

Quarterly report on the results for the fourth quarter and full year ended March 31, 2014

Bharti Airtel Limited

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



airtel crosses 200 million mobile subscriber mark in India

S&P upgrades Bharti Airtel's rating to 'BBB-'
with a 'Stable' outlook

airtel Africa acquires 100% stake
in Warid Congo S.A.



April 29, 2014

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

Supplemental Disclosures

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

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

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

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

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

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

Further disclosures are also provided under “Use of Non - GAAP financial information” on page 36

Others: In this report, the terms “we”, “us”, “our”, “Bharti”, or “the Company”, unless otherwise specified or the context otherwise implies,

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

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

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SECTION 1

BHARTI AIRTEL – PERFORMANCE AT A GLANCE

Particulars	Unit	Full Year Ended			Quarter Ended				
		2012	2013	2014	Mar-13	Jun-13	Sep-13	Dec-13	Mar-14
<u>Operating Highlights</u>									
Total Customer Base	000's	251,646	271,227	295,948	271,227	274,917	280,087	287,409	295,948
Total Minutes on Network	Mn Min	1,020,615	1,127,150	1,211,522	293,672	301,366	297,873	301,130	311,152
Sites on Network	Nos	141,059	156,905	163,361	156,905	158,613	159,439	161,267	163,361
Total Employees ⁴	Nos	19,956	25,710	24,893	25,710	26,042	25,288	24,725	24,893
No. of countries of operation	Nos	20	20	20	20	20	20	20	20
Population Covered	Bn	1.84	1.85	1.85	1.85	1.85	1.85	1.85	1.85
<u>Consolidated Financials (Rs Mn)</u>									
Total revenues	Rs Mn	683,267	769,045	857,461	195,821	202,639	213,244	219,385	222,193
EBITDA	Rs Mn	222,025	232,579	277,770	60,605	65,449	68,321	70,934	73,066
EBIT	Rs Mn	94,949	84,431	121,274	22,601	26,979	28,927	31,746	33,622
Cash profit from operations before Derivative & Exchange Fluctuations	Rs Mn	193,899	195,643	241,813	51,475	59,113	55,629	62,401	64,672
Profit before tax	Rs Mn	63,792	47,853	78,105	12,318	16,125	14,468	22,128	25,384
Net income	Rs Mn	42,594	22,757	27,727	5,086	6,889	5,120	6,102	9,616
Capex	Rs Mn	128,150	126,451	105,843	32,878	22,954	21,391	28,219	33,278
Operating Free Cash Flow (EBITDA - Capex)	Rs Mn	93,874	106,128	171,927	27,727	42,495	46,930	42,715	39,788
Net Debt	Rs Mn	618,442	583,567	605,416	583,567	587,205	613,500	576,430	605,416
Shareholder's Equity	Rs Mn	506,113	503,217	597,560	503,217	575,307	587,756	592,597	597,560
<u>Consolidated Financials (US\$ Mn)</u>									
Total Revenue ¹	US\$ Mn	14,284	14,129	14,151	3,619	3,628	3,398	3,535	3,600
EBITDA ¹	US\$ Mn	4,641	4,273	4,584	1,120	1,172	1,089	1,143	1,184
EBIT ¹	US\$ Mn	1,985	1,551	2,001	418	483	461	512	545
Cash profit from operations before Derivative & Exchange Fluctuations ¹	US\$ Mn	4,053	3,594	3,991	951	1,058	887	1,006	1,048
Profit before Tax ¹	US\$ Mn	1,334	879	1,289	228	289	231	357	411
Net income ¹	US\$ Mn	890	418	458	94	123	82	98	156
Capex ¹	US\$ Mn	2,679	2,323	1,747	608	411	341	455	539
Operating Free Cash Flow (EBITDA - Capex)	US\$ Mn	1,962	1,950	2,837	512	761	748	688	645
Net Debt ²	US\$ Mn	12,089	10,729	10,074	10,729	9,836	9,773	9,313	10,074
Shareholder's Equity ²	US\$ Mn	9,893	9,252	9,943	9,252	9,637	9,363	9,574	9,943
<u>Key Ratios</u>									
EBITDA Margin	%	32.5%	30.2%	32.4%	30.9%	32.3%	32.0%	32.3%	32.9%
EBIT Margin	%	13.9%	11.0%	14.1%	11.5%	13.3%	13.6%	14.5%	15.1%
Net Profit Margin	%	6.2%	3.0%	3.2%	2.6%	3.4%	2.4%	2.8%	4.3%
Net Debt to Funded Equity Ratio	Times	1.22	1.16	1.01	1.16	1.02	1.04	0.97	1.01
Net Debt to EBITDA (LTM) - US\$	Times	2.60	2.51	2.20	2.51	2.22	2.20	2.06	2.20
Net Debt to EBITDA (Annualised) - US\$	Times	2.60	2.51	2.20	2.40	2.10	2.25	2.04	2.13
Interest Coverage ratio	Times	9.09	6.77	7.56	7.26	7.44	7.38	7.61	7.82
Return on Shareholder's Equity	%	8.6%	4.5%	5.0%	4.5%	4.3%	3.7%	4.2%	4.8%
Return on Capital employed	%	7.1%	5.7%	6.6%	5.6%	6.0%	6.3%	6.4%	6.5%
<u>Valuation Indicators</u>									
Market Capitalization	Rs Bn	1,279	1,108	1,275	1,108	1,165	1,272	1,321	1,275
Market Capitalization	US\$ Bn	25.0	20.4	21.2	20.4	19.5	20.3	21.3	21.2
Enterprise Value	Rs Bn	1,897	1,692	1,880	1,692	1,752	1,886	1,897	1,880
EV / EBITDA (LTM)	Times	8.55	7.27	6.77	7.27	7.20	7.48	7.15	6.77
P/E Ratio (LTM)	Times	30.00	48.65	45.44	48.65	50.32	61.53	55.52	45.44

1. Average exchange rates used for Rupee conversion to US\$ is (a) Rs 47.84 for the financial year ended March 31, 2012 (b) Rs 54.43 for the financial year ended March 31, 2013 (c) Rs 60.59 for the financial year ended March 31, 2014 (d) Rs 54.12 for the quarter ended March 31, 2013 (e) Rs 55.86 for the quarter ended June 30, 2013 (f) Rs 62.75 for the quarter ended September 30, 2013 (g) Rs 62.05 for the quarter ended December 31, 2013 (h) Rs 61.71 for the quarter ended March 31, 2014 based on the RBI Reference rate.

2. Closing exchange rates used for Rupee conversion to US\$ is (a) Rs 51.16 for the financial year ended March 31, 2012 (b) Rs 54.39 for the financial year ended March 31, 2013 (c) Rs 60.10 for the quarter and financial year ended March 31, 2014 (d) Rs 54.39 for the quarter ended March 31, 2013 (e) Rs 59.70 for the quarter ended June 30, 2013 (f) Rs 62.78 for the quarter ended September 30, 2013 (g) Rs 61.90 for the quarter ended December 31, 2013 (e) Rs 60.10 for the quarter ended March 31, 2014 being the RBI Reference rate.

3. Key Ratios computed using translated US\$ values may yield different results in comparison with ratios computed using Rupee values.

4. Total employees do not include 42% of Indus Towers employees.

SECTION 2

BHARTI AIRTEL - AN INTRODUCTION

2.1 Introduction

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

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

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

2.2 Business Divisions

2.2.1 India

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

B2C Services:

Mobile Services (India) – We are the largest wireless operator in the country both in terms of customers and revenues. We offer postpaid, pre-paid, roaming, internet, m-Commerce (Airtel Money) and other value added services using GSM mobile technology. Our distribution channel is spread across 1.5 Mn outlets with network presence in 5,121 census and 460,783 non-census towns and villages in India covering approximately 86.7% of the country's population.

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

Our national long distance infrastructure provides a pan-India reach with 184,211 Rkms of optical fiber.

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

Digital TV Services – Our Direct-To-Home (DTH) platform offers both standard and high definition (HD) digital TV services with 3D capabilities and Dolby surround sound. We currently offer a total of 400 channels including 19 HD channels and 3 interactive services.

B2B Services:

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

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

Tower Infrastructure Services – Our subsidiary, Bharti Infratel Ltd (Infratel), is India's leading provider of tower and related infrastructure and it deploys, owns & manages telecom towers and communication structures, for various mobile operators. It holds 42% equity interest in Indus towers, a joint venture with Vodafone India and Aditya Birla Telecom who hold 42% and 16% respectively. The Company's consolidated portfolio of over 83,000 telecom towers, which includes over 35,000 of its own towers and the balance from its 42% equity interest in Indus Towers, makes it one of the largest tower infrastructure providers in the country with presence in all 22 telecom circles. The Company has been the industry pioneer in adopting green energy initiatives for its operations.

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

2.2.2 International

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

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

2.3 Partners

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

SECTION 3

FINANCIAL HIGHLIGHTS

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

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

3.1 Consolidated - Summary of Consolidated Financial Statements

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

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Year Ended		
	Mar-14	Mar-13	Y-on-Y Growth	Mar-14	Mar-13	Y-on-Y Growth
Total revenues	222,193	195,821	13%	857,461	769,045	11%
EBITDA	73,066	60,605	21%	277,770	232,579	19%
<i>EBITDA / Total revenues</i>	<i>32.9%</i>	<i>30.9%</i>		<i>32.4%</i>	<i>30.2%</i>	
EBIT	33,622	22,601	49%	121,274	84,431	44%
Finance cost (net)	9,911	11,158	-11%	48,380	40,084	21%
Share of results of Joint Ventures/Associates	1,673	875	91%	5,211	3,506	49%
Profit before tax ⁵	25,384	12,318	106%	78,105	47,853	63%
Income tax expense ⁵	13,306	7,255	83%	44,478	25,184	77%
Net income ⁶	9,616	5,086	89%	27,727	22,757	22%
Capex	33,278	32,878	1%	105,843	126,451	-16%
Operating Free Cash Flow (EBITDA - Capex)	39,788	27,727	43%	171,927	106,128	62%
Cumulative Investments	2,158,800	1,861,643	16%	2,158,800	1,861,643	16%

Note 5: Profit before Tax and Income Tax expense reported above for the quarter ended and full year ended March 31, 2014, excludes the impact of exceptional items.

Note 6: Net Income for the quarter ended and full year ended March 31, 2014, includes the impact of exceptional items. Refer section 5.3.3 on "Exceptional Items" on page 23 for details.

3.1.2 Consolidated Summarized Statement of Financial Position

Amount in Rs Mn

Particulars	As at Mar 31, 2014	As at Mar 31, 2013
Assets		
Non-current assets	1,607,915	1,395,347
Current assets	223,857	196,906
Total assets	1,831,772	1,592,253
Liabilities		
Non-current liabilities	624,060	627,603
Current liabilities	568,050	420,547
Total liabilities	1,192,110	1,048,150
Equity & Non Controlling Interests		
Equity	597,560	503,217
Non controlling interests	42,102	40,886
Total Equity & Non Controlling Interests	639,662	544,103
Total Equity and liabilities	1,831,772	1,592,253

3.2 Region wise - Summary of Consolidated Financial Statements

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

Amount in Rs Mn, except ratios

Particulars	Quarter Ended Mar 2014			Quarter Ended Mar 2013			Year Ended Mar 2014			Year Ended Mar 2013		
	India	International	Total	India	International	Total	India	International	Total	India	International	Total
Total revenues	149,104	75,111	222,193	133,576	64,099	195,821	575,560	289,891	857,461	523,862	252,764	769,045
EBITDA	54,929	18,145	73,066	45,238	15,358	60,605	205,268	72,442	277,770	170,398	62,196	232,579
<i>EBITDA / Total revenues</i>	<i>36.8%</i>	<i>24.2%</i>	<i>32.9%</i>	<i>33.9%</i>	<i>24.0%</i>	<i>30.9%</i>	<i>35.7%</i>	<i>25.0%</i>	<i>32.4%</i>	<i>32.5%</i>	<i>24.6%</i>	<i>30.2%</i>
EBIT	30,810	2,821	33,622	20,353	2,238	22,601	108,344	12,869	121,274	73,994	10,452	84,431
Profit before tax ⁷	34,359	(9,327)	25,384	18,320	(6,011)	12,318	104,343	(25,458)	78,105	72,610	(24,742)	47,853
Net income (before exceptional items)⁸	23,779	(12,181)	11,950	10,846	(5,768)	5,086	72,279	(38,782)	32,718	49,390	(26,618)	22,757
Exceptional Items (net) ⁹			2,333			0			4,990			0
Net income			9,616			5,086			27,727			22,757
Capex	20,312	12,966	33,278	18,794	14,084	32,878	60,961	44,882	105,843	81,964	44,486	126,451
Operating Free Cash Flow (EBITDA - Capex)	34,617	5,179	39,788	26,443	1,274	27,727	144,307	27,560	171,927	88,434	17,710	106,128
Cumulative Investments	1,231,352	927,449	2,158,800	1,081,133	780,510	1,861,643	1,231,352	927,449	2,158,800	1,081,133	780,510	1,861,643

Note 7: Profit before Tax for the quarter ended and full year ended March 31, 2014, excludes the impact of exceptional items.

Note 8: The Consolidated net income excludes the impact of exchange fluctuation on certain inter region loans which are considered as "net investment in foreign operations" (Refer section 9.4 Key Accounting Policies as per IFRS)

Note 9: Refer section 5.3.3 on "Exceptional Items" on page 23 for details.

3.2.2 Region wise Summarized Statement of Financial Position

Amount in Rs Mn

Particulars	As at Mar 31, 2014			
	India	International	Eliminations	Total
Assets				
Non-current assets	1,029,597	792,115	(213,797)	1,607,915
Current assets	136,092	95,799	(8,034)	223,857
Total assets	1,165,689	887,914	(221,831)	1,831,772
Liabilities				
Non-current liabilities	122,921	525,550	(24,411)	624,060
Current liabilities	230,325	345,749	(8,024)	568,050
Total liabilities	353,246	871,299	(32,435)	1,192,110
Equity & Non Controlling Interests				
Equity	762,884	24,072	(189,396)	597,560
Non controlling interests	49,559	(7,457)	0	42,102
Total Equity & Non Controlling Interests	812,443	16,615	(189,396)	639,662
Total Equity and liabilities	1,165,689	887,914	(221,831)	1,831,772

3.3 Segment wise Summarized Statement of Operations

INDIA

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Year Ended		
	Mar-14	Mar-13	Y-on-Y Growth	Mar-14	Mar-13	Y-on-Y Growth
Total revenues	149,104	133,576	12%	575,560	523,862	10%
EBITDA	54,929	45,238	21%	205,268	170,398	20%
<i>EBITDA / Total revenues</i>	36.8%	33.9%		35.7%	32.5%	
EBIT	30,810	20,353	51%	108,344	73,994	46%
Capex	20,312	18,794	8%	60,961	81,964	-26%
Operating Free Cash Flow (EBITDA - Capex)	34,617	26,443	31%	144,307	88,434	63%
Cumulative Investments	1,231,352	1,081,133	14%	1,231,352	1,081,133	14%

B2C Services

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

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Year Ended		
	Mar-14	Mar-13	Y-on-Y Growth	Mar-14	Mar-13	Y-on-Y Growth
Total revenues	120,835	110,173	10%	466,835	430,708	8%
EBITDA	42,147	33,696	25%	157,564	129,577	22%
<i>EBITDA / Total revenues</i>	34.9%	30.6%		33.8%	30.1%	
EBIT	25,393	17,313	47%	90,891	66,789	36%
Capex	12,901	13,128	-2%	41,566	56,189	-26%
Operating Free Cash Flow (EBITDA - Capex)	29,246	20,569	42%	115,998	73,388	58%
Cumulative Investments	878,872	730,412	20%	878,872	730,412	20%

3.3.2 Telemedia Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Year Ended		
	Mar-14	Mar-13	Y-on-Y Growth	Mar-14	Mar-13	Y-on-Y Growth
Total revenues	10,242	9,130	12%	39,352	35,897	10%
EBITDA	3,816	3,783	1%	14,771	14,746	0%
<i>EBITDA / Total revenues</i>	37.3%	41.4%		37.5%	41.1%	
EBIT	1,420	1,866	-24%	5,540	6,999	-21%
Capex	1,932	558	246%	4,226	3,408	24%
Operating Free Cash Flow (EBITDA - Capex)	1,884	3,225	-42%	10,546	11,338	-7%
Cumulative Investments	79,315	74,974	6%	79,315	74,974	6%

