activity that is subject to joint control; that is, when the strategic financial and operating policy decisions relating to the activities require the unanimous consent of the parties sharing control.

The Group reports its interests in jointly controlled entities using proportionate consolidation. The Group's share of the assets, liabilities, income, expenses and cash flows of jointly controlled entities are combined with the equivalent items in the results on a line-by-line basis in the consolidated financial statements. The financial statements of the joint venture are prepared for the same reporting period as the parent company. Adjustments are made where necessary to bring the accounting policies in line with those of the Group.

Adjustments are made in the Group's consolidated financial statements to eliminate the Group's share of intra-group balances, income and expenses and unrealized gains and losses on transactions between the Group and its jointly controlled entities.

2. Property and equipment

Property and equipment are stated at cost, net of accumulated depreciation and impairment loss. All direct costs relating to the acquisition and installation of property and equipment are capitalized.
Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets.

Assets	Years
Building	20
Network Equipment	3-20
Computer equipment	3
Office, furniture and equipment	2/5
Vehicles	5
Leasehold improvements	Remaining period of Lease or 10 years whichever is less
Assets individually costing Rs. 5 thousand or less	1
Customer premises equipment	Over expected customer life

Land is not depreciated. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.
Gains and losses arising from retirement or disposal of property and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated statement of comprehensive income on the date of retirement and disposal.

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

3. Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised 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 recognised 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 recognised directly in the statement of comprehensive income.

On disposal of a subsidiary or a jointly controlled entity, the attributable amount of goodwill is included in the determination of the profit or loss recognised 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 recognised. Impairment losses relating to goodwill are not reversed in future periods.

4. Foreign currency transactions

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

The assets and liabilities of foreign operations are translated into functional currency of parent (i.e INR) at the rate of exchange prevailing at the reporting date and their statements of comprehensive income are translated at average exchange rates prevailing during the period. The exchange differences arising on the translation are recognised in 'foreign currency translation reserve (FCTR)'. On disposal of a foreign operation, the component of FCTR relating to that particular foreign operation is recognised in the statement of comprehensive income.

5. Capital leases

Lessee accounting

Finance leases, which transfer to the Group substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised 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 poriod. Amortization charge for capital leases is included in depreciation expense for the period.

Lessor accounting

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

6. Indefeasible right to use (IRU)

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

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

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

7. Impairment of long – lived assets and intangible assets

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

8. Revenue recognition

(i) Service revenues

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

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

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

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

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

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

(ii) Equipment sales

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

(iii) Multiple element arrangements

The Group has entered into certain multiple-element revenue arrangements. These arrangements involve the delivery or

performance of multiple products, services or rights to use assets including VSAT and internet equipment, internet and satellite services, set top boxes and subscription fees on DTH, indefeasible right to use and hardware and equipment maintenance. The Group evaluates all deliverables in an arrangement to determine whether they represent separate units of accounting at the inception of the arrangement in accordance "Revenue Arrangements with Multiple Deliverables" applying the hierarchy in IAS 8.12.

Revenue is determined for each of the units of accounting on the basis of their fair values Arrangements involving the delivery of bundled products or services shall be separated into individual elements, each with own separate revenue contribution. Total arrangement consideration related to the bundled contract is allocated among the different elements based on their relative fair values (i.e., a ratio of the fair value of each element to the aggregated fair value of the bundled deliverables is generated). Where the Group has determined that the fair value of individual element is not ascertainable, equipment sales for these these arrangements are deferred and amortized over the term of the arrangement.

9. License fees

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

Group's shares of licenses acquired under business combination are accounted for at their respective fair values as at the date of acquisition. The amounts are amortized on a straight-line basis over the remaining period of the license from the date of acquisition of respective circles.

The revenue-share fee on license and spectrum is computed as per the licensing agreement and is expensed as incurred.

10. Other intangible assets

Other intangible assets comprising enterprise resource planning software, bandwidth capacities, brands, customer relationships, distribution networks, licenses and non-compete clauses, are capitalized at the Group's share of respective fair values on the date of an acquisition. Amortisation 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 amortised as follows:

- Software is amortized over the period of its license, not exceeding three years. Software upto Rs. 500 (thousand) is written off in the year placed in service.
- Bandwidth capacities are amortized over the period of the agreement subject to a maximum of 18 years.
- Brand: Over the period of their expected benefits, not exceeding the life of the licenses and are written off in their entirety when no longer in use.
- Distribution network : Over three years
- Customer base: The estimated life of such relationships.
- Non-compete clause: Over the remaining period of license.

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 recognised for all taxable temporary differences, except:

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

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

12. Borrowing costs

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

13. Derivative financial instruments

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

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

14. Asset Retirement Obligations

Asset retirement obligations (ARO) are provided for those operating lease arrangements where the Group has a binding

obligation at the end of the lease period to restore the leased premises in a condition similar to inception of lease. ARO are provided at the present value of expected costs to settle the obligation using discounted cash flows and are recognised 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 recognised in the statement of comprehensive income as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

15. Allowance for uncollectible accounts receivable

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

16. Issuance of Stock by Subsidiaries

At the time a subsidiary sells its stock to unrelated parties at a price less than or in excess of its book value, the Company's investment in that subsidiary's net assets changes. The Company's policy is to record such changes in its Consolidated statement of changes in equity.