3.3.3 Digital TV Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Year Ended		
	Mar-14	Mar-13	Y-on-Y Growth	Mar-14	Mar-13	Y-on-Y Growth
Total revenues	5,415	4,419	23%	20,771	16,294	27%
EBITDA	963	296	226%	3,338	452	638%
<i>EBITDA / Total revenues</i>	<i>17.8%</i>	<i>6.7%</i>		<i>16.1%</i>	<i>2.8%</i>	
EBIT	(1,111)	(1,784)	38%	(4,821)	(8,105)	41%
Capex	1,779	1,326	34%	6,170	7,548	-18%
Operating Free Cash Flow (EBITDA - Capex)	(816)	(1,030)	21%	(2,832)	(7,096)	60%
Cumulative Investments	46,468	40,366	15%	46,468	40,366	15%

B2B Services

3.3.4 Airtel Business

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Year Ended		
	Mar-14	Mar-13	Y-on-Y Growth	Mar-14	Mar-13	Y-on-Y Growth
Total revenues	16,305	13,144	24%	63,361	53,203	19%
EBITDA	3,661	2,800	31%	13,807	8,824	56%
<i>EBITDA / Total revenues</i>	<i>22.5%</i>	<i>21.3%</i>		<i>21.8%</i>	<i>16.6%</i>	
EBIT	2,136	1,282	67%	8,078	3,110	160%
Capex	700	38	1755%	1,365	801	71%
Operating Free Cash Flow (EBITDA - Capex)	2,962	2,762	7%	12,443	8,023	55%
Cumulative Investments	48,279	43,136	12%	48,279	43,136	12%

3.3.5 Tower Infrastructure Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Year Ended		
	Mar-14	Mar-13	Y-on-Y Growth	Mar-14	Mar-13	Y-on-Y Growth
Total revenues	13,060	13,160	-1%	51,087	49,865	2%
EBITDA	6,340	6,161	3%	22,850	22,513	1%
<i>EBITDA / Total revenues</i>	<i>48.5%</i>	<i>46.8%</i>		<i>44.7%</i>	<i>45.1%</i>	
EBIT	3,774	2,197	72%	11,151	7,126	56%
Share of results of joint ventures/associates	1,691	952	78%	5,113	3,767	36%
Capex	2,939	3,533	-17%	7,538	11,000	-31%
Operating Free Cash Flow (EBITDA - Capex)	3,401	2,628	29%	15,312	11,513	33%
Cumulative Investments	174,336	181,965	-4%	174,336	181,965	-4%

Others

3.3.6 Others (India)

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Year Ended		
	Mar-14	Mar-13	Y-on-Y Growth	Mar-14	Mar-13	Y-on-Y Growth
Total revenues	835	761	10%	3,100	3,227	-4%
EBITDA	(532)	(511)	-4%	(2,161)	(1,910)	-13%
EBIT	(522)	(514)	-2%	(2,161)	(1,920)	-13%
Capex	140	220	-36%	234	3,028	-92%
Operating Free Cash Flow (EBITDA - Capex)	(672)	(731)	8%	(2,394)	(4,937)	52%
Cumulative Investments	4,081	10,281	-60%	4,081	10,281	-60%

International – Comprises of Consolidated Statement of Operations of Africa and South Asia.

In INR:

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Year Ended		
	Mar-14	Mar-13	Y-on-Y Growth	Mar-14	Mar-13	Y-on-Y Growth
Total revenues	75,111	64,099	17%	289,891	252,764	15%
EBITDA	18,145	15,358	18%	72,442	62,196	16%
<i>EBITDA / Total revenues</i>	<i>24.2%</i>	<i>24.0%</i>		<i>25.0%</i>	<i>24.6%</i>	
EBIT	2,821	2,238	26%	12,869	10,452	23%
Capex	12,966	14,084	-8%	44,882	44,486	1%
Operating Free Cash Flow (EBITDA - Capex)	5,179	1,274	306%	27,560	17,710	56%
Cumulative Investments	927,449	780,510	19%	927,449	780,510	19%

In USD:

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended			Year Ended		
	Mar-14	Mar-13	Y-on-Y Growth	Mar-14	Mar-13	Y-on-Y Growth
Total revenues	1,217	1,184	3%	4,777	4,643	3%
EBITDA	295	284	4%	1,192	1,141	5%
<i>EBITDA / Total revenues</i>	<i>24.2%</i>	<i>23.9%</i>		<i>25.0%</i>	<i>24.6%</i>	
EBIT	46	41	12%	210	190	11%
Capex	210	260	-19%	741	817	-9%
Operating Free Cash Flow (EBITDA - Capex)	85	23	265%	451	323	40%
Cumulative Investments	15,432	14,350	8%	15,432	14,350	8%

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

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended			Year Ended		
	Mar-14	Mar-13	Y-on-Y Growth	Mar-14	Mar-13	Y-on-Y Growth
Total revenues	1,145	1,120	2%	4,491	4,417	2%
EBITDA	290	285	2%	1,175	1,158	1%
<i>EBITDA / Total revenues</i>	25.3%	25.4%		26.2%	26.2%	
EBIT	64	62	3%	280	284	-1%
Capex	176	235	-25%	635	724	-12%
Operating Free Cash Flow (EBITDA - Capex)	114	50	127%	540	434	25%
Cumulative Investments	14,388	13,543	6%	14,388	13,543	6%

Note 10: Africa financials reported above are in their functional currency i.e., US\$.

Note 11: In constant currency terms, the reported revenues of \$ 1,145 million for the quarter ended March 31, 2014, against \$ 1,108 million in the same quarter last year, represents a Y-o-Y growth of 3.3% (Refer page 40 for revenues in constant currency).

Note 12: Total revenues for the quarter ended March 31, 2014 is impacted by downward revision in mobile termination rates in select countries. Net Revenue (net of access charges and cost of goods sold) which reflects the underlying performance stands at \$ 951 million and \$ 890 million for the quarter ended Mar-14 and Mar-13 respectively, representing a Y-o-Y growth of 6.8%. (Refer page 40 for five quarter trend of net revenue for Africa).

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

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended			Year Ended		
	Mar-14	Mar-13	Y-on-Y Growth	Mar-14	Mar-13	Y-on-Y Growth
Total revenues	73	64	14%	287	227	27%
EBITDA	5	(1)	487%	17	(17)	197%
<i>EBITDA / Total revenues</i>	6.7%	-2.0%		5.9%	-7.7%	
EBIT	(18)	(21)	16%	(70)	(94)	25%
Capex	34	26	32%	105	93	13%
Operating Free Cash Flow (EBITDA - Capex)	(29)	(27)	-8%	(88)	(111)	20%
Cumulative Investments	1,043	807	29%	1,043	807	29%

3.4 Region wise & Segment wise - Investment & Contribution

3.4.1 India

Amount in Rs Mn, except ratios

Segment	Quarter Ended Mar 2014						As at Mar 31, 2014	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Cummulative Investments	% of Total
Mobile Services ¹³	120,835	81%	42,147	77%	12,901	64%	878,872	71%
Telemedia Services	10,242	7%	3,816	7%	1,932	10%	79,315	6%
Digital TV Services	5,415	4%	963	2%	1,779	9%	46,468	4%
Airtel Business	16,305	11%	3,661	7%	700	3%	48,279	4%
Tower Infrastructure Services	13,060	9%	6,340	12%	2,939	14%	174,336	14%
Others	835	1%	(532)	-1%	140	1%	4,081	0%
Sub Total	166,692	112%	56,396	103%	20,391	100%	1,231,352	100%
Eliminations	(17,588)	-12%	(1,467)	-3%	(79)	0%		
Accumulated Depreciation And Amortization							(506,814)	
Total (India)	149,104	100%	54,929	100%	20,312	100%	724,537	
Consolidated	222,193		73,066		33,278		2,158,800	
% of Consolidated	67%		75%		61%		57%	

Note 13: Cumulative Investments include National optic fibre network.

Amount in Rs Mn, except ratios

Segment	Year Ended Mar 2014						As at Mar 31, 2014	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Cummulative Investments	% of Total
Mobile Services ¹³	466,835	81%	157,564	77%	41,566	68%	878,872	71%
Telemedia Services	39,352	7%	14,771	7%	4,226	7%	79,315	6%
Digital TV Services	20,771	4%	3,338	2%	6,170	10%	46,468	4%
Airtel Business	63,361	11%	13,807	7%	1,365	2%	48,279	4%
Tower Infrastructure Services	51,087	9%	22,850	11%	7,538	12%	174,336	14%
Others	3,100	1%	(2,161)	-1%	234	0%	4,081	0%
Sub Total	644,505	112%	210,170	102%	61,098	100%	1,231,352	100%
Eliminations	(68,945)	-12%	(4,902)	-2%	(137)	0%		
Accumulated Depreciation And Amortization							(506,814)	
Total (India)	575,560	100%	205,268	100%	60,961	100%	724,537	
Consolidated	857,461		277,770		105,843		2,158,800	
% of Consolidated	67%		74%		58%		57%	

3.4.2 International

Amount in US\$ Mn, except ratios

Segment	Quarter Ended Mar 2014						As at Mar 31, 2014	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Cummulative Investments	% of Total
Africa	1,145	94%	290	98%	176	84%	14,388	93%
South Asia	73	6%	5	2%	34	16%	1,043	7%
Sub Total	1,217	100%	295	100%	210	100%	15,432	100%
Eliminations	0	0%	0	0%	0	0%		
Accumulated Depreciation And Amortization							(3,145)	
Total (International)	1,217	100%	295	100%	210	100%	12,287	
% of Consolidated	33%		25%		39%		43%	

Amount in US\$ Mn, except ratios

Segment	Year Ended Mar 2014						As at Mar 31, 2014	
	Revenue	% of Total	EBITDA	% of Total	Capex	% of Total	Cummulative Investments	% of Total
Africa	4,491	94%	1,175	99%	635	86%	14,388	93%
South Asia	287	6%	17	1%	105	14%	1,043	7%
Sub Total	4,777	100%	1,192	100%	740	100%	15,432	100%
Eliminations	0	0%	0	0%	0	0%		
Accumulated Depreciation And Amortization							(3,145)	
Total (International)	4,777	100%	1,192	100%	741	100%	12,287	
% of Consolidated	33%		26%		42%		43%	

SECTION 4

OPERATING HIGHLIGHTS

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

4.1 Customers and Non Voice % - Consolidated

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Q-on-Q Growth	Mar 31, 2013	Y-on-Y Growth
Mobile Services	000's	283,580	275,247	3%	259,844	9%
India	000's	205,519	198,513	4%	188,220	9%
International	000's	78,061	76,733	2%	71,623	9%
Telemedia Services	000's	3,356	3,355	0%	3,283	2%
Digital TV Services	000's	9,012	8,807	2%	8,100	11%
Total	000's	295,948	287,409	3%	271,227	9%
Non Voice Revenue as a % of Total Revenues	%	29.6%	26.1%		25.6%	

4.2 Traffic Details – Consolidated

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Q-on-Q Growth	Mar 31, 2013	Y-on-Y Growth
Mobile Services	Mn Min	303,343	293,818	3%	286,364	6%
India	Mn Min	264,843	255,030	4%	253,144	5%
International	Mn Min	38,500	38,788	-1%	33,220	16%
Telemedia Services	Mn Min	4,122	4,075	1%	3,988	3%
National Long Distance Services	Mn Min	28,583	27,310	5%	24,534	17%
International Long Distance Services	Mn Min	4,103	3,606	14%	3,794	8%
Total Minutes on Network (Gross)	Mn Min	340,151	328,809	3%	318,680	7%
Eliminations	Mn Min	(28,999)	(27,679)	5%	(25,008)	16%
Total Minutes on Network (Net)	Mn Min	311,152	301,130	3%	293,671	6%

4.3 Mobile Services India

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Q-on-Q Growth	Mar 31, 2013	Y-on-Y Growth
Customer Base	000's	205,519	198,513	4%	188,220	9%
VLR	%	96.0%	95.3%		95.1%	
Net Additions	000's	7,006	5,057	39%	6,298	-11%
Pre-Paid (as % of total Customer Base)	%	95.1%	95.3%		95.8%	
Monthly Churn	%	2.4%	2.7%		3.2%	
Average Revenue Per User (ARPU)	Rs	196	195	1%	193	2%
Average Revenue Per User (ARPU)	US\$	3.2	3.1	1%	3.6	-11%
Revenue per site per month	Rs	287,897	279,871	3%	269,531	7%
Revenues						
Total Revenues	Rs Mn	120,835	116,446	4%	110,173	10%
Mobile Services	Rs Mn	119,113	114,389	4%	107,179	11%
Others	Rs Mn	1,721	2,057	-16%	2,994	-43%
Voice						
Minutes on the network	Mn	264,843	255,030	4%	253,144	5%
Voice Average Revenue Per User (ARPU)	Rs	162	161	0%	159	2%
Voice Usage per customer	min	437	434	1%	455	-4%
Voice Realization per minute	paisa	37.07	37.13	0%	35.00	6%
Non Voice Revenue						
% of Mobile Services	%	17.6%	17.2%		17.4%	
Of Which						
Messaging & VAS as % of Mobile Services	%	5.6%	6.1%		9.1%	
Data as % of Mobile Services	%	11.1%	10.3%		6.5%	
Others as % of Mobile Services	%	0.9%	0.9%		1.8%	
Data						
Data Customer Base	000's	58,078	54,429	7%	43,490	34%
Of which no. of 3G data customers	000's	10,982	9,485	16%	6,391	72%
As % of Customer Base	%	28.3%	27.4%		23.1%	
Total MBs on the network	Mn MBs	46,690	38,960	20%	23,937	95%
Data Average Revenue Per User (ARPU)	Rs	79	75	5%	55	43%
Data Usage per customer	MBs	277	249	11%	187	48%
Data Realization per MB	paisa	28.38	30.14	-6%	29.27	-3%

4.4 Telemedia Services

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Q-on-Q Growth	Mar 31, 2013	Y-on-Y Growth
Telemedia Customers	000's	3,356	3,355	0%	3,283	2%
Of which no. of broadband (DSL) customers	000's	1,462	1,455	0%	1,390	5%
As % of Customer Base	%	43.6%	43.4%		42.3%	
Net additions	000's	1	17	-92%	5	-71%
Average Revenue Per User (ARPU)	Rs	963	954	1%	906	6%
Average Revenue Per User (ARPU)	US\$	15.6	15.4	2%	16.7	-7%
Non Voice Revenue as % of Telemedia revenues	%	61.7%	60.4%		55.0%	

4.5 Digital TV Services

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Q-on-Q Growth	Mar 31, 2013	Y-on-Y Growth
Digital TV Customers	000's	9,012	8,807	2%	8,100	11%
Net additions	000's	205	235	-13%	207	-1%
Average Revenue Per User (ARPU)	Rs	203	207	-2%	184	10%
Average Revenue Per User (ARPU)	US\$	3.3	3.3	-1%	3.4	-3%
Monthly Churn	%	0.9%	0.8%		1.1%	

4.6 Network and Coverage - India

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Q-on-Q Growth	Mar 31, 2013	Y-on-Y Growth
Mobile Services						
Census Towns	Nos	5,121	5,121	0	5,121	0
Non-Census Towns and Villages	Nos	460,783	460,655	128	460,361	422
Population Coverage	%	86.7%	86.7%		86.7%	
Optic Fibre Network	R Kms	184,211	178,884	5,327	171,610	12,602
Sites on Network	Nos	138,755	137,069	1,686	133,778	4,977
<i>Of which no. of 3G sites</i>	Nos	31,301	28,179	3,122	24,573	6,728
Telemedia Services						
Cities covered	Nos	87	87	0	87	0
Airtel Business						
Submarine cable systems	Nos	7	7	0	7	0
Digital TV Services						
Districts Covered	Nos	639	639	0	639	0
Coverage	%	100%	100%		100%	

4.7 Tower Infrastructure Services

4.7.1 Bharti Infratel Standalone

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Q-on-Q Growth	Mar 31, 2013	Y-on-Y Growth
Total Towers	Nos	35,905	35,515	390	35,119	786
Total Co-locations	Nos	69,137	66,871	2,266	63,573	5,564
Key Indicators						
Sharing Revenue per sharing operator per month	Rs	37,591	36,955	2%	37,467	0%
Average Sharing Factor	Times	1.90	1.87		1.81	

Additional Information:

4.7.2 Indus Towers

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Q-on-Q Growth	Mar 31, 2013	Y-on-Y Growth
Total Towers	Nos	113,008	112,615	393	111,819	1,189
Total Co-locations	Nos	233,488	229,760	3,728	221,511	11,977
Average Sharing Factor	Times	2.05	2.02		1.99	

4.7.3 Bharti Infratel Consolidated

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Q-on-Q Growth	Mar 31, 2013	Y-on-Y Growth
Total Towers	Nos	83,368	82,813	555	82,083	1,285
Total Co-locations	Nos	167,202	163,370	3,832	156,608	10,594
Average Sharing Factor	Times	1.99	1.96		1.91	

4.8 Human Resource Analysis – India

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Q-on-Q Growth	Mar 31, 2013	Y-on-Y Growth
Total Employees ¹⁴	Nos	18,975	19,014	(39)	20,039	(1,064)
Number of Customers per employee	Nos	11,483	11,080	403	9,961	1,522
Personnel cost per employee per month	Rs	92,747	96,925	-4%	87,627	6%
Gross Revenue per employee per month	Rs	2,619,305	2,531,999	3%	2,221,941	18%

Note 14: Total Employees do not include 42% of Indus towers employees.

4.9 Africa

4.9.1 Operational Performance

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Q-on-Q Growth	Mar 31, 2013	Y-on-Y Growth
Customer Base	000's	69,443	68,307	2%	63,718	9%
VLR	%	86.9%	86.5%		85.9%	
Net Additions	000's	1,136	1,929	-41%	2,031	-44%
Pre-Paid (as % of total Customer Base)	%	99.3%	99.3%		99.3%	
Monthly Churn	%	6.1%	6.7%		5.5%	
Average Revenue Per User (ARPU)	US\$	5.5	5.8	-5%	5.9	-7%
Revenue per site per month	US\$	21,406	21,993	-3%	21,784	-2%
Voice						
Minutes on the network	Mn	28,155	28,270	0%	23,360	21%
Voice Average Revenue Per User (ARPU)	US\$	4.4	4.7	-6%	4.9	-10%
Voice Usage per customer	min	136	141	-4%	123	10%
Voice Realization per minute	US¢	3.23	3.31	-2%	3.95	-18%
Non Voice Revenue						
% of Mobile revenues	%	20.5%	19.6%		17.7%	
Of Which						
Messaging & VAS as % of Mobile revenues	%	9.7%	9.3%		8.6%	
Data as % of Mobile revenues	%	7.7%	7.4%		4.4%	
Others as % of Mobile revenues	%	3.1%	3.0%		4.7%	
Data						
Data Customer Base	000's	22,305	19,634	14%	14,535	53%
<i>As % of Customer Base</i>	%	32.1%	28.7%		22.8%	
Total MBs on the network	Mn MBs	6,114	5,383	14%	3,003	104%
Data Average Revenue Per User (ARPU)	US\$	1.4	1.6	-11%	1.2	17%
Data Usage per customer	MBs	96.4	98.6	-2%	73.4	31%
Data Realization per MB	US¢	1.44	1.59	-9%	1.64	-12%

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

4.9.2 Network & Coverage

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Q-on-Q Growth	Mar 31, 2013	Y-on-Y Growth
Sites on Network	Nos	17,792	17,565	227	16,653	1,139
<i>Of which no. of 3G sites</i>	Nos	6,923	6,675	248	5,676	1,247

4.9.3 Human Resource Analysis

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Q-on-Q Growth	Mar 31, 2013	Y-on-Y Growth
Total Employees	Nos	5,127	4,917	210	4,932	195
Number of Customers per employee	Nos	13,545	13,892	(347)	12,919	625
Personnel cost per employee per month	US\$	6,344	6,499	-2%	6,373	0%
Gross Revenue per employee per month	US\$	74,414	78,979	-6%	75,728	-2%

4.10 South Asia

4.10.1 Operational Performance

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Q-on-Q Growth	Mar 31, 2013	Y-on-Y Growth
Customer Base	000's	8,618	8,426	2%	7,906	9%
VLR	%	84.5%	84.5%		83.9%	
Net Additions	000's	192	84	128%	413	-54%
Pre-Paid (as % of total Customer Base)	%	97.2%	97.2%		97.4%	
Monthly Churn	%	5.1%	5.5%		3.8%	
Average Revenue Per User (ARPU)	US\$	2.8	2.9	-1%	2.8	2%
Revenue per site per month	US\$	3,555	3,603	-1%	3,384	5%
Voice						
Minutes on the network	Mn	10,345	10,518	-2%	9,860	5%
Voice Average Revenue Per User (ARPU)	US\$	2.3	2.4	-3%	2.4	-2%
Voice Usage per customer	min	402	417	-4%	427	-6%
Voice Realization per minute	US¢	0.58	0.57	1%	0.56	4%
Non Voice Revenue						
% of Mobile revenues	%	17.7%	16.3%		14.1%	
Of Which						
Messaging & VAS as % of Mobile revenues	%	7.5%	7.3%		7.0%	
Data as % of Mobile revenues	%	6.8%	6.6%		5.1%	
Others as % of Mobile revenues	%	3.4%	2.4%		2.0%	
Data						
Data Customer Base	000's	3,079	2,773	11%	2,234	38%
<i>As % of Customer Base</i>	%	35.7%	32.9%		28.3%	
Total MBs on the network	Mn MBs	1,832	1,497	22%	1,059	73%
Data Average Revenue Per User (ARPU)	US\$	0.6	0.6	-10%	0.5	7%
Data Usage per customer	MBs	208.9	198.5	5%	171.6	22%
Data Realization per MB	US¢	0.27	0.32	-15%	0.30	-12%

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

4.10.2 Network & Coverage

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Q-on-Q Growth	Mar 31, 2013	Y-on-Y Growth
Sites on Network	Nos	6,814	6,633	181	6,474	340
<i>Of which no. of 3G sites</i>	Nos	1,986	1,684	302	673	1,313

4.10.3 Human Resource Analysis

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Q-on-Q Growth	Mar 31, 2013	Y-on-Y Growth
Total Employees	Nos	791	794	(3)	739	52
Number of Customers per employee	Nos	10,895	10,612	283	10,698	197
Personnel cost per employee per month	US\$	2,768	2,605	6%	2,369	17%
Gross Revenue per employee per month	US\$	30,650	30,210	1%	28,778	7%

SECTION 5

MANAGEMENT DISCUSSION AND ANALYSIS

5.1 India

A. Key Industry Developments

1. Auction of spectrum in 900MHz and 1800MHz

Department of Telecommunications (DOT) commenced the auction process for 900 MHz and 1800 MHz spectrum on 3rd February 2014 that went on for 68 rounds till its conclusion on 13th February 2014. The entire 900 MHz that was put on sale by DOT was sold for a combined final price of Rs 23,589.6 crores as against a reserve price of Rs 12,758.0 crores. Similarly, out of 385.2 MHz that was put to auction by DOT in 1800 MHz in 22 circles, 307.2 MHz was sold at a combined price of Rs 37,572.6 crores as against a reserve price of Rs 29,605.0 crores. In total, the industry has picked up 353.2 MHz of 900/ 1800 MHz spectrum for a total price of Rs 61,162.2 crores. The validity of the spectrum is 20 years from the date of allotment.

The auction has provided much needed long term certainty and clarity around spectrum and other regulatory policies. However, future auctions should ensure that more spectrum in the 900 MHz band is secured from other agencies and the operators who are grossly underutilizing this important spectrum band. The auction also highlights the urgent need for vacating E-GSM spectrum in the 800 MHz band, which is being used for older technologies or is lying unused with certain agencies.

2. Merger and Acquisition Guidelines

On 20th February, 2014, DoT issued the new M&A guidelines for the telecom sector. The highlights of the same as under:

- DoT to be notified for any proposal for merger or acquisition as filed before the National Company Law Tribunal.
- There is a cap for Market share (both customer and adjusted gross revenue) upto 50% after merger. If market share exceeds 50% in any circle, then the merged entity has to reduce its market share within one year.
- A spectrum cap for each of the service area has also been notified by the DOT. If after merger, the merged entity crosses the prescribed limit for spectrum (cap), then the excess spectrum must be surrendered within one year. No refund or set off of money paid and / or payable for excess spectrum will be made.
- Merger of ISP licence / authorisation with Access services licence / authorization is permitted.

B. Key Company Developments

- The company secured 115 MHz of spectrum in the recent spectrum auction concluded on 13th February, 2014 as per table below:

Circle	1800 MHz	900 MHz
Andhra Pradesh	8.8	
Delhi	7.0	6.0
Himachal Pradesh	10.2	
Jammu & Kashmir	2.6	
Karnataka	8.8	
Kerala	5.0	
Kolkata	5.0	7.0
Madhya Pradesh	5.8	
Mumbai	6.0	5.0
North East	7.0	
Orissa	5.0	
Punjab	8.2	
Rajasthan	8.2	
Tamil Nadu	5.0	
West Bengal	4.4	
Total Spectrum	97.0	18.0
Total Cost (Rs Cr)	9,814.9	8,623.6
Upfront payment (Rs Cr)	3,369.7	2,155.9
Balance Amount (Rs Cr)	6,445.2	6,467.7

The balance amount may be paid in 10 installments after a moratorium of 2 years. Interest at 10% per annum will be applicable.

- Bharti Airtel achieved yet another milestone by crossing the 200 million mobile subscribers mark in the country.
- Standard and Poor's Rating Services (S&P) upgraded its issuer rating of Bharti Airtel to 'BBB-' with a 'Stable' outlook, reflecting Bharti's strong market leadership, business diversity, strong financial profile and the improving regulatory and competitive environment in India.
- Bharti Airtel launched India's first 4G for mobile for customers in Bengaluru enabling customers to enjoy mobile internet experience with 4G while on the move.
- Bharti Airtel launched the World's First Paper Recharge Coupon - 'Smart Pack' with a Quick Response Code (QRC). An innovative product for prepaid mobile customers in Andhra Pradesh, the 'Smart Pack' provides a never-before convenience factor for customers to recharge their phones within 2 seconds by easily scanning the QR code with their phone to recharge instead of keying in the 16 digit PIN number.

- Enabling customers to watch their favourite shows on the move, Airtel Digital TV launched 'Pocket TV', a mobile phone app loaded with over 150 live TV channels and 10,000 hours of video content.
- Airtel has launched Night Store for its prepaid subscribers. The Night Store includes various unlimited voice and data night packs between the price ranges of Rs. 7 to Rs. 49.
- Bharti Airtel partnered with Etisalat in Abu Dhabi to set up a multi service regional network infrastructure node in Etisalat's Smarthub facility in the region
- Bharti Airtel signed the Master Carrier Services Agreement (MCSA) with Mobily of Saudi Arabia to interconnect each other's MPLS, IPLC and IP Transit services
- Bharti Airtel opened its first all-women's store in Bihar. Run and managed by women employees of the company, this retail outlet especially focuses on addressing the needs of female customers.
- Bharti Airtel was ranked no 6 among the Top 10 brands in the overall category and as the No 2 brand in the telecom sector in the 9th edition of the annual 'afaqs' poll on the Buzziest brands.
- Airtel digital TV became the first DTH player in the country to showcase a feature film on the same day of its theatrical release with the showcase of Telugu movie '*Minukumanna Minugurulu*' on its Pay Per View (PPV) platform.
- In line with company's initiatives to associate with events, shows and initiatives that resonate well with the preferences of today's India, Bharti Airtel co-sponsored the popular TV show "*Satyamev Jayate*" again this year. The brand integration with the show included innovations like in-show calls on Airtel 3G and use of airtel money for donations along with access to exclusive show content to customers.
- Bharti Airtel supported NGO Karunalaya by sponsoring Team India for the Street Child World Cup (SCWC) 2014 at Rio, Brazil.

5.2 International

A. Key Industry Developments

Nigeria

- On 19th February, 2014, the Regulator imposed restrictions on certain operators based on measurements of Network KPIs barring them from selling SIM cards and also restricted them from all promotions on their networks until they improve on the failed KPIs.
- In accordance with the Glide Path in the Interconnection Rate Determination, 2013, Mobile

Termination Rates for Airtel, Etisalat, Glomobile and MTN were adjusted downwards to N4.40 from N4.90 effective April 1, 2014.

Chad

- Change of Regulatory fees from 5% to 7% from April 1, 2014.

Burkina Faso

- The Regulator decreased the Interconnect rate from CFA 25 to CFA 20 with effect from April 1, 2014.
- The Parliament has passed the Finance Bill 2014 introducing a new tax of 5% of gross revenues. The Bill is yet to be signed by the President of Republic.

B. Key Company Developments

- Bharti Airtel International (Netherlands) B.V. successfully issued CHF 350 Million 6 year Fixed Rate Notes at 3% coupon. This is the largest ever issuance by an Asian Telco in the Swiss Bond Market and the first CHF bond issued by a private Indian Issuer.
- Market regulator ranked Airtel Nigeria's network second largest by customer numbers in latest research.
- Airtel Africa bagged two awards for Airtel Money at the Kalahari Awards during the 4th Mobile Money Expo held in Lagos
- The Regulator in Seychelles granted 2 x 15 MHz LTE spectrum in the 800 MHz band to Airtel.
- Airtel has been awarded the first 3G/4G license by the Tchad Government.
- Airtel partnered with Thuraya Telecommunications Company, a leading Mobile Satellite Services (MSS) partners to bring mobile satellite connectivity to 17 countries across Africa. This unique partnership agreement will help expand mobile connectivity and bridge the digital divide in Africa.
- Bharti Airtel joined hands with British Council to provide access to digital educational resources to schools in nine sub-Saharan African countries. Over half a million teachers and learners will benefit from this significant CSR initiative.
- The quarter saw the launch of the first "Airtel Money Visa Card" in Kenya in collaboration with Chase Bank. This has given our customers access to over 10,000 visa point of sales.
- Airtel Sri Lanka launched a data campaign named "Patta Internet" which was focused on providing 360 degree retail/customer awareness on data in Colombo and its metros.

5.3 Results of Operations

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

Key Highlights – For the full year ended March 31, 2014

- Overall customer base at 295.9 Mn across 20 countries (up 9.1% Y-o-Y)
- Net addition of 24.7 Mn customers over the previous year
- Total revenues of Rs 857.5 Bn; Y-o-Y growth of 11.5%
- Mobile data revenues of Rs 63.2 Bn (up 96.3% Y-o-Y)
- EBITDA at Rs 277.8 Bn; Y-o-Y growth of 19.4%
- Consolidated net income of Rs 27.7 Bn (up 21.8% Y-o-Y)

Key Highlights – For the quarter ended March 31, 2014

- Total revenues of Rs 222.2 Bn; Y-o-Y growth of 13.5%
- Mobile data revenues of Rs 19.0 Bn (up 93.4% Y-o-Y)
- Consolidated net income of Rs 9.6 Bn (up 89.1% Y-o-Y)

5.3.1 Consolidated results for the full year ended March 31, 2014

The year saw several significant developments on the regulatory front in India including clearance of 100% FDI in telecommunication and more clarity on M&A guidelines. In the spectrum auctions conducted in February 2014, the Company retained 900 MHz spectrum in Delhi and Kolkata, secured 900 MHz spectrum for Mumbai and 1800 MHz in 15 other circles. The year also saw explosive growth in smartphone sales, growing popularity of social networking and the consequent increase in data usage. During the year, the Company renewed its focus on customer segmentation and launched several industry-first initiatives to lead the data revolution in India. To drive adoption and making it affordable, the Company launched Re 1 entertainment store by reducing the price barrier and offering content like videos, music, photos, games and website specific packs. With the launch of *MyPlan*, the Company undertook initiatives to drive more adoption of postpaid by empowering the customer to tailor their individual need based plans including voice, messaging, data and roaming. The Company continued to invest in networks and spectrum with a view to build capacity and improve quality of coverage especially in 3G and 4G technologies. The Company's 3G services are now available in 2,580 towns and 4G in 4 towns (including 4G on mobile in Bengaluru).

The Telemedia business witnessed higher proportion of DSL customers, primarily driven by improved speed offering and Company's focus on quality acquisitions. DSL customers now represent 43.6% of the total telemedia customers as compared to 42.3% last year. The higher number of broadband customers also resulted in significant increase in ARPU to Rs 946 during the year as compared to Rs 908 in the previous year. Consequently, non-voice revenue as a percentage of total telemedia revenue also increased significantly now representing 59.8% as compared to 53.6% last year.

With digitization across 38 cities during the year following the 4 metros which digitized the previous year, the DTH business continued to increase its customer base and consequently revenues. Enhanced transponder capacities, affordability of HD set-top boxes and upselling efforts led to ARPU increasing by Rs 23 to Rs 201.

Airtel Business had a strong year of growth, leveraging several opportunities in the global data and voice segments. Bangladesh operations saw continued growth despite political turbulence around the time of the national elections.

African markets picked up momentum in the second half, and are back to healthy telecom sector growth, in local currency terms. Regulatory interventions and political unrest in some parts of Africa adversely affected the sector; nevertheless, the growth potential for telecom remains robust on the back of modest to strong GDP growths in sub-Saharan Africa and increasing adoption of mobile internet and m-Commerce.