A.4 Reconciliation between IFRS & USGAAP

A.4.1 Revenue Reconciliation

Amount in Rs mn

Particulars	Quarter Ended				Full Year Ended
	Mar 2010	Dec 2009	Sep 2009	Jun 2009	Mar 2010
Revenue as per US GAAP	**100,557**	**97,722**	**98,455**	**99,416**	**396,150**
GAAP adjustments					
Joint Venture equity accounting Vs proportionate consolidation	6,746	5,253	4,998	4,876	**21,873**
Others	188	77	331	(149)	**447**
Revenue as per IFRS	**107,491**	**103,053**	**103,785**	**104,143**	**418,471**

A.4.2 EBITDA Reconciliation

Amount in Rs mn

Particulars	Quarter Ended				Full Year Ended
	Mar 2010	Dec 2009	Sep 2009	Jun 2009	Mar 2010
EBITDA as per US GAAP	**38,222**	**39,112**	**41,416**	**41,518**	**160,268**
GAAP adjustments					
Joint Venture equity accounting vs proportionate consolidation	2,372	2,207	1,674	1,729	**7,982**
Others	319	(207)	167	(38)	**240**
Reclassifications					
Other Income - Provision written back netted of from Operating Expenses	283	56	179	75	**593**
ESOP expense amortisation to personnel expense	(366)	(346)	(429)	(310)	**(1,450)**
EBITDA as per IFRS	**40,829**	**40,823**	**43,007**	**42,974**	**167,633**

A.4.3 Profit after Tax (PAT) Reconciliation

Amount in Rs mn

Particulars	Quarter Ended				Full Year Ended
	Mar 2010	Dec 2009	Sep 2009	Jun 2009	Mar 2010
PAT as per US GAAP	**20,551**	**22,098**	**23,210**	**25,167**	**91,026**
GAAP adjustments					
Interest on compounded financial instruments	(533)	(622)	(815)	(541)	**(2,510)**
Others	350	195	101	(188)	**458**
Tax & Non Controlling Interest	75	278	133	307	**794**
PAT as per IFRS	**20,444**	**21,949**	**22,629**	**24,745**	**89,768**

A.4.3 Balance Sheet Reconciliation as at March 31, 2010

Amount in Rs mn

Particulars	US GAAP Regrouped	Equity Vs Proportionate Consolidation	Remeasurement	IFRS
Assets				
Non-current Assets				
Property, plant and equipment	442,439	39,783	407	482,629
Goodwill	36,771	-	5,469	42,240
Other Intangible assets	17,287	167	197	17,650
Other Non-current Assets	32,986	(1,089)	(1,161)	30,736
Total Non-current Assets	**529,482**	**38,861**	**4,912**	**573,255**
Current Assets	129,779	7,913	(7)	137,685
Total assets	**659,261**	**46,773**	**4,906**	**710,940**
Non - Current Liabilities	96,507	37,907	58	134,472
Current Liabilities	120,304	8,745	194	129,243
Total liabilities	**216,811**	**46,652**	**252**	**263,715**
Equity and Liabilities				
Stockholders' Equity				
Issued capital	18,987	-	-	18,987
Treasury shares	(80)	-	-	(80)
Retained earnings / (deficit)	297,128	53	4,161	301,342
Other reserves	97,926	68	3,697	101,691
Total Stockholders' Equity	**413,961**	**121**	**7,858**	**421,940**
Non-controlling interest	28,489	0	(3,204)	25,285
Total Equity	**442,450**	**121**	**4,654**	**447,225**
Total Equity & liabilities	**659,261**	**46,773**	**4,906**	**710,940**