Airtel successfully integrated Warid Telecom, Uganda post the acquisition in the first quarter. In the last quarter, the Company also acquired Warid Congo S.A., the full impact of which will be felt in the coming year. Overall customer base across 17 countries increased by 9.0% to 69.4 Mn customers. At the end of the year, 22.3 Mn data customers accounted for 32.1% of the total customer base as compared to 22.8% in the previous year. Total minutes of usage increased by 18.8% to 110.2 Bn minutes, with usage increasing by 7 minutes to 138 minutes. Data traffic exploded resulting in 108.1% increase to 18.9 Bn MBs with usage increasing from 59.5 MBs to 88.7 MBs. However, voice realisation per minute declined from 4.06 cents to 3.30 cents for the full year, due to interconnect rate reductions, competitive pressures and currency movements. Consequently, the overall ARPU in Africa declined from \$6.3 to \$5.6.

Consolidated revenues grew by 11.5% to Rs 857,462 Mn for the year ended March 31, 2014. The Company incurred operating expenditure (excluding access charges, cost of goods sold and license fees) of Rs 387,584 Mn representing increase of 10.9% over the previous year. Consolidated EBITDA at Rs 277,770 Mn grew by 19.4% over the previous year. EBITDA margin for the full year at 32.4% increased from 30.2% in the previous year mainly due to improved profitability in India. Depreciation and amortization costs for the year were higher by 5.6% to Rs 156,496 Mn. Consequently, EBIT at Rs 121,274 Mn increased by 43.6% resulting in an improved margin to 14.1% up from 11.0% in the previous year.

Net finance costs at Rs 48,380 Mn were higher by Rs 8,296 Mn, primarily due to derivatives and foreign exchange fluctuations which accounted for net losses of Rs 12,423 Mn, up from Rs 3,147 Mn in the previous year. The consolidated profit before taxes and exceptional items at Rs 78,105 Mn has improved by 63.2%.

The consolidated income tax expense (before the impact on exceptional items) for the full year ending March 31, 2014 is Rs 44,478 Mn, compared to Rs 25,184 Mn for the previous year. The effective tax rate in India for the full year came in at 25.3% (23.7% excluding dividend distribution tax) compared to 27.7% (24.9% excluding the impact of dividend distribution tax and additional deferred tax for increase in surcharge) for the full year ended March 31, 2013. The reduction in the underlying effective tax rate in India is mainly due to improved performance in the loss making subsidiaries. The tax charge in Africa for the full year at \$273 Mn (full year 2012-13: \$92 Mn) has been impacted primarily by: i) significant rise in withholding taxes (by \$35 Mn) due to increased upstreaming from subsidiary companies, accounted for in accordance with IAS 12 'Income Taxes', ii) one-off settlements and results of various tax assessments (net \$35 Mn), iii) impact of new taxes, rate changes, etc. (\$11 Mn), and iv) changing profit/loss mix between operating companies in Africa.

After accounting for Rs 4,990 Mn towards net impact of exceptional items, the resultant consolidated net income for the year ended March 31, 2014 came in at Rs 27,727 Mn, a significant increase of 21.8% over the previous year. Net income before exceptional items for the full year came in at Rs 32,718 Mn, an increase of 43.8% over the previous year.

The capital expenditure for the full year was Rs 105,843 Mn, a decrease of 16.3% when compared with the previous year. Consolidated operating free cash flow for the year reflected an increase of 62.0% to Rs 171,927 Mn.

During the year, the Company undertook several initiatives to meet its long term funding requirements strategically using a diversified mix of debt and equity: a) In Q1, the Company raised equity capital of Rs 67,956 Mn from M/s Three Pillars Pte. Ltd., an affiliate of Qatar Foundation Endowment, through a preferential allotment, b) In Q3, Bharti Airtel International (Netherlands) BV (BAIN), a subsidiary of the Company, raised € 750 Mn by issuing 5-year non-convertible bonds, priced at 99.756%, the spread being MS + 300 bps, having a coupon rate of 4% per annum. Subsequently, it also issued a follow-on tap of € 250 Mn, which was priced at 25 bps inside the previous bond, and c) In Q4, BAIN raised CHF 350 Mn by issuing 6-year fixed rate notes (FRNs) having a coupon rate of 3% per annum. The FRNs due in 2020 carry an investment grade rating from Moody's, Standard & Poor and Fitch and were priced at 230 bps over the 6-year CHF mid-swaps with a fixed coupon rate of 3% per annum to yield 2.98%.

In the month of February 2014, the Company has won 115 MHz spectrum in 15 service areas in the auction conducted by the Government of India. The Company has opted for the deferred payment option in 13 service areas and has paid an advance of Rs 53,304 Mn with the balance amount of Rs 129,129 Mn payable in 10 equal installments after a moratorium of two years. Pending the allocation of spectrum

by the Government of India, the balance amount has been disclosed under capital commitments in the notes to the consolidated financial statements. For the other 2 service areas, an upfront advance of Rs 1,953 Mn has been paid. The Company's spectrum acquisition is in line with its strategy of building a robust network for the future and enhancing its leadership position in the fast growing data market.

Consolidated net debt of the Company by the end of March 31, 2014 decreased by \$656 Mn to \$10,074 Mn as compared to \$10,729 Mn last year. During the year: a) in Q1, the four Indian entities of Qualcomm became subsidiaries of the Company resulting in inclusion of Rs 59,092 Mn in net debt, b) in the same quarter, equity injection by M/s Three Pillars Pte. Ltd. resulted in reduction of net debt by Rs 67,956 Mn and c) in Q4, upfront payment for acquisition of spectrum increased the net debt by Rs 55,257 Mn. The Net Debt-EBITDA ratio (USD terms) as at March 31, 2014 improved to 2.20 times as compared to 2.51 times in the previous year, as a result of strong EBITDA growth. The Net Debt-Equity ratio also improved to 1.01 times as at March 31, 2014 as compared to 1.16 times in the previous year.

Results for the quarter ended March 31, 2014

5.3.2 Bharti Airtel Consolidated

As on March 31, 2014, the Company had 295.9 Mn customers, an increase of 9.1% during the year. Total minutes of usage on the network during the quarter were 311.2 Bn as compared to 293.7 Bn in the corresponding quarter last year, representing a growth of 6.0%. Mobile Data traffic grew significantly by 95.1% to 54.6 Bn MBs during the quarter as compared to 28.0 Bn MBs in the corresponding quarter last year.

During the quarter, consolidated revenues stood at Rs 222,193 Mn as compared to Rs 195,821 Mn in the corresponding quarter last year, an increase of 13.5%. Mobile data revenues increased by 93.4% to Rs 19,001 Mn as compared to Rs 9,825 Mn in the corresponding quarter last year. Mobile data revenue now represents 8.6% of the total revenues compared to 5.0% in the corresponding quarter last year. Mobile data contributed to 34.8% of the overall incremental revenue of the Company.

Net revenues, after netting off inter-connect costs and cost of goods sold, increased by 16.3% to Rs 192,495 Mn as compared to Rs 165,496 Mn in the corresponding quarter last year. Operating expenses excluding access costs, costs of goods sold and licence fees during the quarter increased by 13.4% to Rs 99,890 Mn as compared to Rs 88,061 Mn in the corresponding quarter last year. Network costs in India benefitted from one-time credits to the tune of approximately Rs 750 Mn.

The Company had an EBITDA of Rs 73,066 Mn (including one-time credits of Rs 1,260 Mn) during the quarter, an increase of 20.6% as compared to Rs 60,605 Mn in the corresponding quarter last year. EBITDA margin improved during the quarter to 32.9% as compared to 30.9% in the corresponding quarter last year, reflecting an increase of 1.9%. Depreciation and amortisation expenses amounted to Rs 39,444 Mn as compared to Rs 38,004 Mn in the

corresponding quarter last year, which reflects an increase of 3.8%. EBIT for the quarter increased by 48.8% to Rs 33,622 Mn as compared to Rs 22,601 Mn in the corresponding quarter last year. Cash profits from operations (before derivative and exchange fluctuations) during the quarter grew by 25.6% at Rs 64,672 Mn as compared to Rs 51,475 Mn in the corresponding quarter last year.

Net finance cost during the quarter came down by 11.2% to Rs 9,911 Mn as compared to Rs 11,158 Mn in the corresponding quarter last year. This reduction is the result of an increase in investment income and a decrease in derivative and foreign exchange losses primarily due to appreciation of Indian Rupee by 2.9% against the US dollar during the quarter. Interest costs and finance charges at Rs 11,195 Mn during the quarter has increased by 7.0% compared to the corresponding quarter last year, while investment incomes have risen by 110.8% to Rs 2,801 Mn. Derivative and exchange losses for the quarter stood at Rs 1,517 Mn, compared to losses of Rs 2,028 Mn in the corresponding quarter last year. Currency depreciation in Ghana, Zambia, Madagascar and Tanzania were partly mitigated by the appreciating Rupee during the quarter.

The resultant profit before tax and exceptional items for the quarter ended March 31, 2014 was Rs 25,384 Mn as compared to Rs 12,318 Mn in the corresponding quarter last year, an increase of 106.1%. After considering the impact of taxes and minority interests but before exceptional items, the consolidated net income for the quarter increased significantly by 135.0% to Rs 11,950 Mn, as compared to Rs 5,086 Mn in the corresponding period last year. The net income after exceptional items was Rs 9,616 Mn as compared to Rs 5,086 Mn in the corresponding quarter last year, an increase of 89.1%.

The consolidated operating free cash flow increased during the quarter by 43.5% to Rs 39,788 Mn as compared to Rs 27,272 Mn in the corresponding quarter last year.

5.3.3 Exceptional Items

Exceptional items during the quarter resulted in a net loss of Rs 2,333 Mn, comprising of: (i) charge of Rs 1,569 Mn on account of integration costs due to business combination, (ii) tax expense of Rs 256 Mn made up of (a) tax provision (net) of Rs 542 Mn on account of settlement of various disputes / uncertain tax position and (b) tax benefit of Rs 286 Mn on account of reversal of exceptional charge recorded in previous quarters, and (iii) charge of Rs 508 Mn being share of minority interests in respect of (i) and (ii) above, wherever applicable.

5.3.4 B2C Services – India

5.3.4.1 Mobile Services

As on March 31, 2014, the Company with 205.5 Mn GSM customers became the first operator to cross 200 Mn customers in India. VLR ratio for the quarter improved to 96.0% as compared to 95.1% in the corresponding quarter last year. The Company's customer acquisition and retention strategy is consistently yielding positive returns in terms of reduced customer churn, which has now dropped to 2.4% compared to 2.7% in the previous quarter and 3.2% in Q4

last year. Total minutes on network increased by 4.6% to 264.8 Bn as compared to 253.1 Bn in the corresponding quarter last year. Voice realization per minute continued its improving trend during the quarter; the realization of 37.07 paise reflects an increase of 2.08 paise over the corresponding quarter last year.

The Company continued to accelerate mobile data growth with 58.1 Mn data customers as on March 31, 2014, representing a growth of 33.5% as compared to 43.5 Mn mobile data customers at the end of the corresponding quarter last year. By the end of the quarter, 28.3% of the total customer base were active data users as compared to 23.1% in the corresponding quarter last year. The total MBs on the network increased by 95.1% to 46.7 Bn MBs during the quarter as compared to 23.9 Bn MBs in the corresponding quarter last year. Mobile Data usage per customer witnessed an increase of 47.8% to 277 MBs during the quarter as compared to 187 MBs in the corresponding quarter last year. Data ARPU increased by 43.4% to Rs 79 during the quarter as compared to Rs 55 in the corresponding quarter last year. During the quarter, the Company launched India's first 4G on mobile in Bengaluru for customers using Apple iPhone 5s or 5c for a 'FLYing' internet browsing experience while on the move.

The Airtel Money app is one of the top 10 Apps in shopping category. The Company had 1.7 Mn active subscriber base as on March 31, 2014 using the Airtel Money platform conducting a total of 38.0 Mn transactions during the quarter. The average value per transaction turned out to be Rs 359.

The Company continued to invest on upgradation and expansion of network sites. By the end of the quarter, the Company had 138,755 sites as compared to 133,778 sites in the previous quarter. Out of the total number, 3G now represents 22.6% with 31,301 sites as compared to 28,179 sites in the previous quarter and 24,573 sites at the end of previous year. Airtel has the largest 3G network in India.

Revenue from mobile services during the quarter was Rs 120,835 Mn as compared to Rs 110,173 Mn in the corresponding quarter last year, a growth of 9.7%. Revenue from mobile data accounted for 11.1% of the total mobile revenue during the quarter as compared to 6.5% in the corresponding quarter last year.

EBITDA during the quarter increased by 25.1% to Rs 42,147 Mn as compared to Rs 33,696 Mn in the corresponding quarter last year. EBITDA margin significantly improved to 34.9% during the quarter as compared to 30.6% in the corresponding quarter last year. Improvement in margin is the combined effect of revenue growth and enhanced opex productivity. EBIT during the quarter was Rs 25,393 Mn as compared to Rs 17,313 Mn in the corresponding quarter last year. EBIT margin during the quarter was 21.0% as compared to 15.7% in the corresponding quarter last year, the improvement of 5.3% contributed by EBITDA improvements as well as capex efficiency.

During the quarter, the mobile business incurred capital expenditure of Rs 12,901 Mn. The operating free cash flows also increased by 42.2% at Rs 29,246 Mn as compared to Rs 20,569 Mn in the corresponding quarter last year.

5.3.4.2 Telemedia Services

As on March 31, 2014, the Company had its Telemedia operations in 87 cities with 3.4 Mn customers, out of which approximately 1.5 Mn are broadband (DSL) customers, representing 43.6% of the total Telemedia customers.

For the quarter ended March 31, 2014, revenues from Telemedia operations reported an all-time high of Rs 10,242 Mn as compared to Rs 9,130 Mn in the corresponding quarter last year, a growth of 12.2%. The acceleration in growth was the result of a combined impact of increase in voice in the small and medium business segment, and broadband revenues. EBITDA for the quarter was higher by 0.9% to Rs 3,816 Mn compared to Rs 3,783 Mn in the corresponding quarter last year. EBITDA margin for this segment was 37.3% during the quarter as against 41.4% in the corresponding quarter last year. EBIT for the quarter ended March 31, 2014 was Rs 1,420 Mn as compared to Rs 1,866 Mn in the corresponding quarter last year.

During the quarter ended March 31, 2014, the Company increased capital expenditure for the Telemedia business to Rs 1,932 Mn. The resultant operating free cash flow during the quarter was Rs 1,884 Mn as compared to Rs 3,225 Mn in the corresponding quarter last year.

5.3.4.3 Digital TV Services

As on March 31, 2014, the Company had its Digital TV operations in 639 districts with 9.0 Mn customers, an increase of 11.3% as compared to corresponding quarter last year. Net customer additions for Digital TV during the quarter increased to 205K. As a result of higher HD penetration, ARPU increased by Rs 19 to Rs 203 as compared to Rs 184 in the corresponding quarter last year.

Revenues from Digital TV services increased by 22.5% to Rs 5,415 Mn as compared to Rs 4,419 Mn in the corresponding quarter last year. EBITDA for the quarter increased to Rs 963 Mn as compared to Rs 296 Mn in the corresponding quarter last year. EBITDA margin improved significantly to 17.8% in the current quarter, as compared to a margin of 6.7% in the corresponding quarter last year.

In an effort to provide a world-class experience to the customers, the Company launched Airtel 'Pocket TV' – a mobile app which will enable customers to watch their favorite TV programs on the move while also being the first player to release a feature film on digital TV platform.

During the current quarter, the Company incurred a capital expenditure of Rs 1,779 Mn in Digital TV Services. Cash burn during the quarter at Rs 816 Mn has significantly dropped, compared to Rs 1,030 Mn in the corresponding quarter last year.

5.3.5 B2B Services – India: Airtel Business

Revenues for the quarter ended March 31, 2014, represented a growth of 24.0% to Rs 16,305 Mn as compared to Rs 13,144 Mn in the corresponding quarter last year. EBITDA stood at Rs 3,661 Mn during the quarter as compared to Rs 2,800 Mn in the corresponding quarter last year, a growth of 30.8%. EBIT for the current quarter

increased by 66.7% to Rs 2,136 Mn as compared to Rs 1,282 Mn during the corresponding quarter last year. EBIT margin improved significantly to 13.1% during the quarter as compared to 9.7% in the corresponding quarter last year.

The Company incurred a capital expenditure of Rs 700 Mn in Airtel Business as compared to Rs 38 Mn in the corresponding quarter last year. Operating free cash flow during the quarter was Rs 2,962 Mn as compared to Rs 2,762 Mn in the corresponding quarter last year.

During the quarter, the Nextra data center business started operating as a separate entity; however, the results of this entity continue to be incorporated in the Airtel Business segment.

5.3.6 Tower Infrastructure Services

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

Revenues from Tower Infrastructure Services for the quarter ended March 31, 2014 was Rs 13,060 Mn as compared to Rs 13,160 Mn in the corresponding quarter last year, a decrease of 0.8%. EBITDA during the quarter was Rs 6,340 Mn compared to Rs 6,161 Mn in the corresponding quarter last year, an increase of 2.9%, after taking into account: a) reduction of Rs 1,177 Mn on account of Bharti Infratel Ventures Limited demerger in Q1 and b) one-time credits of approximately Rs 510 Mn during the quarter. EBIT for the quarter grew by 71.8% to Rs 3,774 Mn as compared to Rs 2,197 Mn in the corresponding quarter last year, benefitting from improved operating performance and the one-time credits. As at the end of the quarter, Infratel had 35,905 towers with average sharing factor of 1.90 times compared to 1.81 times in the corresponding quarter last year. Including proportionate share of Indus in which Infratel holds 42%, on a consolidated basis, Infratel had 83,368 towers with an average sharing factor of 1.99 times as compared to 1.91 times in the corresponding quarter last year, reflecting significant improvement in the tenancy ratio.

This business incurred a capital expenditure of Rs 2,939 Mn during the quarter. Operating free cash flows during the quarter were Rs 3,401 Mn as compared to Rs 2,628 Mn in the corresponding quarter last year, a growth of 29.4%. The Company's share of profits of Indus during the quarter came in at Rs 1,691 Mn, compared to Rs 952 Mn in the corresponding quarter last year.

5.3.7 International Operations

International represents operations across Africa (including financials of Warid Congo S.A. post its acquisition on March 12, 2014) and South Asia (Sri Lanka and Bangladesh). Revenue from international operations for the quarter ended March 31, 2014 increased by 2.8% to \$1,217 Mn as compared to \$1,184 Mn in the corresponding quarter last year. Net revenue increased by 7.0% during the quarter to \$1,010 Mn as compared to the corresponding quarter last year. EBITDA during the quarter was \$295 Mn, an increase of 3.9% as compared to the corresponding quarter last year.

5.3.7.1 Africa

As on March 31, 2014, the Company had an aggregate customer base of 69.4 Mn. Customer acquisition in Nigeria was impacted due to restrictions imposed by the Regulator on selling SIM cards during the month of March 2014. Net additions during the quarter were 1.1 Mn customers mainly arising out of the acquisition of Warid Congo S.A. Total minutes on network during the quarter were 28.2 Bn as compared to 23.4 Bn in the corresponding quarter last year, a growth of 20.5%.

Data customers during the quarter increased by 53.5% to 22.3 Mn as compared to 14.5 Mn in the corresponding quarter last year. Data customers now represent 32.1% of the total customer base, as compared to 22.8% in the corresponding quarter last year. Data traffic has registered a strong growth of 103.6% Y-o-Y to 6.1 Bn MBs during the quarter as compared to 3.0 Bn MBs in the corresponding quarter last year. Data usage per customer during the quarter was 96.4 MBs as compared to 73.4 MBs in the corresponding quarter last year, an increase of 31.4%.

The Company's mobile money platform, *Airtel Money* is gaining customer acceptance across Africa. The total customer base using the *Airtel Money* platform increased by 28.2% to 3.5 Mn as compared to 2.7 Mn on a sequential quarter basis. The total number of transactions during the quarter was higher by 25.5% to 92.0 Mn in the current quarter as compared to 73.3 Mn in the previous quarter. Total value of transactions conducted using this platform increased by 28.6% to \$2,202 Mn in Q4 as compared to \$1,713 Mn in Q3.

The Company had 17,792 network sites by the end of the quarter as compared to 16,653 network sites in the corresponding quarter last year, an increase of 6.8%. 3G sites at 6,923 represented 38.9% of the total sites as at the end of the quarter, as compared to 34.1% (5,676 sites) at the end of the corresponding quarter last year.

Revenue for the quarter was \$1,145 Mn as compared to \$1,120 Mn in the corresponding quarter last year, representing a growth of 2.2%. Mobile data revenue grew by 80.6% to \$88.2 Mn during the quarter as compared to \$48.9 Mn in the corresponding quarter last year. Mobile data revenue now represents 7.7% of the total mobile revenue during the quarter as compared to 4.4% in the corresponding quarter last year. Net revenue after netting off inter-connect costs and cost of goods sold increased by 6.8% to \$951 Mn as compared to \$890 Mn in the corresponding quarter last year.

Operating expenses excluding access costs, costs of goods sold and licence fees increased by 8.5% to \$602 Mn as compared to the corresponding quarter last year, primarily on account of increased network operating costs and higher sales and marketing costs. EBITDA during the quarter at \$290 Mn was higher compared to \$285 Mn in the corresponding quarter last year. However, EBIT for the quarter at \$64 Mn was slightly lower compared to \$62 Mn in the corresponding quarter last year due to the impact of depreciation and amortization. After accounting for finance costs and taxes, the net loss for the quarter was \$124 Mn as

compared to a loss of \$91 Mn in the corresponding quarter last year.

Capital expenditure during the quarter was \$176 Mn for African operations. The operating free cash flows stood at \$114 Mn, as against \$50 Mn in the corresponding quarter last year, representing Y-o-Y increase of 126.6%. Operating free cash flow for the full year ended March 31, 2014 was \$540 Mn as compared to \$434 Mn in the previous year.

5.3.7.2 South Asia

As on March 31, 2014, the Company had 8.6 Mn mobile customers on its network compared to 7.9 Mn at the end of last year. Minutes of usage for the quarter were 10.3 Bn as compared to 9.9 Bn in the corresponding quarter last year, an increase of 4.9%.

Data customers represented 35.7% of the total customer base in the current quarter as compared to 28.3% in the corresponding quarter last year. Total data consumption during the quarter increase by 73.0% to 1.83 Bn MBs as compared to 1.06 Bn MBs in the corresponding quarter last year. Data usage per customer also increased to 208.9 MBs, a growth of 21.8% as compared to 171.6 MBs in the corresponding quarter last year.

By the end of the quarter, the Company had 6,814 sites on network as compared to 6,474 sites in the corresponding quarter last year. Out of the total number, 3G sites represented 29.1% to 1,986 sites as compared to 673 sites in the corresponding quarter last year.

After the national elections in Bangladesh, the country has returned back to normalcy, with stabilization of trade and commerce activity. Revenue from operations in South Asia stood at \$72.7 Mn for the quarter ended March 31, 2014, an increase of 14.0% as compared to \$63.8 Mn in the corresponding quarter last year. Data revenue grew by 52.3% to \$4.9 Mn as compared to \$3.2 Mn in the corresponding quarter last year. Data revenue now represent 6.8% of mobile revenue during the quarter as compared to 5.1% in the corresponding quarter last year. EBITDA for the quarter was positive at \$4.8 Mn as compared to EBITDA loss of \$1.3 Mn in the corresponding quarter last year. EBIT losses during the quarter reduced to \$17.5 Mn as compared to \$20.8 Mn in the corresponding quarter last year.

During the quarter ended March 31, 2014, the Company incurred capital expenditure of \$34.0 Mn for South Asian operations as compared to \$25.7 Mn in the corresponding quarter last year.

5.4 Bharti's Three Line Graph

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

The parameters considered for the three-line graph are:

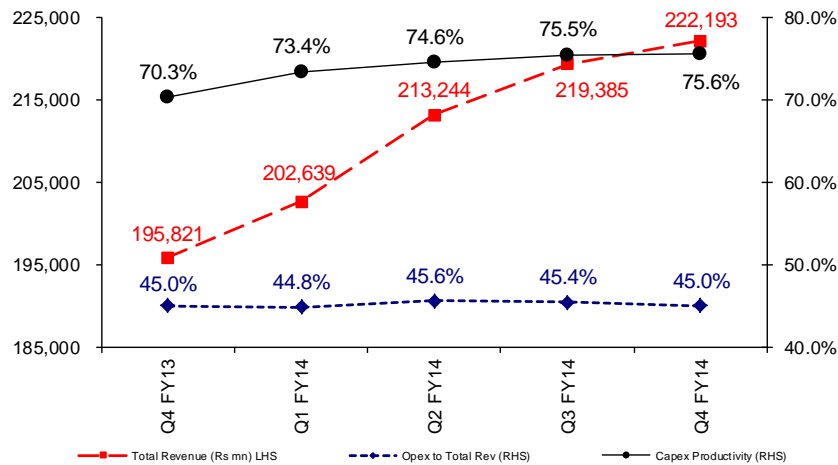
1. Total Revenues i.e. absolute turnover/sales
2. Opex Productivity – this is computed by dividing operating expenses by the total revenues for the respective period. Operating expenses is the sum of (i) employee costs (ii) network operations costs and (iii)

selling, general and administrative costs. This ratio depicts the operational efficiencies in the Company

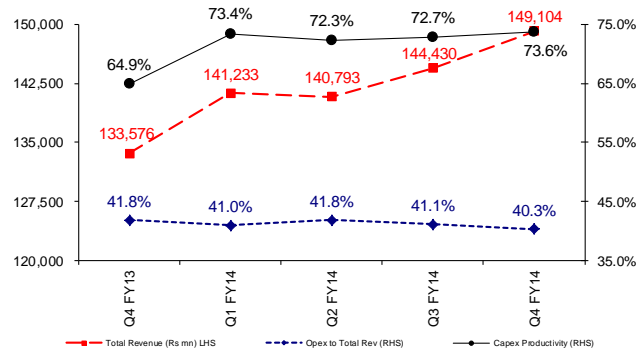
3. Capex Productivity – this is computed by dividing revenue for the quarter (annualized) by gross cumulative capex (gross fixed assets and capital work in progress) till date i.e. the physical investments made in the assets creation of the Company. This ratio depicts the asset productivity of the Company.

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

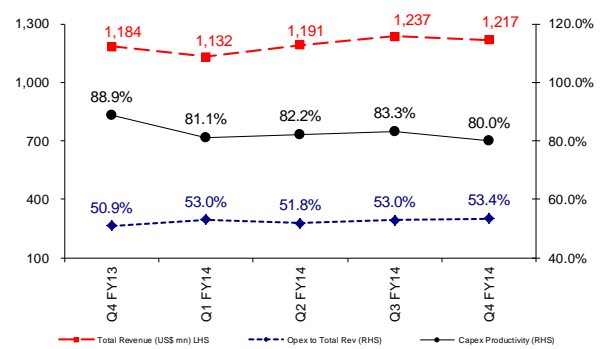
5.4.1 Bharti Airtel Consolidated



5.4.2 Bharti Airtel - India



5.4.3 Bharti Airtel – International



SECTION 6

STOCK MARKET HIGHLIGHTS

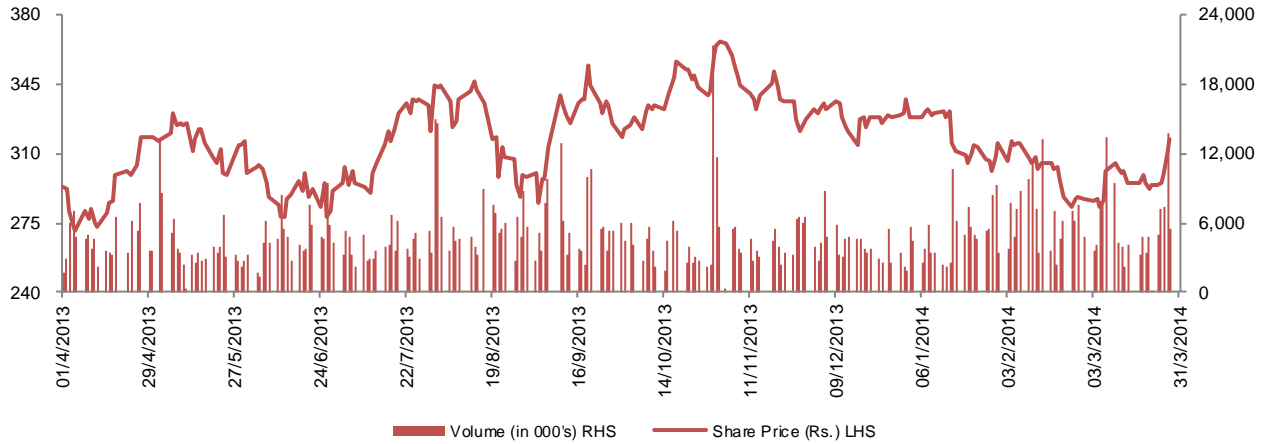
6.1 General Information

Shareholding and Financial Data	Unit	
Code/Exchange		532454/BSE
Bloomberg/Reuters		BHARTI IN/BRTI.BO
No. of Shares Outstanding (31/03/14)	Mn Nos	3,997.40
Closing Market Price - BSE (31/03/14)	Rs /Share	318.90
Combined Volume (NSE & BSE) (01/04/14 - 31/03/14)	Nos in Mn/day	5.03
Combined Value (NSE & BSE) (01/04/14 - 31/03/14)	Rs Bn /day	1,589.83
Market Capitalization	Rs Bn	1,275
Market Capitalization	US\$ Bn	21.21
Book Value Per Equity Share	Rs /share	149.49
Market Price/Book Value	Times	2.13
Enterprise Value	Rs Bn	1,880
Enterprise Value	US\$ Bn	31.28
Enterprise Value/ EBITDA (LTM)	Times	6.77
P/E Ratio (LTM)	Times	45.44

6.2 Summarized Shareholding pattern as of March 31, 2014

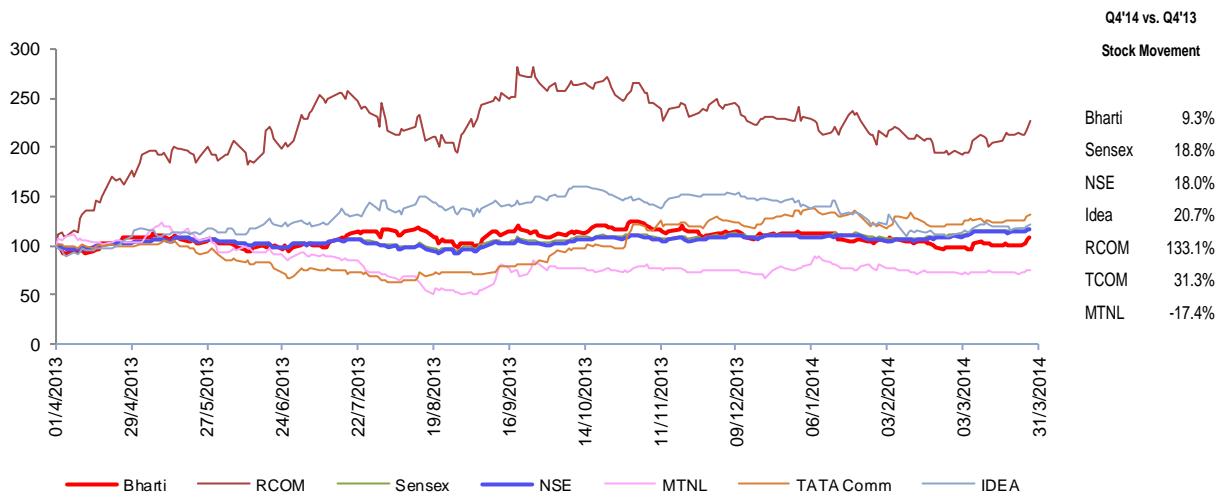
Category	Number of Shares	%
Promoter & Promoter Group		
Indian	1,745,595,460	43.67%
Foreign	865,673,286	21.66%
Sub total	2,611,268,746	65.32%
Public Shareholding		
Institutions	966,102,790	24.17%
Non-institutions	420,028,566	10.51%
Sub total	1,386,131,356	34.68%
Total	3,997,400,102	100.00%