GLOSSARY

Technical and Industry Terms

Company Related	
ARPU (for Mobile and Telemedia Services)	Average revenue per customer per month is computed by: dividing the total revenues, excluding equipment sales during the relevant period by the average customers; and dividing the result by the number of months in the relevant period.
ARPM (Average Rate Per Minute)	Average Rate Per Minute is computed by: Dividing the total revenues by total minutes.
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 Minutes of Use per user	Average minutes of usage per customer per month is calculated by dividing the total minutes of usage (incoming, outgoing and in-roaming) on our network during the relevant period by the average customers; and dividing the result by the number of months in the relevant period.
Average Sharing Operators	Average Sharing Operators are derived by computing the average of the monthly average sharing operators for the relevant period
Average Customers	Average customers are derived by computing the average of the monthly average customers for the relevant period.
Average Towers	Average towers are derived by computing the average of the monthly average 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 issued and outstanding equity shares as at the end of the relevant period.
Capital Employed	Capital Employed is defined as sum of equity attributable to equity holders of parent and net debt.
Cash Profit From Operations	It is not a IFRS measure and is defined as operating income adjusted for depreciation and amortization, pre-operating costs, interest expense and interest income.
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.
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.
DTH	Direct to Home broadcast service
Earnings Per Basic Share.	It is computed by dividing net income attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.
	The calculation of Net Profit/ (loss) per diluted share adjusts net profit or loss and the weighted average number of ordinary shares outstanding, to give effect to all dilutive potential ordinary shares that were outstanding during the year.
Earnings Per Diluted Share	Net profit or loss attributable to ordinary shareholders is adjusted for the after-tax effect of the following: (1) dividends on potential ordinary shares (for example, dilutive convertible preferred shares); (2) interest recognized on potential ordinary shares (for example, dilutive convertible debt); and (3) any other changes in income or expense resulting from the conversion of dilutive potential ordinary shares (e.g., an entity's contribution to its non-discretionary employee profit-sharing plan may be revised based on changes in net profit due to the effects of items discussed above).
EBITDA	Earnings/ (loss) before interest, taxation, depreciation and amortization. It is not a IFRS measure and is defined as operating income adjusted for depreciation and amortization and pre-operating costs.
EBITDA Margin	It is computed by dividing EBITDA for the relevant period by total revenues for the relevant period.
EBIT	Earnings / (Loss) before interest, taxation for the relevant period.

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.
Profit / (Loss) after current tax expense	It is not a IFRS measure and is defined as Profit / (Loss) before taxation adjusted for current tax expense.
Interest Coverage Ratio	EBITDA for the relevant period divided by interest on borrowing for the relevant period.
Investments in projects	The investment in projects comprises gross fixed assets, intangible assets, capital work in progress, gross goodwill, investment in JV's and one-time entry fee paid towards acquisition of licenses.
ICT	Information Communication Technology
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.
LTM	Last twelve months.
Market Capitalization	Number of issued and outstanding shares as at end of June 30, 2010 multiplied by closing market price (BSE) as at end of June 30, 2010.
mn	Million
MoU	Minutes of Usage. Duration in minutes for which a customer uses the network. It is typically expressed over a period of one month.
Network Site	Comprises of Base Transmission System (BTS) which holds the radio transreceivers (TRXs) that define a cell and coordinates the radio links protocols with the mobile device. It includes all the Ground based, Roof top and In Building Solutions as at the end of the period.
Net Debt	It is not a IFRS measure and is defined as the long-term debt, net of current portion plus short-term borrowings and current portion of long-term debt minus cash and cash equivalents, restricted cash, restricted cash non-current, short-term investments and investments as at the end of the relevant period.
Net Debt to EBITDA	It is computed by dividing net debt as at the end of the relevant period by EBITDA for preceding (last) 12 months from the end of the relevant period.
Net Debt to 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 Revenues	It is not IFRS measure and is defined as total revenues adjusted for access charges for the relevant period.
NLD	National Long Distance Services.
Non Voice Revenue as a % of consolidated 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 VAS Revenues for Mobile, VAS and Internet Revenues for Telemedia Services and Bandwidth and Internet Revenues for Enterprise Services.
Non Voice Revenue as a % 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 for mobile services includes revenues from value added services (including SMS, GPRS, MMS, Ring Back Tones etc.).
Return On Capital Employed (ROCE)	For the full year ended March 31, 2007, 2008, 2009 and 2010. 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, 2007, 2008, 2009 and 2010, 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.

SA	South Asia
Sharing revenue per Sharing Operator per month	It is computed by dividing gross revenue less energy and other pass through, from Passive Infrastructure services by average sharing operators.
Sharing factor	It is computed by dividing average sharing operators by average towers
Total Towers	It is the sum of ground based towers, roof top towers and others.
Total Operating Expenses	It is defined as sum of equipment costs, employee costs, network operations costs and selling, general and administrative cost for the relevant period.
Underlying EBITDA Margin	It is calculated by dividing EBITDA before acquisition related costs for the relevant period by the Total Revenues for the relevant period.

Regulatory

AUSPI	Association of Unified Telecom Service Providers of India.
BWA	Broadband Wireless Access
3G	Third - Generation Technology
COAI	Cellular Operators Association of India
CMTS	Cellular Mobile Telephone Service
DoT	Department of Telecommunications
ISP	Internet Service Provider
IUC	Interconnection Usage Charges.
MNP	Mobile Number Portability
TRAI	Telecom Regulatory Authority of India.
UASL	Unified Access Service License.
VSAT	Very Small Aperture Terminals

Others (Industry)

BSE	The Stock Exchange, Mumbai
RBI	Reserve Bank of India
GSM	Global System for Mobile Communications.
CDMA	Code Division Multiple Access
IGAAP	Generally Accepted Accounting Principles in India.
USGAAP	United States Generally Accepted Accounting Principles.
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.

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