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



Source: Bloomberg

6.4 Comparison of Domestic Telecom Stock movement with Sensex and Nifty



Source: Bloomberg

SECTION 7

DETAILED FINANCIAL AND RELATED INFORMATION

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

7.1.1 Consolidated Statement of Income

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Year Ended		
	Mar-14	Mar-13	Y-on-Y Growth	Mar-14	Mar-13	Y-on-Y Growth
Revenue	222,193	195,821	13%	857,461	769,045	11%
Other operating income	412	103	300%	1,174	425	176%
Operating expenses	(149,539)	(135,319)	-11%	(580,865)	(536,891)	-8%
Depreciation & amortisation	(39,444)	(38,004)	-4%	(156,496)	(148,147)	-6%
Profit / (Loss) from operations	33,622	22,601	49%	121,274	84,431	44%
Share of results of Joint Ventures / Associates	1,673	875		5,211	3,506	
Profit / (Loss) before interest and tax	35,295	23,476	50%	126,485	87,939	44%
Finance income	4,143	(1,758)	336%	11,680	5,103	129%
Finance costs	(14,054)	(9,400)	-50%	(60,060)	(45,187)	-33%
Exceptional (expenses) / income, net	(1,569)	0		538	0	
Profit / (Loss) before tax	23,815	12,318	93%	78,643	47,854	64%
Income tax income / (expense)	(13,562)	(7,255)	-87%	(48,449)	(25,184)	-92%
Net income / (loss) for the period	10,253	5,063	103%	30,194	22,669	33%
Income Attributable to :						
Equity holders of the parent	9,616	5,086	89%	27,727	22,757	22%
Non controlling interests	637	(23)	2870%	2,467	(88)	2903%
Net Income / (Loss)	10,253	5,063	103%	30,194	22,669	33%
Earning Per Share						
Basic, profit attributable to equity holders of parent (In Rs)	2.41	1.34		7.02	6.00	
Diluted, profit attributable to equity holders of parent (In Rs)	2.41	1.34		7.01	6.00	

7.1.2 Consolidated Statement of Comprehensive Income

Amount in Rs Mn, except ratios

Particulars	Quarter Ended			Year Ended		
	Mar-14	Mar-13	Y-on-Y Growth	Mar-14	Mar-13	Y-on-Y Growth
Net income / (loss) for the period	10,253	5,063	103%	30,194	22,669	33%
Other comprehensive income:						
Items that may be reclassified subsequently to profit or loss:						
Exchange differences on translation of foreign operations	(4,399)	(6,546)	33%	15,716	(25,668)	161%
Income tax effect	0	0		(150)	0	
	(4,399)	(6,546)	33%	15,566	(25,668)	161%
Items that will not be reclassified to profit or loss:						
Actuarial gains/(losses) on defined benefit plans	(11)	0		(197)	0	
Income tax effect	14	0		49	0	
	3	0		(148)	0	
Other comprehensive income / (loss) for the period, net of tax	(4,396)	(6,546)	33%	15,418	(25,668)	160%
Total comprehensive income / (loss) for the period, net of tax	5,857	(1,483)	495%	45,612	(2,999)	1621%
Total comprehensive income / (loss) attributable to :						
Equity holders of the parent	4,906	(2,215)	322%	43,373	(3,787)	1245%
Non controlling interests	951	732	30%	2,239	788	184%
Total Comprehensive Income / (Loss)	5,857	(1,483)	495%	45,612	(2,999)	1621%

7.1.3 Consolidated Statement of Financial Position

Particulars	Amount in Rs Mn	
	As at Mar 31, 2014	As at Mar 31, 2013
Assets		
Non-current assets		
Property, plant and equipment	596,429	638,277
Intangible assets	809,716	648,386
Investment in joint ventures / associates	56,702	11,552
Investment (non-current)	36,341	0
Derivative financial assets	2,761	3,566
Other financial assets	17,330	16,326
Other non - financial assets	26,009	18,749
Deferred tax asset	62,627	58,491
	1,607,915	1,395,347
Current assets		
Inventories	1,422	1,109
Trade and other receivable	62,441	67,824
Derivative financial assets	819	1,097
Prepayments and other assets	29,656	30,860
Income tax recoverable	9,319	10,093
Short term investments	62,265	65,546
Other financial assets	8,127	4,299
Cash and cash equivalents	49,808	16,078
	223,857	196,906
Total assets	1,831,772	1,592,253
Equity and liabilities		
Equity		
Issued capital	19,987	18,988
Treasury shares	(342)	(674)
Share premium	123,456	56,499
Retained earnings / (deficit)	437,167	414,027
Foreign currency translation reserve	(16,777)	(32,571)
Other components of equity	34,069	46,948
Equity attributable to equity holders of parent	597,560	503,217
Non-controlling interest	42,102	40,886
Total equity	639,662	544,103
Non-current liabilities		
Borrowing	549,919	569,137
Deferred revenue	14,010	9,685
Provisions	10,044	9,744
Derivative financial liabilities	4,313	893
Deferred tax liability	16,850	12,556
Other financial liabilities	27,464	23,204
Other non - financial liabilities	1,460	2,384
	624,060	627,603
Current liabilities		
Borrowing	209,039	98,226
Deferred revenue	44,899	39,560
Provisions	1,725	1,768
Other non - financial liabilities	15,277	13,245
Derivative financial liabilities	1,097	219
Income tax liabilities	12,032	7,627
Trade & other payables	283,981	259,902
	568,050	420,547
Total liabilities	1,192,110	1,048,150
Total equity and liabilities	1,831,772	1,592,253

7.1.4 Consolidated Statement of Cash Flows

Amount in Rs Mn

Particulars	Quarter Ended		Year Ended	
	Mar-14	Mar-13	Mar-14	Mar-13
Cash flows from operating activities				
Profit before tax	23,815	12,318	78,643	47,853
Adjustments for -				
Depreciation and amortization	39,444	38,004	156,496	148,148
Finance income	(4,143)	1,758	(11,680)	(5,103)
Finance cost	14,054	9,400	60,060	45,187
Share of results of Joint ventures / associates	(1,673)	(875)	(5,211)	(3,506)
Exceptional items	0	0	(2,481)	0
Amortization of stock based compensation	55	142	8	403
Other non-cash items	(246)	(24)	(789)	336
Operating cash flow before changes in assets and liabilities	71,306	60,723	275,046	233,318
Trade & other receivables and prepayments	(2,238)	3,569	2,072	(3,823)
Inventories	(6)	170	(147)	268
Trade and other payables	(12,944)	(6,323)	16,818	24,055
Change in provision	(34)	229	2,511	1,093
Other financial and non financial liabilities	(344)	(438)	10,506	2,294
Other financial and non financial assets	(7,362)	(2,966)	(14,227)	(4,253)
Cash generated from operations	48,378	54,964	292,579	252,952
Interest received	140	1,092	1,688	1,878
Dividend from mutual funds	236	111	898	113
Dividend received	0	0	2,200	4,050
Income tax paid	(10,802)	(7,856)	(35,039)	(31,294)
Net cash inflow from operating activities	37,952	48,311	262,326	227,699
Cash flows from investing activities				
Purchase of property, plant and equipment	(21,574)	(32,301)	(114,159)	(125,722)
Proceeds from sale of property, plant and equipment 16	157	0	4,360	1,403
Purchase of intangible assets	(57,448)	(2,398)	(64,860)	(5,744)
Short term investments (Net)	28,734	2,428	(21,998)	(47,389)
Purchase of non-current investments	0	0	(8,842)	0
Investment in subsidiary, net of cash acquired	(2,369)	102	(6,044)	102
Demerger of subsidiary	0	0	(8,009)	0
Investment in associate / joint venture	0	0	(2)	(9,281)
Loan to associates	100	(30)	(30,179)	(130)
Net cash outflow from investing activities	(52,400)	(32,199)	(249,733)	(186,761)
Cash flows from financing activities				
Proceeds from issuance of borrowings	146,013	76,395	361,215	257,694
Repayment of borrowings	(92,108)	(75,672)	(348,425)	(274,438)
Short term borrowings (net)	(1,289)	(5,254)	1,462	(7,282)
Purchase of Treasury stock	0	0	0	(762)
Interest paid	(7,412)	(6,076)	(37,620)	(34,339)
Proceeds from exercise of stock options	65	11	98	68
Dividend paid (including tax) to Company's shareholders	0	0	(4,439)	(4,412)
Dividend paid (including tax) to non - controlling interests	0	(97)	(2,296)	(1,126)
Proceeds from issuance of equity shares to non - controlling interests	0	0	0	32,303
Share issue expenses	0	67	0	(579)
Proceeds from issuance of equity shares to institutional investor	0	0	67,956	0
Payment of long term liability / acquisition of non-controlling interest	(4,226)	(12,782)	(10,207)	(12,782)
Net cash inflow / (outflow) from financing activities	41,043	(23,408)	27,744	(45,655)
Net (decrease) / increase in cash and cash equivalents 15 during the period	26,595	(7,296)	40,337	(4,717)
Effect of exchange rate changes on cash and cash equivalents	(863)	(137)	(2,075)	(1,624)
Add : Balance as at the beginning of the period	13,843	8,744	1,312	7,652
Balance as at the end of the period	39,575	1,311	39,575	1,311

Note 15: Cash and Cash Equivalents is including bank overdraft.

7.2 Schedules to Financial Statements

7.2.1 India

7.2.1.1 Schedule of Operating Expenses

Particulars	Quarter Ended		Year Ended	
	Mar-14	Mar-13	Mar-14	Mar-13
Access charges	18,366	18,338	72,900	74,629
Licence fees, revenue share & spectrum charges	15,896	13,828	61,206	54,443
Network operations costs	35,896	34,002	141,823	128,346
Cost of goods sold	337	406	1,274	1,165
Employee costs	5,280	5,268	21,889	19,524
Selling, general and administration expense	18,920	16,593	72,508	75,744
Operating Expenses	94,694	88,435	371,600	353,851

Amount in Rs Mn

7.2.1.2 Schedule of Depreciation & Amortization

Particulars	Quarter Ended		Year Ended	
	Mar-14	Mar-13	Mar-14	Mar-13
Depreciation	20,953	21,683	84,160	84,126
Amortization	3,167	3,201	12,764	12,277
Depreciation & Amortization ¹⁶	24,120	24,884	96,924	96,403

Amount in Rs Mn

Note 16: Depreciation and Amortization reported above for the full year ended March 31, 2014, excludes the impact of exceptional items. Refer section 5.3.2 on "Exceptional Items" on page 23 for details.

7.2.1.3 Schedule of Income Tax

Particulars	Quarter Ended		Year Ended	
	Mar-14	Mar-13	Mar-14	Mar-13
Current tax expense	6,042	4,327	23,588	17,590
Deferred tax expense / (income)	2,637	1,890	2,319	1,477
Dividend distribution tax	430	374	1,875	1,031
Income tax expense ¹⁷	9,110	6,591	27,782	20,098

Amount in Rs Mn

Note 17: Income tax expense reported above for the quarter ended and full year ended March 31, 2014, excludes the impact of exceptional items. Refer section 5.3.3 on "Exceptional Items" on page 23 for details.

7.2.2 Africa

7.2.2.1 Schedule of Operating Expenses

Particulars	Quarter Ended		Year Ended	
	Mar-14	Mar-13	Mar-14	Mar-13
Access charges	185	186	707	785
Licence fees, revenue share & spectrum charges	60	51	231	198
Network operations costs	212	193	834	762
Cost of goods sold	9	44	53	120
Employee costs	98	94	393	355
Selling, general and administration expense	292	268	1,102	1,041
Operating Expenses	856	836	3,320	3,261

7.2.2.2 Schedule of Depreciation & Amortization

Particulars	Quarter Ended		Year Ended	
	Mar-14	Mar-13	Mar-14	Mar-13
Depreciation	183	169	714	625
Amortization	43	54	181	249
Depreciation & Amortization ¹⁸	226	223	895	874

Note 18: Depreciation and Amortization reported above for the full year ended March 31, 2014, excludes the impact of exceptional items.

7.2.2.3 Schedule of Income Tax

Particulars	Quarter Ended		Year Ended	
	Mar-14	Mar-13	Mar-14	Mar-13
Current tax expense	60	40	223	161
Withholding taxes (WHT)	10	7	60	25
Deferred tax expense / (income)	(3)	(35)	(11)	(94)
Income tax expense ¹⁹	68	12	273	92

Note 19: Income tax expense reported above for the quarter ended and full year ended March 31, 2014, excludes the impact of exceptional items. Refer section 5.3.3 on "Exceptional Items" on page 23 for details.

7.2.3 South Asia

7.2.3.1 Schedule of Operating Expenses

Amount in US\$ Mn

Particulars	Quarter Ended		Year Ended	
	Mar-14	Mar-13	Mar-14	Mar-13
Access charges	12	10	49	32
Licence fees, revenue share & spectrum charges	6	6	23	23
Network operations costs	21	21	83	77
Cost of goods sold	2	0	5	3
Employee costs	6	5	23	19
Selling, general and administration expense	21	22	87	90
Operating Expenses	68	65	270	244

7.2.3.2 Schedule of Depreciation & Amortization

Amount in US\$ Mn

Particulars	Quarter Ended		Year Ended	
	Mar-14	Mar-13	Mar-14	Mar-13
Depreciation	18	17	77	68
Amortization	4	2	11	9
Depreciation & Amortization	22	20	87	77

7.3 Consolidated Schedule of Net Debt & Finance Cost

7.3.1 Schedule of Net Debt in INR

Particulars	Amount in Rs Mn	
	As at Mar 31, 2014	As at Mar 31, 2013
Long term debt, net of current portion	549,919	569,137
Short-term borrowings and current portion of long-term debt	209,039	98,226
Deferred payment liability	1,026	0
Less:		
Cash and Cash Equivalents	49,808	16,078
Restricted Cash	1,982	2,015
Restricted Cash, non-current	4,172	157
Investments	98,606	65,546
Net Debt	605,416	583,567

7.3.2 Schedule of Net Debt in US\$

Particulars	Amount in US\$ Mn	
	As at Mar 31, 2014	As at Mar 31, 2013
Long term debt, net of current portion	9,150	10,464
Short-term borrowings and current portion of long-term debt	3,478	1,806
Deferred payment liability	17	0
Less:		
Cash and Cash Equivalents	829	296
Restricted Cash	33	37
Restricted Cash, non-current	69	3
Investments	1,641	1,205
Net Debt	10,074	10,729

7.3.3 Schedule of Finance Cost

Particulars	Amount in Rs Mn, except ratios			
	Quarter Ended		Year Ended	
	Mar-14	Mar-13	Mar-14	Mar-13
Interest on borrowings & Finance charges	11,195	10,459	43,062	41,198
Derivatives and exchange (gain)/ loss	1,517	2,028	12,423	3,147
Investment (income)/ loss	(2,801)	(1,329)	(7,104)	(4,261)
Finance cost (net)	9,911	11,158	48,380	40,084

7.4 Use of Non-GAAP Financial Information

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

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

Non – GAAP measure	Equivalent GAAP measure for IFRS	Location in this results announcement of reconciliation and further information
Earnings before Interest, Taxation, Depreciation and Amortization (EBITDA)	Profit / (Loss) from Operating Activities	Page 36
Cash Profit from Operations before Derivative & Exchange (Gain)/Loss	Profit / (Loss) from Operating Activities	Page 36
Capex	NA	NA
Operating Free Cash flow	NA	NA
Cumulative investments	NA	NA

7.4.1 Reconciliation of Non-GAAP financial information based on IFRS

Amount in Rs Mn, except ratios

Particulars	Quarter Ended		Year Ended	
	Mar-14	Mar-13	Mar-14	Mar-13
Profit / (Loss) from Operating Activities To EBITDA				
Profit / (Loss) from Operating Activities	33,622	22,601	121,274	84,431
Add: Depreciation and Amortization	39,444	38,004	156,496	148,147
EBITDA	73,066	60,605	277,770	232,579

Reconciliation of Finance Cost				
Finance Cost	14,054	9,400	60,060	45,187
Finance Income	(4,143)	1,758	(11,680)	(5,103)
Finance Cost (net)	9,911	11,158	48,380	40,084

Profit / (Loss) from Operating Activities to Cash Profit from Operations before Derivative & Exchange Fluctuation				
Profit / (Loss) from Operating Activities	33,622	22,601	121,274	84,431
Add: Depreciation and Amortization	39,444	38,004	156,496	148,147
Less: Finance Cost (net)	9,911	11,158	48,380	40,084
Add: Derivatives and exchange (gain)/loss	1,517	2,028	12,423	3,147
Cash Profit from Operations before Derivative & Exchange Fluctuation	64,672	51,475	241,813	195,643

Section 8

TRENDS AND RATIO ANALYSIS

8.1 Based on Statement of Operations

Consolidated

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Mar-14	Dec-13	Sep-13	Jun-13	Mar-13
Total revenues	222,193	219,385	213,244	202,639	195,821
Access charges	28,731	28,756	27,475	26,961	27,500
Cost of goods sold	968	1,367	897	1,497	2,825
Net revenues	192,495	189,262	184,872	174,181	165,496
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	99,890	99,654	97,170	90,869	88,061
Licence Fee	19,951	18,896	19,565	18,219	16,933
EBITDA	73,066	70,934	68,321	65,449	60,605
Cash profit from operations before Derivative and Exchange Fluctuations	64,672	62,401	55,629	59,113	51,475
EBIT	33,622	31,746	28,927	26,979	22,601
Share of results of Joint Ventures/Associates	1,673	1,064	1,652	822	875
Profit before Tax	25,384	22,128	14,468	16,125	12,318
Net income	9,616	6,102	5,120	6,889	5,086
Capex	33,278	28,219	21,391	22,954	32,878
Operating Free Cash Flow (EBITDA - Capex)	39,788	42,715	46,930	42,495	27,727
Cumulative Investments	2,158,800	2,103,006	2,094,302	2,010,123	1,861,643

	Mar-14	Dec-13	Sep-13	Jun-13	Mar-13
As a % of Total revenues					
Access charges	12.9%	13.1%	12.9%	13.3%	14.0%
Cost of goods sold	0.4%	0.6%	0.4%	0.7%	1.4%
Net revenues	86.6%	86.3%	86.7%	86.0%	84.5%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	45.0%	45.4%	45.6%	44.8%	45.0%
Licence Fee	9.0%	8.6%	9.2%	9.0%	8.6%
EBITDA	32.9%	32.3%	32.0%	32.3%	30.9%
Cash profit from operations before Derivative and Exchange Fluctuations	29.1%	28.4%	26.1%	29.2%	26.3%
EBIT	15.1%	14.5%	13.6%	13.3%	11.5%
Share of results of JV / Associates	0.8%	0.5%	0.8%	0.4%	0.4%
Profit before tax	11.4%	10.1%	6.8%	8.0%	6.3%
Net income	4.3%	2.8%	2.4%	3.4%	2.6%

Refer Note 5, 6, on page 6

India

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Mar-14	Dec-13	Sep-13	Jun-13	Mar-13
Total revenues	149,104	144,430	140,793	141,233	133,576
Access charges	18,366	17,613	17,780	19,141	18,338
Cost of goods sold	337	457	166	314	406
Net revenues	130,401	126,360	122,847	121,778	114,832
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	60,095	59,380	58,905	57,840	55,863
Licence Fee	15,896	15,342	15,152	14,816	13,828
EBITDA	54,929	51,970	49,053	49,316	45,238
EBIT	30,810	28,097	25,184	24,253	20,353
Profit before Tax	34,359	29,826	19,374	20,785	18,320
Net income (before exceptional items)	23,779	19,377	14,010	14,788	10,846
Capex	20,312	17,421	10,429	12,800	18,794
Operating Free Cash Flow (EBITDA - Capex)	34,617	34,549	38,624	36,517	26,443
Cumulative Investments	1,231,352	1,155,724	1,140,587	1,127,138	1,081,133

	Mar-14	Dec-13	Sep-13	Jun-13	Mar-13
As a % of Total revenues					
Access charges	12.3%	12.2%	12.6%	13.6%	13.7%
Cost of goods sold	0.2%	0.3%	0.1%	0.2%	0.3%
Net revenues	87.5%	87.5%	87.3%	86.2%	86.0%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	40.3%	41.1%	41.8%	41.0%	41.8%
Licence Fee	10.7%	10.6%	10.8%	10.5%	10.4%
EBITDA	36.8%	36.0%	34.8%	34.9%	33.9%
EBIT	20.7%	19.5%	17.9%	17.2%	15.2%
Profit before tax	23.0%	20.7%	13.8%	14.7%	13.7%
Net income	15.9%	13.4%	10.0%	10.5%	8.1%

Refer Note 7 on page 7

International – Comprises of Africa and South Asia

In INR:

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Mar-14	Dec-13	Sep-13	Jun-13	Mar-13
Total revenues	75,111	76,763	74,795	63,222	64,099
Access charges	12,172	12,694	11,736	9,386	10,606
Cost of goods sold	641	910	738	1,183	2,419
Net revenues	62,298	63,159	62,321	52,653	51,073
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	40,142	40,665	38,677	33,392	32,636
Licence Fee	4,055	3,554	4,413	3,403	3,105
EBITDA	18,145	18,965	19,268	16,063	15,358
EBIT	2,821	3,651	3,742	2,656	2,238
Profit before Tax	(9,327)	(7,872)	(4,263)	(3,996)	(6,011)
Net income (before exceptional items)	(12,181)	(11,237)	(7,904)	(7,034)	(5,768)
Capex	12,966	10,798	10,962	10,155	14,084
Operating Free Cash Flow (EBITDA - Capex)	5,179	8,167	8,306	5,908	1,274
Cumulative Investments	927,449	947,282	953,715	882,985	780,510
	Mar-14	Dec-13	Sep-13	Jun-13	Mar-13
As a % of Total revenues					
Access charges	16.2%	16.5%	15.7%	14.8%	16.5%
Cost of goods sold	0.9%	1.2%	1.0%	1.9%	3.8%
Net revenues	82.9%	82.3%	83.3%	83.3%	79.7%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	53.4%	53.0%	51.7%	52.8%	50.9%
Licence Fee	5.4%	4.6%	5.9%	5.4%	4.8%
EBITDA	24.2%	24.7%	25.8%	25.4%	24.0%
EBIT	3.8%	4.8%	5.0%	4.2%	3.5%
Profit before tax	-12.4%	-10.3%	-5.7%	-6.3%	-9.4%
Net income	-16.2%	-14.6%	-10.6%	-11.1%	-9.0%

In USD:

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended				
	Mar-14	Dec-13	Sep-13	Jun-13	Mar-13
Total revenues	1,217	1,237	1,191	1,132	1,184
Access charges	197	205	187	167	196
Cost of goods sold	10	14	12	21	45
Net revenues	1,010	1,018	992	944	944
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	650	656	617	600	603
Licence Fee	66	57	70	61	57
EBITDA	295	306	306	286	284
EBIT	46	59	58	46	41
Profit before Tax	(151)	(127)	(69)	(73)	(111)
Net income (before exceptional items)	(197)	(181)	(126)	(126)	(107)
Capex	210	174	175	181	260
Operating Free Cash Flow (EBITDA - Capex)	85	132	131	106	23
Cumulative Investments	15,432	15,304	15,192	14,790	14,350
	Mar-14	Dec-13	Sep-13	Jun-13	Mar-13
As a % of Total revenues					
Access charges	16.2%	16.5%	15.7%	14.8%	16.5%
Cost of goods sold	0.9%	1.2%	1.0%	1.8%	3.8%
Net revenues	82.9%	82.3%	83.3%	83.4%	79.7%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	53.4%	53.0%	51.8%	53.0%	50.9%
Licence Fee	5.4%	4.6%	5.9%	5.4%	4.8%
EBITDA	24.2%	24.7%	25.7%	25.3%	23.9%
EBIT	3.8%	4.7%	4.9%	4.1%	3.5%
Profit before tax	-12.4%	-10.3%	-5.8%	-6.4%	-9.4%
Net income	-16.2%	-14.6%	-10.6%	-11.1%	-9.1%

Refer Note 7 on page 7

Africa

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended				
	Mar-14	Dec-13	Sep-13	Jun-13	Mar-13
Total revenues	1,145	1,165	1,119	1,062	1,120
Access charges	185	192	174	157	186
Cost of goods sold	9	13	11	20	44
Net revenues	951	960	934	885	890
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	602	606	570	551	555
Licence Fee	60	54	63	54	51
EBITDA	290	300	301	283	285
EBIT	64	77	75	64	62
Profit before Tax	(124)	(100)	(48)	(50)	(91)
Net income (before exceptional items)	(170)	(154)	(105)	(106)	(90)
Interest expense on acquisition loans	53	51	49	49	42
Net income from operations (before exceptional items)	(116)	(103)	(56)	(57)	(48)
Capex	176	140	154	165	235
Operating Free Cash Flow (EBITDA - Capex)	114	160	148	118	50
Cumulative Investments	14,388	14,289	14,210	13,947	13,543

Particulars	Quarter Ended				
	Mar-14	Dec-13	Sep-13	Jun-13	Mar-13
Exchange Fluctuation Impact					
Reported revenues (US\$ Mn)	1,145	1,165	1,119	1,062	1,120
a. QoQ growth (%)	-1.76%	4.11%	5.36%	-5.22%	-1.15%
b. Impact of exchange fluctuation (%) ²⁰	-0.90%	-0.01%	0.14%	-0.30%	-0.31%
c. QoQ growth in constant currency (%) (a - b)	-0.85%	4.12%	5.22%	-4.91%	-0.83%
Revenues in constant currency (US\$ Mn) ²¹	1,145	1,154	1,109	1,054	1,108

Note 20: Based on Q-o-Q variation and weighted on the revenues of each country for the current quarter

Note 21: Revenues for all prior periods restated at the average exchange rates of each country for the quarter ended March 31, 2014.

	Mar-14	Dec-13	Sep-13	Jun-13	Mar-13
As a % of Total revenues					
Access charges	16.2%	16.5%	15.6%	14.8%	16.6%
Cost of goods sold	0.8%	1.1%	0.9%	1.9%	3.9%
Net revenues	83.1%	82.4%	83.5%	83.3%	79.5%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	52.6%	52.0%	50.9%	51.9%	49.5%
Licence Fee	5.2%	4.6%	5.7%	5.1%	4.5%
EBITDA	25.3%	25.8%	26.9%	26.7%	25.4%
EBIT	5.6%	6.6%	6.7%	6.1%	5.5%
Profit before tax	-10.8%	-8.5%	-4.3%	-4.7%	-8.2%
Net income from operations	-10.2%	-8.8%	-5.0%	-5.4%	-4.3%

South Asia

Amount in US\$ Mn, except ratios

Particulars	Quarter Ended				
	Mar-14	Dec-13	Sep-13	Jun-13	Mar-13
Total revenues	73	72	72	70	64
Access charges	12	13	13	11	10
Cost of goods sold	2	1	1	1	0
Net revenues	59	58	58	58	53
Operating Expenses (Excl Access Charges, cost of goods sold & License Fee)	48	49	47	48	48
Licence Fee	6	3	7	7	6
EBITDA	5	5	4	3	(1)
EBIT	(18)	(18)	(17)	(18)	(21)
Profit before Tax	(27)	(27)	(21)	(23)	(20)
Net income (before exceptional items)	(28)	(28)	(21)	(19)	(17)
Capex	34	34	21	16	26
Operating Free Cash Flow (EBITDA - Capex)	(29)	(29)	(17)	(13)	(27)
Cumulative Investments	1,043	1,015	982	843	807

Particulars	Quarter Ended				
	Mar-14	Dec-13	Sep-13	Jun-13	Mar-13
Exchange Fluctuation Impact					
Reported revenues (US\$ Mn)	73	72	72	70	64
a. QoQ growth (%)	1.07%	-0.35%	3.18%	9.69%	12.57%
b. Impact of exchange fluctuation (%) ²²	-0.19%	0.25%	0.69%	0.07%	2.53%
c. QoQ growth in constant currency (%) (a - b)	1.26%	-0.60%	2.49%	9.62%	10.04%
Revenues in constant currency (US\$ Mn) ²³	73	72	72	71	64

Note 22: Based on Q-o-Q variation and weighted on the revenues of each country for the current quarter

Note 23: Revenues for all prior periods restated at the average exchange rates of each country for the quarter ended March 31, 2014.

	Mar-14	Dec-13	Sep-13	Jun-13	Mar-13
As a % of Total revenues					
Access charges	17.0%	17.7%	17.3%	16.4%	15.7%
Cost of goods sold	2.2%	1.8%	1.8%	1.0%	0.7%
Net revenues	80.7%	80.5%	80.9%	82.6%	83.6%
Operating Expenses (excluding access charges, cost of goods sold & license fee)	66.0%	68.7%	65.5%	68.7%	75.5%
Licence Fee	8.1%	4.8%	9.6%	9.8%	10.0%
EBITDA	6.7%	7.0%	5.8%	4.1%	-2.0%
EBIT	-24.1%	-25.3%	-23.2%	-25.8%	-32.5%
Profit before tax	-37.6%	-38.0%	-28.9%	-33.2%	-31.0%
Net income	-37.9%	-38.3%	-29.3%	-27.8%	-26.4%

8.2 Financial Trends of Business Operations

Mobile Services India

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Mar-14	Dec-13	Sep-13	Jun-13	Mar-13
Total revenues	120,835	116,446	113,541	116,013	110,173
EBITDA	42,147	39,748	38,036	37,633	33,696
<i>EBITDA / Total revenues</i>	34.9%	34.1%	33.5%	32.4%	30.6%
EBIT	25,393	23,102	21,417	20,979	17,313
Capex	12,901	13,529	7,228	7,907	13,128
Operating Free Cash Flow (EBITDA - Capex)	29,246	26,219	30,807	29,726	20,569
Cumulative Investments	878,872	809,910	796,425	788,507	730,412

Telemedia Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Mar-14	Dec-13	Sep-13	Jun-13	Mar-13
Total revenues	10,242	9,869	9,757	9,484	9,130
EBITDA	3,816	3,574	3,617	3,764	3,783
<i>EBITDA / Total revenues</i>	37.3%	36.2%	37.1%	39.7%	41.4%
EBIT	1,420	1,278	1,404	1,439	1,866
Capex	1,932	823	810	660	558
Operating Free Cash Flow (EBITDA - Capex)	1,884	2,751	2,807	3,104	3,225
Cumulative Investments	79,315	77,293	76,500	75,692	74,974

Digital TV Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Mar-14	Dec-13	Sep-13	Jun-13	Mar-13
Total revenues	5,415	5,384	5,072	4,900	4,419
EBITDA	963	970	645	760	296
<i>EBITDA / Total revenues</i>	17.8%	18.0%	12.7%	15.5%	6.7%
EBIT	(1,111)	(1,081)	(1,473)	(1,156)	(1,784)
Capex	1,779	1,109	1,042	2,239	1,326
Operating Free Cash Flow (EBITDA - Capex)	(816)	(139)	(397)	(1,479)	(1,030)
Cumulative Investments	46,468	44,712	43,613	42,596	40,366

Airtel Business

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Mar-14	Dec-13	Sep-13	Jun-13	Mar-13
Total revenues	16,305	16,195	16,825	14,036	13,144
EBITDA	3,661	4,139	3,243	2,765	2,800
<i>EBITDA / Total revenues</i>	<i>22.5%</i>	<i>25.6%</i>	<i>19.3%</i>	<i>19.7%</i>	<i>21.3%</i>
EBIT	2,136	2,676	1,844	1,422	1,282
Capex	700	242	142	281	38
Operating Free Cash Flow (EBITDA - Capex)	2,962	3,897	3,101	2,484	2,762
Cumulative Investments	48,279	44,612	44,719	42,886	43,136

Tower Infrastructure Services

Amount in Rs Mn, except ratios

Particulars	Quarter Ended				
	Mar-14	Dec-13	Sep-13	Jun-13	Mar-13
Total revenues	13,060	12,592	12,602	12,832	13,160
EBITDA	6,340	5,344	5,421	5,745	6,161
<i>EBITDA / Total revenues</i>	<i>48.5%</i>	<i>42.4%</i>	<i>43.0%</i>	<i>44.8%</i>	<i>46.8%</i>
EBIT	3,774	2,739	2,722	1,916	2,197
Share of results of Joint ventures / Associates	1,691	1,179	1,322	922	952
Capex	2,939	1,679	1,193	1,727	3,533
Operating Free Cash Flow (EBITDA - Capex)	3,401	3,665	4,228	4,018	2,628
Cumulative Investments	174,336	171,720	171,864	170,017	181,965

Others

Amount in Rs Mn

Particulars	Quarter Ended				
	Mar-14	Dec-13	Sep-13	Jun-13	Mar-13
Total revenues	835	707	767	791	761
EBITDA	(532)	(610)	(698)	(321)	(511)
EBIT	(522)	(609)	(697)	(331)	(514)
Capex	140	44	50	(0)	220
Operating Free Cash Flow (EBITDA - Capex)	(672)	(654)	(748)	(321)	(731)
Cumulative Investments	4,081	7,476	7,466	7,440	10,281

8.3 Based on Statement of Financial Position

Consolidated

Amount in Rs Mn, except ratios

Particulars	As at				
	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	Jun 30, 2013	Mar 31, 2013
Equity attributable to equity holders of parent	597,560	592,597	587,756	575,307	503,217
Net Debt	605,416	576,430	613,500	587,205	583,567
Net Debt (US\$ Mn)	10,074	9,313	9,773	9,836	10,729
Capital Employed = Equity attributable to equity holders of parent + Net Debt	1,202,976	1,169,027	1,201,256	1,162,513	1,086,784
	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	Jun 30, 2013	Mar 31, 2013
Return on Equity attributable to equity holders of parent (LTM)	4.8%	4.2%	3.7%	4.3%	4.5%
Return on Capital Employed (LTM)	6.5%	6.4%	6.3%	6.0%	5.6%
Net Debt to EBITDA (LTM) - US\$	2.20	2.06	2.20	2.22	2.51
Net Debt to EBITDA (Annualised) - US\$	2.13	2.04	2.25	2.10	2.40
Assets Turnover ratio (LTM)	69.0%	68.2%	67.8%	67.9%	68.0%
Interest Coverage ratio (times)	7.82	7.61	7.38	7.44	7.26
Net debt to Equity attributable to equity holders of parent (Times)	1.01	0.97	1.04	1.02	1.16
Per share data (for the period)					
Net profit/(loss) per common share (in Rs)	2.41	1.53	1.28	1.80	1.34
Net profit/(loss) per diluted share (in Rs)	2.41	1.53	1.28	1.80	1.34
Book Value Per Equity Share (in Rs)	149.5	148.2	147.0	143.9	132.5
Market Capitalization (Rs Bn)	1,275	1,321	1,272	1,165	1,108
Enterprise Value (Rs Bn)	1,880	1,897	1,886	1,752	1,692

8.4 Operational Performance – India

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013	Mar 31, 2013
Total Customers Base	000's	217,887	210,675	205,367	202,690	199,604
Mobile Services						
Customer Base	000's	205,519	198,513	193,457	190,948	188,220
VLR	%	96.0%	95.3%	95.1%	95.2%	95.1%
Net Additions	000's	7,006	5,057	2,508	2,728	6,298
Pre-Paid (as a % of total Customer Base)	%	95.1%	95.3%	95.4%	95.6%	95.8%
Monthly Churn	%	2.4%	2.7%	3.2%	3.2%	3.2%
Average Revenue Per User (ARPU)	Rs	196	195	192	200	193
Average Revenue Per User (ARPU)	US\$	3.2	3.1	3.1	3.6	3.6
Revenue per site per month	Rs	287,897	279,871	272,979	282,406	269,531
Revenues						
Total Revenues	Rs Mn	120,835	116,446	113,541	116,013	110,173
Mobile Services	Rs Mn	119,113	114,389	110,617	113,670	107,179
Others	Rs Mn	1,721	2,057	2,924	2,343	2,994
Voice						
Minutes on the network	Mn	264,843	255,030	251,322	258,380	253,144
Voice Average Revenue Per User (ARPU)	Rs	162	161	160	166	159
Voice Usage per customer	min	437	434	437	455	455
Voice Realization per minute	paisa	37.07	37.13	36.74	36.39	35.00
Non Voice Revenue						
% of Mobile Services	%	17.6%	17.2%	16.5%	17.3%	17.4%
Of Which						
Messaging & VAS as % of Mobile Services	%	5.6%	6.1%	6.7%	8.2%	9.1%
Data as % of Mobile Services	%	11.1%	10.3%	9.2%	7.4%	6.5%
Others as % of Mobile Services	%	0.9%	0.9%	0.6%	1.7%	1.8%
Data						
Data Customer Base	000's	58,078	54,429	50,631	46,584	43,490
Of which no. of 3G data customers	000's	10,982	9,485	8,015	6,796	6,391
As % of Customer Base	%	28.3%	27.4%	26.2%	24.4%	23.1%
Total MBs on the network	Mn MBs	46,690	38,960	33,630	27,271	23,937
Data Average Revenue Per User (ARPU)	Rs	79	75	70	63	55
Data Usage per customer	MBs	277	249	231	203	187
Data Realization per MB	paisa	28.38	30.14	30.26	30.97	29.27
Telemedia Services						
Telemedia Customers	000's	3,356	3,355	3,338	3,289	3,283
Of which no. of Broadband (DSL) customers	000's	1,462	1,455	1,439	1,406	1,390
As % of Customer Base	%	43.6%	43.4%	43.1%	42.7%	42.3%
Net Additions	000's	1	17	49	6	5
Average Revenue Per User (ARPU)	Rs	963	954	944	924	906
Average Revenue Per User (ARPU)	US\$	15.6	15.4	15.1	16.5	16.7
Non Voice Revenue as % of Telemedia Revenues	%	61.7%	60.4%	59.1%	57.8%	55.0%
Digital TV						
Digital TV Customers	000's	9,012	8,807	8,572	8,452	8,100
Net additions	000's	205	235	120	352	207
Average Revenue Per User (ARPU)	Rs	203	207	198	197	184
Average Revenue Per User (ARPU)	US\$	3.3	3.3	3.2	3.5	3.4
Monthly Churn	%	0.9%	0.8%	1.0%	0.6%	1.1%

8.5 Traffic Trends – India

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013	Mar 31, 2013
Mobile Services	Mn Min	264,843	255,030	251,322	258,380	253,144
Telemedia Services	Mn Min	4,122	4,075	4,209	4,137	3,988
National Long Distance Services	Mn Min	28,583	27,310	25,045	23,795	24,533
International Long Distance Services	Mn Min	4,103	3,606	3,406	2,880	3,794
Total Minutes on Network (Gross)	Mn Min	301,651	290,020	283,983	289,192	285,460
Eliminations	Mn Min	(28,866)	(27,516)	(24,631)	(24,129)	(24,855)
Total Minutes on Network (Net)	Mn Min	272,786	262,505	259,352	265,063	260,604

8.6 Network and Coverage Trends - India

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013	Mar 31, 2013
Mobile Services						
Census Towns	Nos	5,121	5,121	5,121	5,121	5,121
Non-Census Towns & Villages	Nos	460,783	460,655	460,550	460,682	460,361
Population Coverage	%	86.7%	86.7%	86.7%	86.7%	86.7%
Optic Fibre Network	R Kms	184,211	178,884	175,405	173,217	171,610
Sites on Network	Nos	138,755	137,069	135,412	134,736	133,778
<i>Of which no. of 3G sites</i>	Nos	31,301	28,179	26,616	25,604	24,573
Telemedia Services						
Cities covered	Nos	87	87	87	87	87
Airtel Business						
Submarine cable systems	Nos	7	7	7	7	7
Digital TV Services						
Districts Covered	Nos	639	639	639	639	639
Coverage	%	100%	100%	100%	100%	100%

8.7 Tower Infrastructure Services

8.7.1 Bharti Infratel Standalone

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013	Mar 31, 2013
Total Towers	Nos	35,905	35,515	35,376	35,288	35,119
Total Co-locations	Nos	69,137	66,871	65,391	64,345	63,573
Key Indicators						
Sharing Revenue per sharing operator per month	Rs	37,591	36,955	38,819	37,537	37,467
Average Sharing Factor	Times	1.90	1.87	1.84	1.82	1.81

Additional Information

8.7.2 Indus Towers

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013	Mar 31, 2013
Total Towers	Nos	113,008	112,615	112,144	111,983	111,819
Total Co-locations	Nos	233,488	229,760	225,252	223,078	221,511
Average Sharing Factor	Times	2.05	2.02	2.00	1.99	1.99

8.7.3 Bharti Infratel Consolidated

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013	Mar 31, 2013
Total Towers	Nos	83,368	82,813	82,476	82,321	82,083
Total Co-locations	Nos	167,202	163,370	159,997	158,038	156,608
Average Sharing Factor	Times	1.99	1.96	1.93	1.91	1.91

8.8 Human Resource Analysis - India

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013	Mar 31, 2013
Total Employees ¹⁴	Nos	18,975	19,014	19,502	20,031	20,039
Number of Customers per employee	Nos	11,483	11,080	10,531	10,119	9,961
Personnel Cost per employee per month	Rs	92,747	96,925	93,888	92,985	87,627
Gross Revenue per employee per month	Rs	2,619,305	2,531,999	2,406,470	2,350,238	2,221,941

Refer Note 14 on page 16.

8.9 Africa

8.9.1 Operational Performance

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013	Mar 31, 2013
Customer Base	000's	69,443	68,307	66,378	64,203	63,718
VLR	%	86.9%	86.5%	86.8%	86.7%	85.9%
Net Additions	000's	1,136	1,929	2,175	485	2,031
Pre-Paid (as % of total Customer Base)	%	99.3%	99.3%	99.3%	99.3%	99.3%
Monthly Churn	%	6.1%	6.7%	6.6%	6.7%	5.5%
Average Revenue Per User (ARPU)	US\$	5.52	5.8	5.7	5.5	5.9
Revenue per site per month	US\$	21,406	21,993	21,247	20,438	21,784
Voice						
Minutes on the network	Mn	28,155	28,270	27,848	25,971	23,360
Voice Average Revenue Per User (ARPU)	US\$	4.4	4.7	4.7	4.5	4.9
Voice Usage per customer	min	136	141	143	134	123
Voice Realization per minute	US¢	3.23	3.31	3.30	3.38	3.95
Non Voice Revenue						
% of Mobile revenues	%	20.5%	19.6%	17.9%	17.4%	17.7%
Of Which						
Messaging & VAS as % of Mobile revenues	%	9.7%	9.3%	8.8%	8.7%	8.6%
Data as % of Mobile revenues	%	7.7%	7.4%	6.6%	5.4%	4.4%
Others as % of Mobile revenues	%	3.1%	3.0%	2.5%	3.3%	4.7%
Data						
Data Customer Base	000's	22,305	19,634	17,535	15,544	14,535
As % of Customer Base	%	32.1%	28.7%	26.4%	24.2%	22.8%
Total MBs on the network	Mn MBs	6,114	5,383	4,215	3,140	3,003
Data Average Revenue Per User (ARPU)	US\$	1.4	1.6	1.5	1.2823	1.2
Data Usage per customer	MBs	96.4	98.6	84.7	70.2	73.4
Data Realization per MB	US¢	1.44	1.59	1.74	1.81	1.64

8.9.2 Operational Performance (in constant currency)

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013	Mar 31, 2013
Average Revenue Per User (ARPU)	US\$	5.522	5.8	5.7	5.4	5.9
Voice Average Revenue Per User (ARPU)	US\$	4.4	4.6	4.7	4.5	4.8
Voice Realization per minute	US¢	3.23	3.28	3.27	3.36	3.91

8.9.3 Network and Coverage Trends

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013	Mar 31, 2013
Sites on Network	Nos	17,792	17,565	17,444	17,345	16,653
Of which no. of 3G sites	Nos	6,923	6,675	6,237	6,201	5,676

8.9.4 Human Resource Analysis

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013	Mar 31, 2013
Total Employees	Nos	5,127	4,917	5,022	5,274	4,932
Number of Customers per employee	Nos	13,545	13,892	13,218	12,174	12,919
Personnel Cost per employee per month	US\$	6,344	6,499	6,984	5,982	6,373
Gross Revenue per employee per month	US\$	74,414	78,979	74,271	67,129	75,728

8.10 South Asia

8.10.1 Operational Performance

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013	Mar 31, 2013
Customer Base	000's	8,618	8,426	8,342	8,025	7,906
VLR	%	84.5%	84.5%	82.9%	82.8%	83.9%
Net Additions	000's	192	84	317	119	413
Pre-Paid (as % of total Customer Base)	%	97.2%	97.2%	97.3%	97.5%	97.4%
Monthly Churn	%	5.1%	5.5%	6.0%	4.7%	3.8%
Average Revenue Per User (ARPU)	US\$	2.8	2.9	3.0	2.9	2.8
Revenue per site per month	US\$	3,555	3,603	3,665	3,585	3,384
Voice						
Minutes on the network	Mn	10,345	10,518	10,673	10,472	9,860
Voice Average Revenue Per User (ARPU)	US\$	2.3	2.4	2.5	2.5	2.4
Voice Usage per customer	min	402	417	436	439	427
Voice Realization per minute	US¢	0.58	0.57	0.58	0.58	0.56
Non Voice Revenue						
% of Mobile revenues	%	17.7%	16.3%	14.8%	13.4%	14.1%
Of Which						
Messaging & VAS as % of Mobile revenues	%	7.5%	7.3%	7.2%	6.5%	7.0%
Data as % of Mobile revenues	%	6.8%	6.6%	5.4%	5.1%	5.1%
Others as % of Mobile revenues	%	3.4%	2.4%	2.2%	1.8%	2.0%
Data						
Data Customer Base	000's	3,079	2,773	2,376	2,236	2,234
As % of Customer Base	%	35.7%	32.9%	28.5%	27.9%	28.3%
Total MBs on the network	Mn MBs	1,832	1,497	1,278	1,049	1,059
Data Average Revenue Per User (ARPU)	US\$	0.6	0.6	0.6	0.5	0.5
Data Usage per customer	MBs	208.9	198.5	183.8	157.8	171.6
Data Realization per MB	US¢	0.27	0.32	0.31	0.34	0.30

8.10.2 Operational Performance (in constant currency)

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013	Mar 31, 2013
Average Revenue Per User (ARPU)	US\$	2.8	2.8	3.0	3.0	2.8
Voice Average Revenue Per User (ARPU)	US\$	2.3	2.4	2.5	2.6	2.4
Voice Realization per minute	US¢	0.58	0.57	0.58	0.58	0.56

8.10.3 Network and Coverage Trends

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013	Mar 31, 2013
Sites on Network	Nos	6,814	6,633	6,583	6,532	6,474
Of which no. of 3G sites	Nos	1,986	1,684	684	684	673

8.10.4 Human Resource Analysis

Parameters	Unit	Mar 31, 2014	Dec 31, 2013	Sep 30, 2013	June 30, 2013	Mar 31, 2013
Total Employees	Nos	791	794	764	737	739
Number of Customers per employee	Nos	10,895	10,612	10,919	10,888	10,698
Personnel Cost per employee per month	US\$	2,768	2,605	2,558	2,232	2,369
Gross Revenue per employee per month	US\$	30,650	30,210	31,505	31,653	28,778

Section 9

KEY ACCOUNTING POLICIES AS PER IFRS

1. Investment in Joint Ventures and Associated

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

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

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

2. Property and equipment

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

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

Assets	Years
Building	20
Network Equipment	3-20
Computer equipment	3
Office, furniture and equipment	2 – 5
Vehicles	3 – 5
Leasehold improvements	Remaining period

	of the lease or 10/20 years, as applicable, whichever is less
Assets individually costing Rs. 5 thousand or less	1
Customer premises equipment	5 – 6

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

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

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

3. Goodwill

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

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

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

Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than their carrying amount an impairment loss is recognized. Impairment losses relating to goodwill are not reversed in future periods.

4. Foreign currency transactions

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

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

5. Capital leases

Lessee accounting

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

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

Lessor accounting

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

6. Indefeasible right to use (IRU)

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

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

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

7. Impairment of long – lived assets and intangible assets

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

8. Revenue recognition

(i) Service revenues

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

Service revenues are recognized as the services are rendered and are stated net of discounts, waivers and taxes.

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

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

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

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

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

(ii) Equipment sales

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

(iii) Multiple element arrangements

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

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

9. License fees

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

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

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

10. Other intangible assets

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

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

11. Income-taxes

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

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

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

12. Borrowing costs

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

13. Derivative financial instruments

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

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

14. Asset Retirement Obligations

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

15. Allowance for uncollectible accounts receivable

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

16. Issuance of Stock by Subsidiaries

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

Section 10

GLOSSARY

Technical and Industry Terms

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

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

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

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

Regulatory

BWA	Broadband Wireless Access
3G	Third - Generation Technology
4G	Fourth - Generation Technology
UCC	Unsolicited Commercial Calls
DoT	Department of Telecommunications
IP	Internet Protocol
ITFS	International Toll Free Service
QoS	Quality of Service
TDSAT	Telecom Disputes Settlement and Appellate Tribunal
TRAI	Telecom Regulatory Authority of India
UAS	Unified Access Service
UASL	Unified Access Service License
USSD	Unstructured Supplementary Services Data
VSAT	Very Small Aperture Terminals
VLR	Visitor Location Register

Others

BSE	The Stock Exchange, Mumbai
CMAI	Communication Multimedia & Infrastructure
RBI	Reserve Bank of India
GSM	Global System for Mobile Communications.
CDMA	Code Division Multiple Access
DSL	Digital Subscriber Line
ICT	Information and Communication Technology
GAAP	Generally Accepted Accounting Principles
KYC	Know Your Customer
MMS	Multimedia Messaging Service
MTM	Mark to Market
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
NSE	The National Stock Exchange of India Limited.
Sensex	Sensex is a stock index introduced by The Stock Exchange, Mumbai in 1986.
SMS	Short Messaging Service.
BYOD	Bring Your Own Device
STB/CPE	Set Top Box/Customer Premises Equipment
DAS	Digital Addressable System

SIM	Subscriber Identity Module
VAT	Value Added Tax
IPLC	International Private Leased Circuit

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